Chapter 2

Combined Management Report

General Group Information

Group Structure

Legal and organizational structure

Jenoptik is an international technology group. It comprises JENOPTIK Aktiengesellschaft, (hereinafter JENOPTIK AG) a stock corporation under German law based in Jena, as the parent company and its subsidiaries.

As the corporate center and strategic holding company of the Group, JENOPTIK AG performs top-level functions including strategic corporate development, key tasks in corporate development, mergers and acquisitions, innovation, corporate real estate management, finance (controlling, accounting, treasury), taxes, internal audit, investor relations and sustainability, communications and marketing, human resources, legal and IP, and compliance and risk management. It further pools the central functions of IT and data security, purchasing, safety, quality, occupational health and safety, and environmental protection.

The divisions were responsible for the Group's operating business in 2024 and largely focused on the photonics growth markets.

G05 Organizational structure of the Jenoptik Group in the fiscal year 2024

Advanced Photonic Solutions (B2B business)	Smart Mobility Solutions (B2G business)	Non-Photonic Portfolio Companies
Semiconductor & Electronics, including Laser Material Processing	Smart Mobility	Prodomax
Life Science & Medical Technology		HOMMEL ETAMIC

The Jenoptik Group has consolidated its core photonics business in two divisions, Advanced Photonic Solutions (industrial customer business, B2B) and Smart Mobility Solutions (business with public sector contractors, B2G). Non-photonic activities, particularly for the automotive market, were operated as independent brands (HOMMEL ETAMIC and Prodomax) within the Non-Photonic Portfolio Companies.

The two photonics divisions and the Non-Photonic Portfolio Companies represent the segments as defined in IFRS 8.

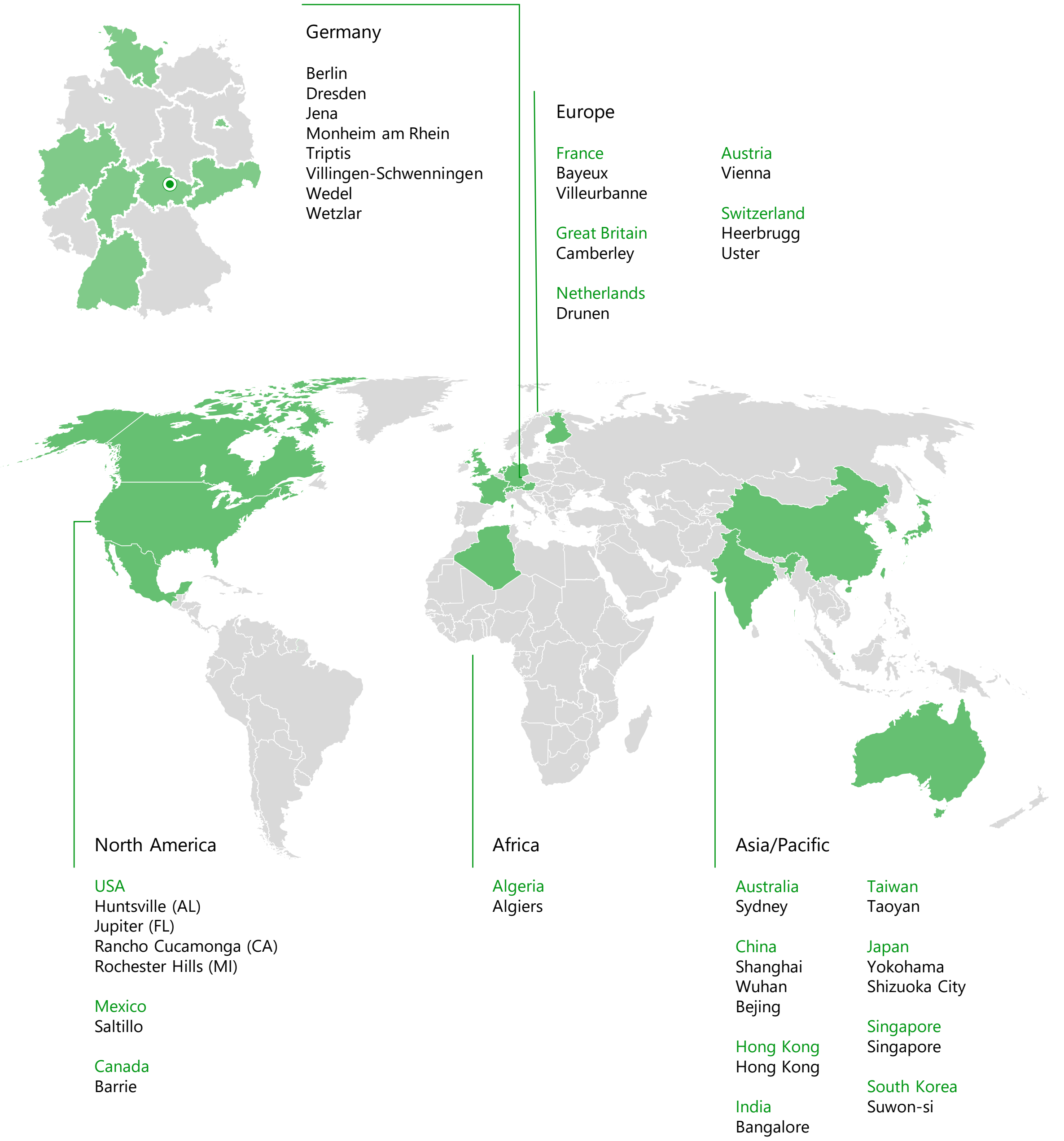
Since January 1, 2025, Jenoptik has been operating under a new structure. Further details can be found in the chapter "Targets and Strategies" and the Forecast Report.

Key locations

Jenoptik is represented in numerous countries worldwide, with a direct presence in 18 of them, e.g., through its own companies, investments, or branches. The majority of the Group's products are manufactured in Germany, Switzerland, the US, and China. The Group's Jena headquarters is primarily home to the work carried out in the Advanced Photonic Solutions division. An overview of Jenoptik's locations can be found in graphic G06.

> Further information can be found in the list of shareholdings of the Jenoptik Group

G06 Selected locations of the Jenoptik Group



Last updated: December 2024

Business Model and Markets

Jenoptik is a globally operating technology group that provides the majority of its products and services for the photonics market. Its key markets primarily include semiconductor & electronics, life science & medical technology, and smart mobility.

Photonics covers the basics and areas of use of optical methods and technologies that address the generation, transmission, shaping, and measurement of light. Controllable light sources such as LEDs and lasers, together with suitable optical devices and sensors, make it possible to transmit data, analyze materials, create micro-optical components, and perform non-contact precision measurements. Photonics is also critical to efficient data exchange. In the process, it uses the special physical properties of light quanta (photons) in place of electrons or also combines optics and electronics. Light-based solutions enable, for example, resource-saving production processes, material savings, and reduced energy consumption, thus contributing to the global reduction of greenhouse gas emissions.

As a supplier of innovative capital goods for the photonics markets, Jenoptik is primarily a technology partner to industrial companies, and the Group is increasingly focusing on key customers. Around 48 percent of revenue in 2024 was generated with its seven largest customers (prior year: approx. 43 percent). Its range of products comprises OEM or standard components, modules and subsystems, through to complex systems and production lines. The range also includes total solutions and full-service operator models. Alongside industry, customers in the Smart Mobility Solutions division include public sector contractors.

Jenoptik attaches great importance to research and development. Technology-intensive products and systems are often created in close collaboration with customers. Lasting and successful arrangements with key customers are therefore an important factor of Jenoptik's success. This demands a spirit of mutual trust together with knowledge of our partners' requirements, and is reflected, for example, in the costs for developments on behalf of customers in the fiscal year 2024.

> For examples of innovative products see the "Research and Development" chapter

Jenoptik's product range competes with a wide range of internationally operating companies predominantly specializing in only one or a few of the product areas and markets addressed by Jenoptik. The various services are only comparable to a limited extent and therefore make it difficult to estimate market shares.

The Jenoptik Divisions in the Fiscal Year 2024

Advanced Photonic Solutions

The Advanced Photonic Solutions division is a global supplier of solutions and systems based on photonic technologies. In this respect, Jenoptik has an extensive range of such technologies at its disposal, especially in the fields of optics, micro-optics, digital imaging, optoelectronics, sensor technology, optical testing and measurement systems, and laser technology. The core markets in which the division supplies specific market segments are the semiconductor equipment, life science & medical technology, information and communication technology, electronics, automotive, and the security technology industries.

The division's business model is often based on long-standing, close relationships with key customers. As a development and production partner, the division uses its expertise in key technologies to solve complex technological challenges for its customers. Its systems, modules, and components help customers meet their challenges with the help of photonic technologies.

The division's competitive environment is in part heavily fragmented, with a limited number of larger suppliers. For some products, the division is the sole supplier. Competitors include MKS, Excelitas/Qioptiq, Meopta, IDEX, Coherent, Lumentum, Novanta, Corning, Focuslight, OptoAlignment Technologies, Optikos, Gooch & Housego, Ametek, and Prima Industrie.

In the Semiconductor & Advanced Manufacturing business unit, Advanced Photonic Solutions primarily develops and produces optical and micro-optical systems as well as precision components to the highest quality standards. This includes – primarily as customized solutions – complete modules, all the way to special optical components and customer-specific solutions for wavelengths from the far infrared (FIR) to the extreme ultraviolet (EUV) region. These complex products are primarily used in the semiconductor equipment industry, particularly in wafer lithography, mask and wafer inspection, and in the semiconductor backend segment, supporting new chip packaging technologies. The division collaborates with leading international manufacturers in the semiconductor equipment industry, such as ASML. Its development and production sites in Germany, Switzerland, and the US work closely together, drawing on their complementary capabilities to offer optimal solutions and ensure strong integration into customers' global operations.

With its innovative, in part highly integrated or combined micro-optical and optical solutions, Jenoptik is also driving further growth in the digitization space, for applications in information and communication technology (components for transceiver modules or free-space optical communication), in the market for laser material processing (such as laser lenses, optical gratings, beam expanders, and beam shaping modules for display and smartphone manufacturing), and in metrology (including components for geodetic instruments).

In the field of biophotonics, the division is an OEM partner, enabling the development and production of photonic solutions for life sciences and medical technology. The business model encompasses the entire process from concept and development to mass production and service. The expertise in developing photonic technologies is complemented by proficiency in the manufacturing and assembly of systems. For life sciences, the product range includes light sources and imaging systems for diagnostic and analytical applications. In medical technology, the division develops and produces laser-based modules, camera systems, and light sources for diagnostic and therapeutic applications in fields like ophthalmology, dermatology, aesthetics, dentistry, and minimally invasive or robot-assisted surgery.

Biophotonics' customers include renowned international life science and medical technology companies, with whom the division collaborates closely throughout the entire product lifecycle. This includes, in particular, original equipment manufacturers in ophthalmology and dentistry, as well as diagnostic providers and companies specializing in DNA sequencing. In addition, Advanced Photonic Solutions supplies high-power optoelectronic components and modules as well as integrated solutions that combine optics, laser technology, sensors, and digital imaging as required, e.g., infrared and thermography camera systems, polymer and infrared optics, and laser rangefinders. The focus here is on applications in the fields of industrial automation, security and defense, and laser material processing.

In the field of Optical Test & Measurement, the division supplies an extensive range of optical measurement, testing, and production technology for development, quality assurance, and production worldwide. Its expertise ranges from testing individual optical components to the assembly and testing of complex camera systems. These systems help to accelerate and improve the development, quality control, and production of lenses, objectives, and camera modules. Customers include smartphone and camera manufacturers, and their suppliers. We are also targeting other markets, such as those for new virtual and augmented reality applications in the industrial and consumer segments, the optical industry, and the automotive industry. Products and services are marketed worldwide through a network of subsidiaries and sales partners, with local service centers available in key markets. The Optical Test & Measurement unit also includes optical inspection systems for product quality control and process optimization.

The product portfolio in the Advanced Photonic Solutions division also includes laser machines (e.g., for laser airbag weakening) that are integrated into customers' production lines, particularly in the automotive industry, as part of process optimization and automation. These machines enable the high-speed and precise processing of non-metallic materials such as plastics or leather with efficiency and accuracy.

Smart Mobility Solutions

The Smart Mobility Solutions division operates in the smart mobility market, and primarily addresses the fields of traffic monitoring (traffic law enforcement/road safety) and civil security.

For customers in the public sector (local and central government, police and regulatory agencies), the division develops, produces, and distributes photonics-based components, systems, and services, which are used to monitor compliance with road traffic regulations and thus make roads and cities safer worldwide.

With its range of sensor-based traffic cameras and automatic license plate recognition (ANPR/ALPR), the division focuses on technologies for traffic monitoring. The solutions offered cover a wide range of stationary and mobile applications, which also make use of video analytics and artificial intelligence. Examples include vehicle monitoring and classification, speed and red light monitoring, illegal turning maneuvers, average speed determination, distracted driving detection, and civil security.

Tailored to regional requirements, the division offers various models, ranging from system delivery to enabling services, as well as managed services and traffic service provision, a combination of equipment business and services (operator model). Here, Jenoptik covers the entire supporting process chain – from system development, construction, installation, and maintenance of the monitoring structure, capturing images of traffic violations and their automated back-office processing, and debt collection – enabling recurring revenues.

Smart Mobility Solutions has a strong local presence in Germany, Great Britain, the Netherlands, Switzerland, Austria, North America, and Australia, and continues to expand its sales activities, particularly in the US.

In addition to international companies such as Verra Mobilty, Sensys Gatso, Idemia, and Vitronic, Smart Mobility Solutions also competes with a large number of locally operating companies.

Traffic safety systems in Germany are tested and certified by the Physikalisch-Technische Bundesanstalt (PTB) in Braunschweig, thereby obtaining proof of their measuring accuracy. Foreign installations are subject to controls by national institutes, although various countries also partially or fully recognize the German PTB test certificate or licenses from other leading European licensing authorities.

Non-Photonic Portfolio Companies

With many years of experience and expertise in industrial metrology and highly flexible robot-based automation, Jenoptik's Non-Photonic Portfolio Companies develop manufacturing solutions for customers in the automotive, aerospace, and other manufacturing industries. With its products, automation solutions, and services for industrial customers, Jenoptik is thus primarily addressing the trend toward greater flexibility and efficiency in production processes, particularly in the automotive industry.

Prodomax plans and builds automated production lines, integrating them into customers' manufacturing environments. Solutions, products, and services related to process engineering and implementation include plant layouts, simulation, machine control and software design, robot handling systems, and transport devices.

The HOMMEL ETAMIC metrology portfolio includes high-precision metrology with a resolution in the nanometer range for tactile, pneumatic, and optical inspection of roughness, contour, shape, and the determination of dimensions at every stage of the production process and in the inspection room.

The Non-Photonic Portfolio Companies are active in the centers of the global automotive and automotive supplier industry in Europe, North America, and Asia and, in addition to Germany, also have development and production facilities in the US, Canada, and France. There are also numerous sales and service offices located on three continents. Companies such as Marposs, Mahr, ViciVision, Hexagon, Tokyo Seimitsu, Faro Technologies, and Renishaw compete with Jenoptik's metrology business and companies such as Centerline Automation, Serra Lincoln Electric, Rockwell Automation, Dürr, and Kuka with its automation business.

The information provided in this chapter also deals with the disclosures pursuant to ESRS-2, SBM-1 para. 40a.

Detailed information on the course of business in the divisions can be found in the Segment Report; see the Forecast Report for information on the development of the divisions

Information on our extensive product range can be found at www.jenoptik.com/products

Targets and Strategies

Strategic orientation of the Group

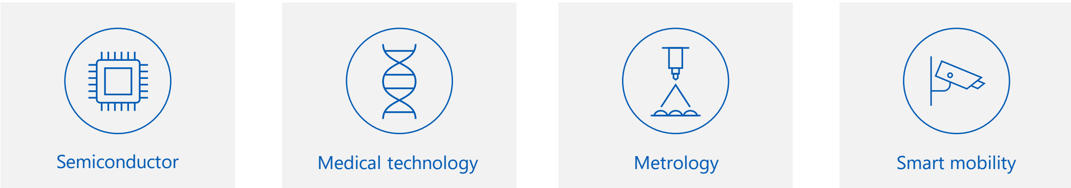
As already described in the chapter "Business model and markets," Jenoptik's range of services is predominantly based on optical/photonic product solutions. High-precision, flexible photonics products, methods, and processes will continue to play a growing role in industrial value creation as so-called "enabler" technologies, contributing to greater sustainability.

Further information on the development of the photonics market can be found in the "Macro-economic and Sectoral Developments" chapter

Agenda 2025 "More Value" – transformation into a photonics group

We have largely completed the transformation of Jenoptik into a globally positioned photonics company and have created strong growth platforms in our core photonics growth areas of semiconductor, medical technology, metrology, and smart mobility.

G07 Areas of growth



For us, growth areas are markets that are not only growing at an above-average rate (faster than the gross domestic product) in the medium term, but also offer Jenoptik an opportunity for technological differentiation in the field of optics and photonics. With our range of services, we help our customers to solve complex challenges, thereby improving the performance of their products. The main priorities for further development are organic growth, operational excellence, innovation, and customer focus.

As an enabler, the company can create significant added value ("more value") for all stakeholders – e.g., customers, employees, and shareholders – with its photonic solutions and aims to achieve above-average growth and a continuous increase in profitability. For us, entrepreneurial activity is closely linked to our commitment to the environment and society.

Information on the group structure can be found in the "Business Model and Markets" chapter

Organic growth/expansion of revenue with key customers

In the coming years, we want to generate significant organic growth through our expertise in photonic technologies. This is also reflected in the way we want to invest our capital in the future. The focus is on investing in our organic growth, e.g., in the expansion of production capacities or in research and development. In addition, we want our shareholders to continue to participate appropriately in the company's future success. Despite the clear focus on organic growth, we are not ruling out smaller acquisitions (bolt-on acquisitions).

Jenoptik profits in particular from the global trends in digitization, health, mobility, and sustainability, and is increasingly establishing itself as a strategic systems partner for international customers, with whom it cooperates to design forward-looking solutions.

We are focusing in particular on our key customers. By strengthening the core businesses, both organically and through acquisitions, the share of revenue with key, long-standing partners has increased significantly in recent years. This share of revenue (share of wallet) is also to be further expanded in the future. We see this resulting increase in customer concentration as a strength, as joint development plans and projects mean that we are deeply rooted in our customers' products.

The planned profitable growth will also be supported by efficiency measures, the realization of economies of scale, and increasingly also by the further expansion of the service business, particularly in Smart Mobility Solutions.

Innovation

As an innovative high-tech company, it will remain crucial for Jenoptik to identify customer needs and trends at an early stage and to align strategic measures and business activities with them accordingly. That is why we remain focused on research and development – both in our own innovative products and for joint developments with our customers. This enables us to achieve and expand competitive advantages that determine our performance and thus our economic success.

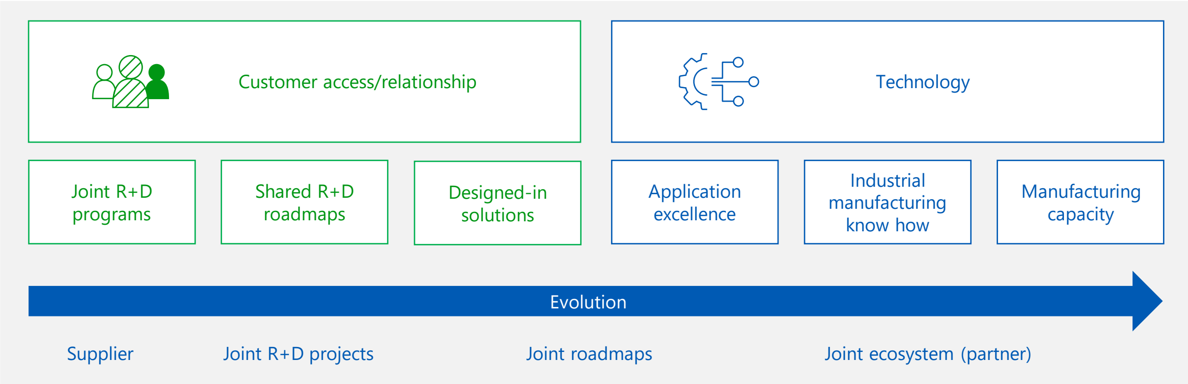
As a system partner, Jenoptik works with customers on new solutions. They often involve us at a very early stage of the development process, enabling us to strengthen our relationships and steadily boost value creation. At the same time, we also want to drive our own innovation forward independently of customer-related orders.

We will continue to invest in future applications. We also want to further expand our software expertise and our knowledge in the field of artificial intelligence.

Over the medium and long term, we also deal with market segments and applications that are currently still relatively small, but where we see (1) enormous potential for market growth and (2) major impact from high-performance optical technologies. One such area is quantum technology.

Further information can be found in the "Research and Development" chapter

G08 Our value proposition



Internationalization

Local value creation, particularly in the Americas and Asia/Pacific regions, should help to better address local customer needs, providing support through regional service.

The acquisitions of prior years have enabled us to further expand our global presence in strategically important markets with attractive locations and to significantly extend our global production network including modern clean room capacities. This will enable Jenoptik to better manage capacity utilization at the individual sites in the future, thereby realizing additional growth potential.

Jenoptik is also investing in the development of new and the expansion of existing sales and service structures, e.g., in the traffic safety business in the US. Across our various regions, we rely on both our own direct sales channels and on dealer structures.

Employees – our most important resource

In order to achieve sustainable profitable growth, we must attract highly qualified and committed employees, ensuring their long-term retention in the company. Jenoptik utilizes targeted employer branding to position itself as an attractive employer. Personnel development measures, an interdisciplinary and intercultural work environment, and an open and dialog-oriented corporate culture help to strengthen employees' loyalty to the company. The basis for this are our values – open, driving, confident – that help Jenoptik and its employees to grow even closer together across different cultural and legal systems, and are an important building block in the realization of our strategic goals. As we are convinced that more diversity in the company and an open working atmosphere lead to greater innovation and creativity at Jenoptik as an international group, we have set ourselves diversity targets and defined measures to implement them.

We want to continue our cultural change and the development of the corporate culture in the years to come. In the future, we will continue to focus on growing together even more as a company and placing the needs of our customers even more firmly at the center of our activities.

Further information on employees and the corporate culture can be found in the Sustainability Statement

Sustainability is part of our corporate strategy

For us, our corporate activities are not only aimed at achieving economic goals but also are an obligation to the environment and society. Consequently, the subject of sustainability is firmly anchored in the entire Jenoptik organization. As an enabler, we want to use our innovative products and solutions to make an important contribution to overcoming social and climate challenges, and to enable our customers worldwide to contribute more efficiently and sustainably to greater resource conservation and climate protection.

Further information on sustainability, measures, and targets can be found in the Sustainability Statement

Key measures for strategy implementation

We aim to achieve the envisaged business expansion primarily by means of the following measures:

- Continuation of the successful "Grow Share of Wallet" strategy (further increase share of revenue with key customers), for instance through increased customer focus
- Realization of opportunities for growth in new application areas and regions
- Expansion of R+D capacities
- Development of innovative technologies
- Further improvement of operating excellence and efficiency
- Utilization of the expanded capacities

The further expansion of profitability, i.e., the EBITDA margin, is to be achieved primarily through an improved product mix in addition to expected economies of scale.

Financial targets 2026

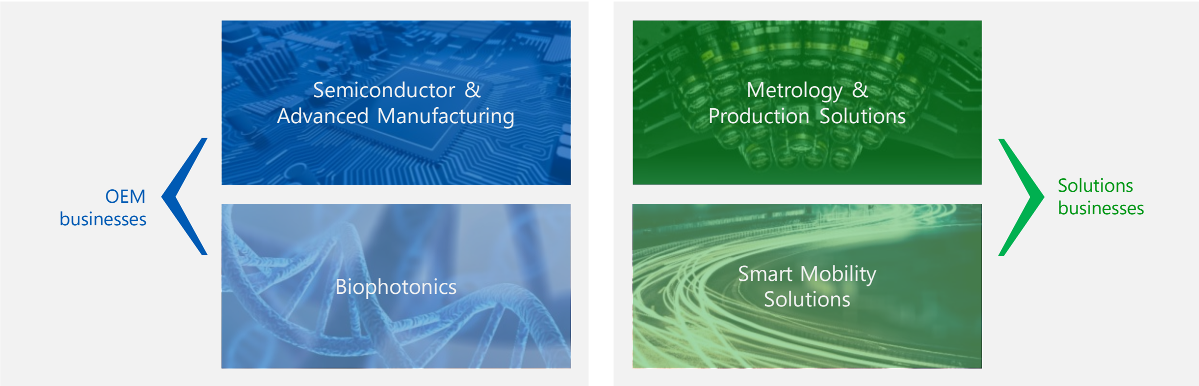
In November 2024, Jenoptik deferred the financial targets originally set for 2025 by one year, due in particular to the expected delay in the recovery in the semiconductor equipment industry. We are now aiming to increase revenue to around 1.2 billion euros and achieve an EBITDA margin of 21 to 22 percent in the fiscal year 2026.

We have also set ourselves the target that the return on our capital employed (ROCE) exceeds the WACC, i.e., our cost of capital, by 2026.

New structure as of January 1, 2025

We have dissolved the previous matrix organization to a large extent, verticalized the businesses and, as of January 1, 2025, have organized the Group into four new Strategic Business Units (SBUs). This leaner organizational structure is aimed at positioning Jenoptik for long-term success and, among other things, improving our customer focus. Responsibilities can be assigned more clearly, allowing decision-making processes to be streamlined and resources to be deployed in a more targeted manner, thereby improving the Group's innovative strength and ability to respond more effectively to market requirements. External reporting will be adapted to the new organizational structure and should contribute to greater transparency.

G09 Organizational structure since January 1, 2025



Future strategic orientation of the operating business

In our operating business, we use our expertise in photonics as a key technology and are seeking to further support our customers in improving their products and sustainability.

We are continuing to consistently focus our optical and micro-optical systems in the Semiconductor & Advanced Manufacturing strategic business unit (SBU) on the "digitization" megatrend, which according to market assessments, e.g. by ResearchandMarkets, will continue to develop sustainably and intensify. In addition, we believe that Jenoptik can benefit from the trend that both the US (US Chips and Science Act) and Europe (European Chips Act) are endeavoring to strengthen semiconductor production in these regions, which is currently located primarily in Asia. In order to meet the expected further increased demand for chips, and therefore also for the equipment required to manufacture them, Jenoptik is making targeted investments, for example in a new highly functional clean room factory in Dresden, which will begin production in early 2025. For our future growth, we are relying primarily on the expansion of our partnerships with key customers, who are usually leading international manufacturers in the semiconductor equipment industry, and with whom we have close, long-standing customer relationships. A key success factor here is a close development partnership. Together with our customers we develop customized photonic solutions as part of highly complex production systems. We also want to continue to grow with our customers in the future, increase the share of revenue with key customers (share of wallet), and position ourselves even more strongly as their strategic partner and OEM supplier.

On the basis of our optical and micro-optical solutions, we are targeting further markets in the digital world in addition to the semiconductor equipment sector, such as optical information and communications technology.

In the Biophotonics SBU, we are focusing above all on the "Health" megatrend. We want to position ourselves even more strongly as one of the leading partners for the development of photonic modules and system solutions for the medical technology and life science industries, and to increase the share of revenue with our key customers. To achieve this, we rely on our product portfolio with light sources and imaging systems for diagnostic and analytical applications in the life science sector, along with laser-based solutions and camera systems for diagnostic and therapeutic applications in ophthalmology, aesthetics, dentistry, diagnostics, and minimally invasive and robotic surgery. We will use new products and technologies to grow in these application areas, while also tapping into other growth areas. The SBU also includes various industrial applications.

The product portfolio for the Metrology & Production Solutions SBU addresses various applications for quality inspection and production solutions for the optical, electronics, and automotive industries. Here, we can rely on what we believe to be good positioning in terms of the measuring accuracy of our systems and our many years of experience in testing and measurement in large-volume production. We see important potential here, for example, in the growing markets for new virtual and augmented reality applications in the industrial and consumer segments and in advanced driver-assistance systems (ADAS). In the automotive market, measurement technology, which to date has focused strongly on the combustion engine, will in future be used to address applications in related fields. We also want to better utilize the existing measurement technology capacities within the Group.

In the Smart Mobility Solutions SBU we are pursuing two further future trends with the focus on mobility and public safety. Broadening the offering to include more services should contribute to the organic growth of the SBU. We want to increase the share of recurring revenue to more than 50 percent of the SBU's revenue. In the Americas, in particular, we will continue to expand our sales and service portfolio. We also want to further develop our product portfolio to offer products with additional applications/functionalities, such as for video analysis or distracted driving. The use of artificial intelligence (AI) plays an increasingly important role in both front-end and back-end systems. Capital expenditure in these areas should help us to further improve performance and functionality in the coming years. To this end, we are strengthening our expertise and capacities for software development, particularly in the development area. We are also continuing to invest in digital business models such as software as a service in order to drive digitization forward.

Further information on the segments can be found in the Segment Report and the "Business Model and Markets" chapter

Control System

The company control system is geared toward the long-term corporate strategy and the Group's short to medium-term objectives. The Executive Board is responsible for overall planning, thereby realizing the defined targets within the framework of strategic corporate development.

With the support of the Executive Management Committee (EMC), the Executive Board managed the development of the business units in 2024 based on the defined corporate strategy. It monitors the implementation of defined measures at quarterly business reviews. At annual strategy meetings growth paths are defined on the basis of global trends, opportunities and risks are evaluated, portfolio decisions are made, and the focuses of in-house research and development are determined using technology roadmaps. Strategy and planning meetings provide a planning basis for the following year and in the medium-term group planning, which follows a five-year timeframe. This process is guided by the market-driven strategic planning of the key indicators that uses a bottom-up/top-down approach. Planning is updated in several forecast cycles over the course of a fiscal year. Alongside quarterly forecasts, a rolling three-month forecast for revenue and order intake which is updated every month and used to manage the company's development.

For operational management purposes, the monthly results of the Group and the divisions are discussed at the EMC meetings. At these meetings, the Executive Board was informed about the economic situation, the development of customer relationships, the competitive landscape, and any special business events. The reports employ standardized reporting methods and ad hoc analyses largely involving performance indicators, information parameters, and qualitative assessments. The internal reports for the monthly Executive Board meetings provide aggregated financial and non-financial information for the divisions and the Corporate Center, which is essential to managing the Group on a global level, allocating resources in a targeted manner, and passing resolutions on the Executive Board.

In 2024, the indicator system used in internal reports and to manage the business units comprises the "key performance indicators" (high-priority performance indicators). It also covers other financial and non-financial information parameters. All the indicators focus on shareholder value, the interests of our stakeholders, the requirements of the capital market, and the corporate strategy. The key indicators are shown in graphic G10.

Information parameters such as order backlog, number of employees, or non-financial indicators are used for management purposes at business unit level. The most important non-financial information parameters (sustainability indicators) are also taken into account in Executive Board remuneration and group financing.

For more information on the non-financial information variables, see the Non-Financial Statement

G10 Performance indicators for corporate management

	Financial indicators		Non-financial indicators	
Key performance indicators	Growth	Revenue, order intake, capital expenditure		
	Liquidity	Cash conversion rate		
	Profitability	EBITDA margin		
Information parameters	Growth	Order backlog	Environment	Green electricity rate, CO_2 reduction
	Return	ROCE	Employees	Diversity rate, engagement score, training rate
	Profitability	EBIT margin	Suppliers	CSR rate (sustainable supply chain)
	Liquidity	Net debt, working capital	Innovation	Vitality index

At the beginning of the fiscal year 2025, there have been changes to the key performance indicators. Further information on this can be found in the Forecast chapter.

Explanation of the indicator base

EBITDA means EBIT before depreciation and amortization (including impairment losses and reversals). The EBITDA margin is the ratio measuring EBITDA to revenue.

The free cash flow is calculated from the cash flows from operating activities before tax payments, less capital expenditure and receipts from the sale of intangible assets and property, plant, and equipment.

The cash conversion rate is the ratio measuring free cash flow to EBITDA.

Investments include investments in intangible assets and property, plant, and equipment.

The ROCE (return on capital employed) is calculated by dividing EBIT by the average operating capital employed. The average operating capital employed comprises non-current non-interest-bearing assets (such as intangible assets including goodwill, property, plant, and equipment) plus current non-interest-bearing assets (mainly inventories, trade receivables, contract assets, and other current assets) less non-interest-bearing liabilities (such as provisions – excluding pensions and taxes –, trade payables, contract liabilities, and other current liabilities). The calculation of averages uses the twelve month-end balances in the period under review and the opening balance at the start of the year.

Research and Development

Research and development (R+D) is at the core of Jenoptik and enjoys the highest priority within the company. Our products and services give us competitive advantages, defining our performance and thus our economic success. One of our key strategic aims is therefore to further strengthen our ability to innovate in the high-growth photonics markets. We develop technologies, products, and platforms with unique selling points, protecting them where possible and appropriately by means of industrial property rights. With our products and solutions, we want not only to improve our customers' performance, competitive edge, and profitability, but also contribute to greater energy efficiency and the responsible use of resource management. In this context, Jenoptik acts primarily as an "enabler" for its customers by providing them with the necessary tools and solutions to achieve their aims.

Innovation management is an important tool used by Jenoptik to systematically identify and implement promising ideas. By networking processes, it primarily aims to transform knowledge into profitable growth by aligning market and corporate viewpoints. Our innovation management has a uniform group-wide process landscape that is adapted to the specific requirements of the respective industry within the business units. These framework conditions make it possible to drive developments forward, generating positive value contributions for the entire Group.

Innovations within the Group are largely driven by various departments. On the one hand, these are the decentralized development and product management departments of the respective divisions, which contribute their expertise. On the other hand, there is the central Innovation Management department, which functions as a service and sparring partner for these business units. They closely cooperate to create a working environment and the necessary infrastructure to facilitate innovations for our customers. The central Innovation Management department also supports the development of strategic partnerships with external institutions in order to further strengthen the Group's innovation capacity.

Innovation process

Innovation is one of Jenoptik's strategic focus areas for 2025. An efficient innovation process helps us to provide our products at the right time with the high quality required by our customers. Our innovation process begins with a strategic analysis of global trends and the needs of our customers in order to identify growth potential. On this basis, innovation projects are developed that take our core areas of expertise into account and are often conducted in close cooperation with key customers. Strategic development projects are planned in road maps and monitored against milestones to ensure that they achieve the necessary goals. This approach applies to product, technology, and process innovations. It allows innovation projects to be executed more quickly and innovative solutions to be placed on the market at an earlier stage.

Innovation culture

In order to exploit our full potential, it is important not only to create an optimal innovation landscape but also to strengthen innovation culture. Key to this are communication, networking, and knowledge transfer. To achieve this, we utilize best practice communities, the exchange of ideas in workshops, and networking during Jenoptik Innovation Days.

We further explored new fields of technology and application in the reporting year. Particular attention was paid to the emerging field of quantum technology, in which photonic components play an essential role. In the future, disruptive applications such as quantum computing, quantum communication, and quantum sensing & imaging are expected to emerge here. At this early stage, Jenoptik is already supplying photonic components to companies and the scientific community.

Innovation Management also coordinates opportunities for external research funding to support innovative projects and ideas.

Memberships in associations

Jenoptik procures additional external expertise with the help of targeted strategic cooperation arrangements. Through research cooperations, projects can be realized in a market-driven manner, development times can be reduced, and specialist expertise can be successfully built up. Jenoptik works with both universities and non-university research institutions in addition to industrial partners and key customers.

Jenoptik is also active in numerous industry and technology-oriented associations. Examples include the Optonet Photonics Network e. V. at regional level, SPECTARIS e. V. at national level, and the European Photonics Industry Consortium (EPIC) at European level. As part of active membership and involvement in various specialist groups and committees, the future aim is to interact more closely with the various networks in order to exploit the range and cooperation potential for disruptive innovations. Jenoptik is also active in the field of quantum technology and is a member of both the European Quantum Industry Consortium (QuIC) and the Quantum Economic Development Consortium (QED-C).

Employees in research and development

The experience and expertise of our employees are essential to the success of our research and development work. Our demand on their qualification levels is correspondingly high. Their knowledge is used both for specific tasks and across all divisions in corresponding development projects. In total, 697 employees worked in Research and Development in 2024 (prior year: 695 employees).

Development output

At 106.5 million euros, the R+D output including developments on behalf of customers was up on the prior year (prior year: 94.9 million euros). The reason for this is due to the increase in R+D expenses compared to the prior year, which amounted to 64.0 million euros (prior year: 60.9 million euros) due to the expansion of our R+D capacities. At 34.4 million euros, the costs for developments on behalf of customers were up on the prior year and are included in the cost of sales (prior year: 27.9 million euros). In 2024, development services including patents were capitalized in the amount of 8.2 million euros (prior year: 6.1 million euros).

Information on the amortization of internally generated intangible assets can be found in the “Intangible assets” section in the Notes

T04 R+D output (in million euros)

	2024	2023	2022	2021	2020
R+D expenses	64.0	60.9	54.6	38.9	39.4
Capitalized development services including patents	8.2	6.1	4.5	4.4	4.0
Developments on behalf of customers	34.4	27.9	28.0	20.3	13.5
R+D output	**106.5**	**94.9**	**87.1**	**63.6**	**56.9**
R+D ratio 1 (R+D output/revenue) in %	9.5	8.9	8.9	8.5	9.2
R+D ratio 2 (R+D expenses/revenue) in %	5.7	5.7	5.6	5.2	6.4

As shown in the table T05, R+D output is distributed among the divisions.

T05 R+D output by segment (in million euros)

	2024	2023	Change in %
Group	106.5	94.9	12.2
Advanced Photonic Solutions	75.7	68.5	10.5
Smart Mobility Solutions	23.8	20.0	19.1
Non-Photonic Portfolio Companies	6.2	5.6	9.8
Other	0.9	0.9	

Patents

Our R+D capital expenditure is protected via central IP management in close cooperation with the operating areas. In 2024, a total of 26 new first patents were filed by Jenoptik subsidiaries (prior year: 25 patents) in addition to a further 18 subsequent international registrations. The focus continued to be in the area of optical components and optical modules. The number of patents does not include registered designs, utility models, or brand registrations. For competition reasons, Jenoptik does not publish information on the receipt and issue of licenses.

Key projects

In 2024, Jenoptik developed or launched the solutions described in table T06, among others.

T06 Key projects in 2024

Market	Products and solutions developed and launched in 2024
Semiconductor equipment	– Expansion of the customer-specific product portfolio, particularly for use in EUV semiconductor lithography, including in the areas of light sources, imaging optics, and wafer metrology – Extensive further development of the design methods and manufacturing technologies in the area of high-performance lenses, for semiconductor equipment and related segments – Application and further development of existing design and manufacturing capabilities for the realization of miniaturized optical high-performance assemblies and modules, which, among other things, enable the parallelization of optical functions, e.g., for increasing throughput in semiconductor systems
Metrology and electronics	– New product developments and further developments, particularly in the application areas for AR/VR applications and in the area of meta structures – In the field of meta structures, we are working on making these new optical systems more measurable with our technology. Meta lenses are of interest for all applications where a reduction in size and weight is an advantage. Examples can be found in the field of consumer optics, such as smartphones, AR/VR lens systems or projectors, and many others
Life science and medical technology	– Further development of existing instrument series in the area of DNA sequencing to make them more robust, cost-effective, and increase performance – Expansion of the wavelength portfolio of high-power laser bars and diode laser packages for dermatology and urology applications – Development of multispectral light sources for life science and surgical applications – Completion of the development of a Gig-E interface for our miniaturized EVIDIR alpha infrared modules for easy integration into manufacturing systems in order to better serve the radiometer market
Traffic safety technology	– Detection of distracted driving and seatbelt violations: Newly developed system with lighting installation and high-resolution AI-controlled cameras with real-time AI processing at the roadside for single or double-sided use – Start of development of new, consolidated back-end and front-end architecture for our software offerings. This solution will have an open framework designed to seamlessly integrate both proprietary and third-party applications

Employees

Development of employee numbers

As of December 31, 2024, with 4,646 employees (incl. trainees and temporary staff), Jenoptik recorded a change in its workforce of minus 0.3 percent (31/12/2023: 4,658 employees). The number of Jenoptik employees abroad remained unchanged at 1,677 (31/12/2023: 1,677 employees). At 36.1 percent, the proportion of employees working abroad remained constant in comparison with the prior year (31/12/2023: 36.0 percent).

Agency workers were also employed in the past fiscal year to cover production peaks, short-term order intakes, and for major projects. They were employed mainly in the operating areas and the number fluctuated during the year. On the reporting date of December 31, 2024, 38 agency workers were employed by Jenoptik (31/12/2023: 42).

In 2024, personnel expenses, (wages, salaries, social security contributions, costs for retirement provision) came to 399.6 million euros, and were thus up by 6.0 percent compared with the prior year's figure of 377.1 million euros. In addition to the usual salary increases, the rise resulted primarily from the growth in the average number of employees in the fiscal year.

The information given in the following tables also deals with the information according to ESRS-2, SBM-1 para. 40a -iii.

T07 Employees by region (including trainees and temporary staff)

	31/12/2024	31/12/2024	Change in %	Absolute change
Germany	2,969	2,981	– 0.4	– 12
Germany in %	63.9	64.0		0
Abroad	1,677	1,677	0	0
Abroad in %	36.1	36.0		0
Europe (excl. Germany)	721	674	7.0	47
Americas	576	611	– 5.7	– 35
Asia/Pacific	380	392	– 3.1	– 12

T08 Revenue per employee

in thousand euros	2024	2023	Change in %
Revenue per employee (including agency workers)	255.1	246.7	3.4

The proportion of women (in Germany and abroad) was 30.3 percent on December 31, 2024, on a par with the prior year (31/12/2023: 30.4 percent).

At 5.8 percent, the absenteeism rate among Jenoptik employees in Germany in 2024 was below the level of the prior year (prior year: 6.2 percent). This effect is also in line with the general trend in Germany. The employee-related turnover rate fell to 4.8 percent compared to the prior year (prior year: 5.8 percent). There are signs of normalization following the high figures of the prior year. The turnover rate is calculated by dividing the number of employees leaving the company in the fiscal year by the average number of employees in the fiscal year.

Training & HR development

As of December 31, 2024, 178 trainees and students of the Cooperative State Universities were employed by the Group (31/12/2023: 163). Of these, 64 were new hires (prior year: 64). At the same time, 41 trainees and students of the Cooperative State Universities successfully completed their training in the reporting year (prior year: 50).

In Germany, Jenoptik offers training in more than 20 different professions and study programs at its sites in Jena, Triptis, Dresden, Berlin, Monheim, Villingen-Schwenningen, and Wedel. The Jenaer Bildungszentrum gGmbH – Schott Zeiss Jenoptik, in which Jenoptik is a partner, helps to ensure that trainees at the Jena site receive sound basic training. In addition, the Jena Bildungszentrum also offers cross-skilling measures.

In 2024, Jenoptik invested around 3.3 million euros in the professional development of its employees, more than it did in the prior year (prior year: 2.9 million euros). These costs include both the expenses for trainees and students at the Cooperative State Universities and the costs for further training of our employees. The overall development needs in the Group are assessed in regular staff appraisals. Suitable qualification measures are then derived from these and implemented.

Further information on this can be found in the Sustainability Statement

Economic Report

Macroeconomic and Sectoral Developments

In 2024, the global economy continued its moderate growth pace in the reporting year, expanding by 3.2 percent, according to the International Monetary Fund (IMF) forecast, which was well below the historical average. In addition to ongoing geopolitical tensions, the initially tight monetary policies of central banks – effective in curbing high inflation – had a dampening effect on global economic expansion over the course of the year. The US economy grew significantly faster than the IMF had initially expected, while the economic performance of the largest European countries fell short of projections.

The United States posted a growth rate of approximately 2.8 percent in 2024 (prior year: 2.9 percent), a much stronger performance than anticipated at the start of the year. The upward revision in the forecast over the year was primarily driven by very robust consumer spending, fueled by rising real wages, as well as higher investment activity.

China's economic slowdown in the past year was milder than the IMF had originally expected. Overall growth for 2024 is estimated at approximately 4.8 percent (prior year: 5.2 percent). Weakness in the real estate sector and low consumer confidence were offset by strong exports and expansionary monetary policies.

Growth in the Eurozone likely remained at a very moderate level, in line with IMF estimates, with growth of 0.8 percent (prior year: 0.4 percent). The slight improvement over the prior year was mainly the result of stronger export performance, according to experts. Persistent weakness in the manufacturing sector, however, continued to weigh on the economies of countries such as Germany and Italy. On balance, the German economy likely contracted by around 0.2 percent in 2024 (prior year: minus 0.3 percent). Despite rising real disposable incomes, consumer spending failed to provide any meaningful growth momentum, as households had a high propensity to save.

T09 Change in gross domestic product (in percent)

	2024*	2023
World	3.2	3.3
US	2.8	2.9
Eurozone	0.8	0.4
Germany	– 0.2	– 0.3
China	4.8	5.2
India	6.5	8.2
Emerging markets	4.2	4.4

Source: International Monetary Fund, World Economic Outlook (Update), January 2025

* Estimate

The Jenoptik Group operates in different sectors, each influenced to varying degrees by economic trends. For instance, demand in Life Science & Medical Technology and Smart Mobility remains largely unaffected by economic fluctuations, while business with the semiconductor equipment and electronics industries is partly influenced by economic factors.

According to the German SPECTARIS industry association, the photonics sector continues to operate in a growing environment against the backdrop of advancing digitization. The use of light technologies forms the basis for many innovations, including as a basic technology for autonomous driving, for Industry 4.0 and big data applications, for the "smart lab" in analytics and biotechnology, and for quantum technology. The industry association recently forecast a slight decline in revenue growth for 2024 compared to the prior year of approximately 5 percent (prior year: 8 percent).

According to the Semiconductor Industry Association (SIA), the global semiconductor industry posted dynamic growth of around 19 percent last year. This growth was primarily driven by double-digit revenue growth in the Americas and the Asia/Pacific region, fueled by strong demand for both memory and logic chips. In total, the global semiconductor market reached approximately 627 billion US dollars in 2024. Market observer Gartner also forecasts growth of around 19 percent for the semiconductor industry in 2024.

The global semiconductor equipment industry posted record-breaking revenue of 113 billion US dollars in 2024, according to Semiconductor Equipment and Materials International (SEMI) – a 6.5-percent increase on the prior year. The largest market segment, wafer fab equipment, grew by 5.4 percent, while test equipment revenue rose by 13.8 percent (assembly and packaging equipment by 22.6 percent).

According to the German Electrical and Electronic Manufacturers' Association (ZVEI), the German electrical and digital industry failed to reach the prior year's production level in the first eleven months of 2024, posting a 9.3-percent decline. Over the same period, industry revenue also fell by 6.3 percent to 204.6 billion euros, due to weaker domestic and international demand.

Demand in the global medical technology market is being driven by factors including an aging population, increasing healthcare penetration in emerging markets, and new treatment methods. According to market observer Statistica, the market is expected to have grown by around 5 percent in 2024.

Amid weak global trade and a lack of investment, the German Mechanical Engineering Industry Association (VDMA) expects a real production decline of 8 percent in 2024 for the mechanical and plant engineering industry. According to the German Association of the Automotive Industry (VDA), the major international automotive markets recorded a 3-percent increase in sales for the full year 2024.

According to analyst MarketsandMarkets, the revenue volume of the global traffic safety technology market was about 4.7 billion euros in 2024. Fundamental market trends remained unchanged during the reporting year: The political goal of Vision Zero, i.e., no fatalities or serious injuries in road traffic, continues to be pursued. Moreover, the operation of traffic monitoring systems is increasingly being outsourced by authorities, and new traffic safety technologies are being used.

Legal Framework Conditions

In 2024, the legal framework conditions governing business operations essentially remained constant and therefore had no significant impact on the business development of the Jenoptik Group.

Earnings, Financial, and Asset Position

Comparison of actual and forecast course of business

On release of the preliminary results in February 2024, the Jenoptik management forecast further organic and profitable growth for the fiscal year 2024 on the basis of a strong order backlog and ongoing positive performance in the core photonics businesses, in particular semiconductor equipment.

With the publication of the 2023 Annual Financial Statements, management announced that, for 2024, it anticipates revenue growth in the mid-single-digit percentage range and an EBITDA margin of 19.5 to 20.0 percent, including an expected impact of about 0.5 percentage points for the move to the new semiconductor site in Dresden. Capital expenditure was expected to be slightly above the prior year's 110.4 million euros, while the cash conversion rate was projected to reach approximately 50 percent.

These forecasts were also included in the Management Report published on March 27, 2024, and supplemented by forecast statements on further key figures. The forecast was confirmed with the release of results for the first quarter of 2024 and the first half-year 2024.

At the beginning of November 2024, the Executive Board once again confirmed its revenue and earnings guidance but anticipated that the order intake for the fiscal year 2024 would likely come in slightly below the prior-year level, given the challenging market environment and the assessment that the cyclical upturn in the semiconductor equipment industry will start later than originally expected. This outlook was further confirmed with the publication of results for the first nine months in mid-November 2024.

In the fiscal year 2024, Jenoptik generated revenue of 1,115.8 million euros, achieving growth of 4.7 percent, in line with the expected range.

At 19.9 percent, the EBITDA margin was also within the forecast range.

Revenue and EBITDA of the divisions and their forecast development are shown in the following table.

The Executive Board most recently expected the order intake in 2024 to be slightly below the prior-year level. The Group received orders worth 1,027.7 million euros in 2024, 5.9 percent less than in the prior year (prior year: 1,092.2 million euros).

By the end of 2024, the cash conversion rate was 46.5 percent (prior year: 60.8 percent), thus falling slightly short of the March forecast of around 50 percent.

Capital expenditure in the fiscal year 2024 was expected to be slightly above the level in the prior year. Capital expenditure amounted to 114.6 million euros, and was thus in the expected range (prior year: 110.4 million euros).

T10 Actual and forecast course of business for the Jenoptik Group (in million euros/as specified)

Indicator	As of year-end 2023	2024 forecast		As of year-end 2024	Change in %
Revenue	1,066.0	March[1]:	Growth in the mid-single-digit percentage range	1,115.8	4.7
Advanced Photonic Solutions	821.2	March[1]:	Growth in the mid-single-digit percentage range	866.8	5.6
Smart Mobility Solutions	118.8	March[1]:	Growth in the high single-digit percentage range	119.5	0.6
Non-Photonic Portfolio Companies	121.1	March[1]:	Growth in the high single-digit to Low double-digit percentage range	125.9	4.0
EBITDA/EBITDA margin	209.6/19.7 %	March[1]:	Noticeable growth/19.5 to 20.0 percent, incl. an expected impact of around 0.5 percentage points for the move in Dresden	221.5/19.9 %	5.7
Advanced Photonic Solutions	182.6	March[1]:	Growth somewhat stronger than revenue	191.9	5.1
Smart Mobility Solutions	15.3	March[1]:	Growth stronger than revenue	13.6	– 11.0
Non-Photonic Portfolio Companies	17.6	March[1]:	Growth roughly in line with revenue	22.5	27.7
Order intake	1,092.2	March[1]: November:	Growth in the mid-single-digit percentage range Expected to be slightly below the prior-year level	1,027.7	– 5.9
Cash conversion rate	60.8 %	March[1]:	Around 50 percent	46.5 %	
Capital expenditure	110.4	March[1]:	Slightly above prior year	114.6	3.8

[1] In the Management Report of the 2023 Annual Report

Earnings position

The tables in the Management Report, which show a breakdown of the key indicators by segment, include the Corporate Center (holding company, shared services, real estate) and consolidation effects under “Other.” In the fiscal year 2024, Jenoptik operated in the following reportable segments: the Advanced Photonic Solutions division, the Smart Mobility Solutions division, and the Non-Photonic Portfolio Companies.

Earnings position

According to its own assessment, Jenoptik has a business model that is largely resilient to crises, along with strong financial and balance sheet positions, even in challenging times marked by a difficult economic environment and ongoing armed conflicts.

In the fiscal year 2024, the Group achieved revenue of 1,115.8 million euros, a 4.7-percent increase on the prior year (prior year: 1,066.0 million euros).

Over the reporting period, growth came primarily from the Advanced Photonic Solutions division, mainly driven by semiconductor equipment business. The Smart Mobility Solutions division and the Non-Photonic Portfolio Companies also contributed to higher revenue.

The quarter with the highest revenue both in the fiscal year 2024 and the prior year was the fourth, with 300.7 million euros (prior year: 297.3 million euros).

More information on the development of revenue of the divisions can be found in the Segment Report

In the fiscal year 2024, Jenoptik significantly increased its revenue in Europe, and in particular in Germany. Revenue also grew in the Americas, while the Asia/Pacific region fell short of the prior year's level. The growth in revenue in Europe, from 589.3 million euros to 651.7 million euros, was attributable to the Advanced Photonic Solutions and Smart Mobility Solutions divisions. Revenue in the Asia/Pacific region declined from 204.4 million euros to 183.2 million euros due to lower contributions from the Advanced Photonic Solutions and Smart Mobility Solutions divisions. In the Americas, revenue was 2.8 percent up on the prior-year figure. At 797.5 million euros, Jenoptik generated 71.5 percent of revenue abroad in the past fiscal year (prior year: 793.7 million euros/74.5 percent).

T11 Revenue by segment (in million euros)

	2024	2023	Change in %
Total	1,115.8	1,066.0	4.7
Advanced Photonic Solutions	866.8	821.2	5.6
Smart Mobility Solutions	119.5	118.8	0.6
Non-Photonic Portfolio Companies	125.9	121.1	4.0
Other	3.5	5.0	– 29.2

T12 Revenue by region (in million euros)

	2024	2023	Change in %
Total	1,115.8	1,066.0	4.7
Europe	651.7	589.3	10.6
of which Germany	318.3	272.3	16.9
Americas	243.8	237.2	2.8
Asia/Pacific	183.2	204.4	– 10.4
Middle East/Africa	37.1	35.1	5.8

In 2024, strong demand again allowed Jenoptik to generate its largest share of revenue, of 460.0 million euros or 41.2 percent, with the semiconductor equipment & electronics industry (prior year: 397.2 million euros or 37.3 percent). Revenue with the medical technology industry increased slightly to 151.7 million euros (prior year: 148.2 million euros).

In the fiscal year 2024, our top seven customers accounted for around 48 percent of revenue (prior year: around 43 percent).

The information given in the following tables also deals with segment revenue disclosures in accordance with ESRS-2, SBM-1 para. 40b.

T13 Revenue in target markets (in million euros and in % of revenue)

	2024		2023	
Semiconductor equipment & electronics	460.0	41.2 %	397.2	37.3 %
Automotive	189.8	17.0 %	196.9	18.5 %
Medical technology	151.7	13.6 %	148.2	13.9 %
Traffic	131.7	11.8 %	135.8	12.7 %
Industry	120.8	10.8 %	124.8	11.7 %
Other	61.8	5.5 %	63.1	5.9 %
Total	**1,115.8**	**100.0 %**	**1,066.0**	**100.0 %**

The cost of sales rose by 6.8 percent to 742.6 million euros (prior year: 695.5 million euros) and thus at a slightly higher rate than revenue. This increase was primarily the result of higher material and personnel costs. The cost of sales also included expenses arising from developments on behalf of customers totaling 34.4 million euros (prior year: 27.9 million euros), which were offset by corresponding revenues. The prior year's figures also included 7.9 million euros resulting from the reversal of a provision for onerous contracts. The corresponding cost of sales ratio rose from 65.2 percent to 66.6 percent.

Gross profit was slightly up on the prior-year figure of 370.5 million euros and came to 373.1 million euros. The gross margin was 33.4 percent (prior year: 34.8 percent).

In 2024, research and development expenses amounted to 64.0 million euros (prior year: 60.9 million euros), and accounted for an unchanged 5.7 percent of revenue. R+D output, including developments on behalf of customers, rose to 106.5 million euros (prior year: 94.9 million euros).

More information on research and development can be found in the "Research and Development" chapter

In 2024, selling expenses of 103.4 million euros were practically unchanged on the prior-year figure of 103.0 million euros. Despite higher revenue, at 9.3 percent the selling expenses ratio was down on the prior-year level of 9.7 percent.

Despite higher revenue, general administrative expenses decreased to 62.2 million euros, in part due to the share-based remuneration (prior year: 66.0 million euros). The administrative expenses ratio fell to 5.6 percent (prior year: 6.2 percent).

Other operating income remained relatively stable at 17.9 million euros compared to the prior-year figure of 18.8 million euros.

Other operating expenses came to 14.8 million euros, down on the prior year's figure of 33.1 million euros. The prior year included impairments totaling minus 12.7 million euros. Lower losses from the sale of intangible assets and property, plant, and equipment also contributed to the decline.

Overall, other operating income and expenses came to 3.1 million euros (prior year: minus 14.3 million euros).

Detailed information on the composition of other operating income and expenses can be found in points 4.5 and 4.6 of the Notes

T14 Key items in the Statement of Comprehensive Income (in million euros)

	2024	2023	Change in %
Revenue	1,115.8	1,066.0	4.7
Cost of sales	742.6	695.5	6.8
R+D expenses	64.0	60.9	5.1
Selling expenses	103.4	103.0	0.4
Administrative expenses	62.2	66.0	– 5.7
Other operating income	17.9	18.8	– 4.8
Other operating expenses	14.8	33.1	– 55.2

In the fiscal year 2024, EBITDA (earnings before interest, taxes, depreciation, and amortization (incl. impairments and reversals)) improved to 221.5 million euros, 5.7 percent up on the prior-year figure of 209.6 million euros, due to good operating performance in the Advanced Photonic Solutions division and the improvement seen in the Non-Photonic Portfolio Companies. The EBITDA margin increased to 19.9 percent (prior year: 19.7 percent). In terms of EBITDA, the fourth quarter was again the most profitable, with 61.0 million euros (prior year: 66.5 million euros).

EBIT (income from operations) came to 146.6 million euros, 16.0 percent up on the prior-year figure of 126.3 million euros. The EBIT item includes higher depreciation and amortization of minus 74.9 million euros (prior year: minus 70.9 million euros). Furthermore, the prior-year figure included the aforementioned impairments.

> Information on the segment EBITDA and EBIT can be found in the Segment Report

Particularly due to the significantly higher EBIT, the Group's ROCE (return on capital employed) improved to 10.8 percent as of December 31, 2024 (prior year: 9.6 percent). The calculation of the ROCE is explained in the "Control System" chapter and shown in the following table. The calculation of averages uses the twelve month-end balances in the period under review and the opening balance at the start of the year.

T15 EBITDA (in million euros)

	2024	2023	Change in %
Total	221.5	209.6	5.7
Advanced Photonic Solutions	191.9	182.6	5.1
Smart Mobility Solutions	13.6	15.3	– 11.0
Non-Photonic Portfolio Companies	22.5	17.6	27.7
Other	– 6.5	– 5.9	– 10.4

T16 EBIT (in million euros)

	2024	2023	Change in %
Total	146.6	126.3	16.0
Advanced Photonic Solutions	138.8	132.3	5.0
Smart Mobility Solutions	6.5	9.1	– 28.2
Non-Photonic Portfolio Companies	15.4	– 1.5	n. a.
Other	– 14.2	– 13.5	– 5.6

T17 ROCE (in million euros)

	2024	2023
Non-current non-interest-bearing assets	1,089.9	1,079.7
Current non-interest-bearing assets	513.9	498.9
Non-interest-bearing borrowings	– 247.9	– 256.4
Average capital employed	1,355.9	1,322.2
EBIT	146.6	126.3
ROCE (in %)	10.8	9.6

The financial result in the reporting period amounted to minus 16.2 million euros, primarily due to slightly higher currency losses (prior year: minus 15.0 million euros).

Higher EBIT was also reflected in the earnings before tax, which at a total of 130.4 million euros were 17.1 percent up on the prior year (prior year: 111.4 million euros).

The current income taxes of 37.8 million euros were roughly in line with the prior year (prior year: 37.6 million euros).

The tax rate was 29.0 percent (prior year: 33.7 percent). The cash effective tax rate, the ratio of current income taxes to earnings before tax, was 22.3 percent (prior year: 19.5 percent) and, in view of the domestic earnings and deductible loss carryforwards, was at a comparatively low level for a German company.

See point 4.8 in the Notes for detailed information on the subject of taxes

Order position

In the fiscal year 2024, the Jenoptik Group received orders totaling 1,027.7 million euros, representing a 5.9-percent decline in the order intake compared to the prior-year figure of 1,092.2 million euros. The Smart Mobility Solutions division posted an increase in new orders. While Jenoptik recorded a stable order intake over the reporting year, among other things in semiconductor equipment, demand was significantly weaker in some cyclical applications life sciences & medical technology, and in the automotive market.

The book-to-bill ratio came to 0.92 (prior year: 1.02). Only the Smart Mobility Solutions division achieved a book-to-bill ratio above 1.

See the Segment Report for detailed information on the order intake in the divisions

The order backlog of the Jenoptik Group came to 670.1 million euros at the end of 2024 (31/12/2023: 745.0 million euros). Of this order backlog, nearly 82 percent (prior year: nearly 87 percent) will be converted to revenue in 2025.

T18 Order intake (in million euros)

	2024	2023	Change in %
Total	1,027.7	1,092.2	– 5.9
Advanced Photonic Solutions	812.8	826.5	– 1.7
Smart Mobility Solutions	122.9	113.6	8.2
Non-Photonic Portfolio Companies	88.5	147.1	– 39.8
Other	3.5	5.0	– 29.2

T19 Order backlog (in million euros)

	2024	2023	Change in %
Total	670.1	745.0	– 10.1
Advanced Photonic Solutions	536.2	579.8	– 7.5
Smart Mobility Solutions	65.1	60.2	8.1
Non-Photonic Portfolio Companies	68.8	104.9	– 34.5

T20 Book-to-bill ratio

	2024	2023
Total	0.92	1.02
Advanced Photonic Solutions	0.94	1.01
Smart Mobility Solutions	1.03	0.96
Non-Photonic Portfolio Companies	0.70	1.21

G11 Development of the book-to-bill ratio

Financial position

Financial management principles

The central Treasury department plans the requirements and manages the provision of liquid funds within the Group. The Group's financial flexibility and solvency is guaranteed at all times on the basis of multi-year financial planning and quarterly forecasts. A cash pooling system also ensures the liquidity supply to all the major companies in Europe and the US. Companies not integrated in the cash pooling system are usually supplied with liquidity through internal group loans or, in exceptional cases, credit lines from local banks.

Jenoptik utilizes a program to sell trade receivables (factoring). The volume of this instrument is set at 50 million euros, approximately 25 million euros were used on a revolving basis.

See point 5.7 of the Notes for more information on factoring

Primarily using currency forward transactions, Jenoptik hedges orders and internal loan receivables in foreign currencies, thereby reducing the impacts of exchange rate fluctuations on earnings and cash flow. Derivative financial instruments are used exclusively to hedge the operating business and essential financial transactions.

As a result of the above measures, the existing financing instruments – essentially the syndicated loan and debenture bonds –, and the available cash and cash equivalents, the liquidity of all group companies was ensured at all times in the past fiscal year.

See point 8.2 of the Notes for more information on liquidity

Capital structure and financing analysis

With an equity ratio of 55.6 percent as of December 31, 2024, net debt of 395.5 million euros, and leverage (net debt in relation to EBITDA) of 1.8x, the Executive Board believes that the Group enjoys a solid and viable financing structure, as well as healthy balance sheet ratios. This gives Jenoptik flexibility and financial latitude, in particular to finance future organic growth.

In March 2021, Jenoptik placed sustainability-linked debenture bonds worth 400 million euros on the capital market. The debenture bonds comprised several installments, initially with terms of five, seven, and ten years, which were issued not only in euros but also, to a lesser extent, in US dollars (59 million US dollars). Investors from Germany and abroad were offered both fixed and variable interest rate options. Two tranches totaling 39.0 million euros were redeemed early.

In December 2021, Jenoptik also refinanced a revolving syndicated loan and increased it to over 400 million euros. The term of the loan provided by seven banks was originally five years and was extended by a year in 2022. In 2023, the term of nearly 350 million euros was extended by another year until December 2028. The volume can be increased to 600 million euros, subject to the consent of the participating banks. This financing instrument, too, included sustainability components.

Further information can be found in the Notes, point 8.2

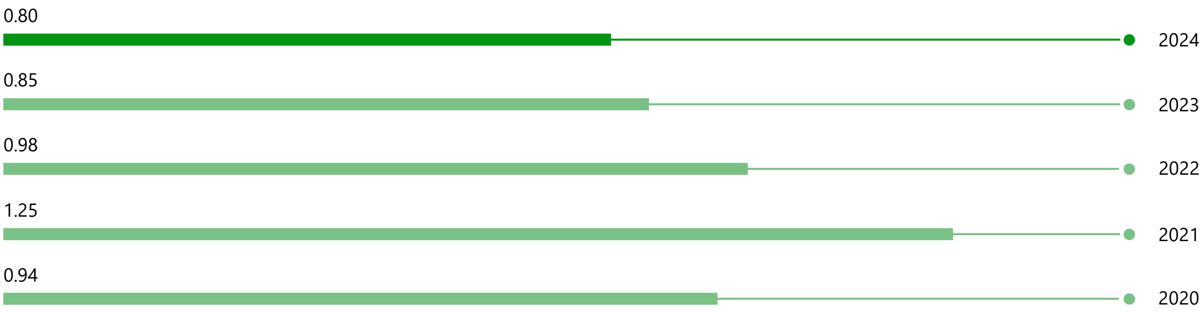
In addition to cash and cash equivalents of 84.9 million euros, the Group had access to firmly committed, unused credit lines of almost 400 million euros to fall back on at the end of 2024. This means that Jenoptik had around 480 million euros available for corporate development projects at the end of 2024.

In 2024, non-current financial debt decreased to 463.9 million euros (31/12/2023: 472.3 million euros). This item included financial liabilities to banks in the amount of 416.9 million euros (31/12/2023: 421.8 million euros) and lease liabilities of 47.0 million euros (31/12/2023: 50.5 million euros). At the end of 2024, non-current financial debt still accounted for around 96 percent of Jenoptik’s financial debt.

Current financial debt came to 17.2 million euros (31/12/2023: 18.4 million euros).

The debt-to-equity ratio was 0.80 at the end of 2024 (31/12/2023: 0.85). The debt-to-equity ratio is defined as the ratio between borrowings (772.8 million euros) and equity (967.2 million euros).

G12 Debt-to-equity ratio



Primarily due to an increase in cash and cash equivalents, including current financial investments, to 85.6 million euros (31/12/2023: 67.7 million euros), net debt was significantly reduced during the reporting period, amounting to 395.5 million euros as of December 31, 2024 (31/12/2023: 423.1 million euros).

T21 Net and gross debt (in million euros)

	2024	2023	2022	2021	2020
Non-current financial debt	463.9	472.3	477.7	448.7	138.4
Current financial debt	17.2	18.4	59.1	149.0	130.9
Gross debt	481.1	490.8	536.8	597.7	269.3
minus current financial investments	0.7	0	1.0	1.6	4.9
minus cash and cash equivalents	84.9	67.7	56.8	54.8	63.4
Net debt	395.5	423.1	479.0	541.4	201.0

Analysis of cash flows

In the reporting year, the Group's cash flows from operating activities remained nearly stable at 167.1 million euros (prior year: 167.0 million euros). The significantly improved EBITDA was offset, among other things, by a stronger buildup of working capital and changes in other assets and liabilities.

In the fiscal year 2024, the Group's cash flows from investing activities amounted to minus 88.0 million euros (prior year: minus 48.5 million euros). This was primarily driven by expected higher capital expenditure for property, plant, and equipment, including the new factory in Dresden, as well as lower proceeds from the sale of property, plant, and equipment. The prior year's figure included cash inflows related to the sale of real estate in the Non-Photonic Portfolio Companies segment and proceeds from the sale of shares in HILLOS GmbH.

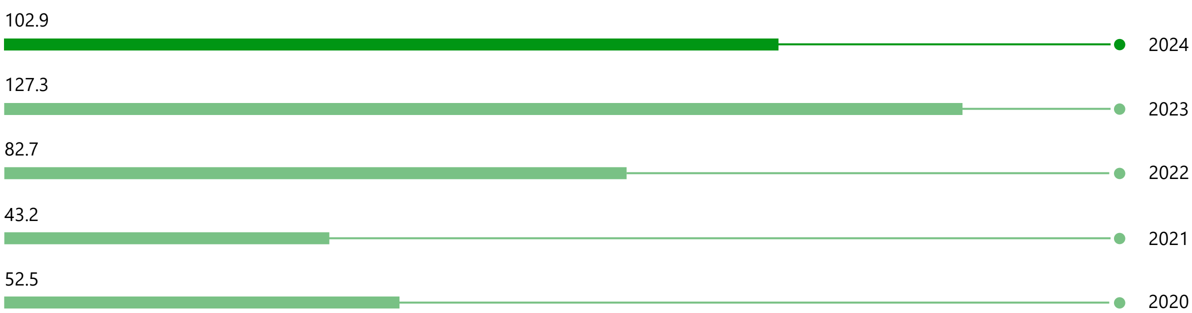
The free cash flow is calculated as the Group's cash flows from operating activities before income tax payments of 193.0 million euros (prior year: 193.7 million euros) and cash flows from operating investing activities, i.e., the balance of proceeds from and payments for intangible assets and property, plant, and equipment, amounting to minus 90.0 million euros (prior year: minus 66.3 million euros). Due to lower cash flows from operating investing activities, the free cash flow came to 102.9 million euros, down from 127.3 million euros in the prior year.

In the fiscal year 2024, the cash conversion rate came to 46.5 percent (prior year: 60.8 percent).

The Group's cash flows from financing activities improved to minus 62.4 million euros in the period covered by the report (prior year: minus 104.9 million euros), influenced in particular by the changes in liabilities to banks and dividend payments to shareholders of the parent company and minority shareholders amounting to 21.5 million euros (prior year: 21.3 million euros), of which 20.0 million euros was to shareholders of JENOPTIK AG and 1.5 million euros to minority shareholders of TRIOPTICS.

Overall, the Executive Board assessed the Jenoptik Group's liquidity position in the fiscal year 2024 as solid, ensuring a robust and stable financial position.

G13 Free cash flow (in million euros)



T22 Group cash flows (incl. discontinued operation) (in million euros)

	2024	2023	2022	2021	2020
Cash flows from operating activities	167.1	167.0	142.7	98.0	89.7
Cash flows from investing activities	– 88.0	– 48.5	– 13.4	– 413.6	– 188.4
Cash flows from financing activities	– 62.4	– 104.9	– 127.3	304.2	63.7
Cash-effective change in cash and cash equivalents	16.7	13.6	2.0	– 11.4	– 35.0
Non-cash-effective change in cash and cash equivalents	0.5	– 2.6	– 0.1	2.8	– 0.6
Change in cash and cash equivalents	**17.2**	**10.9**	**1.9**	**– 8.6**	**– 35.6**
Cash and cash equivalents at end of fiscal year	**84.9**	**67.7**	**56.8**	**54.8**	**63.4**

Asset position

Analysis of capital expenditure

The focus of capital expenditure is derived from the group strategy and is in line with the planned growth targets and the asset structure of the Group. To ensure this, the individual investments are systematically reviewed with respect to future viability or their value contribution using performance and financial indicators, and all risks and opportunities are thoroughly analyzed.

In 2024, Jenoptik invested 114.6 million euros in intangible assets and property, plant, and equipment, incl. leases of 11.5 million euros (prior year: 110.4 million euros, incl. leases of 25.4 million euros). Investments were primarily made to create the conditions for the Group’s further organic growth.

At 105.4 million euros, the largest share of capital expenditure was again made in property, plant, and equipment (prior year: 101.1 million euros), including construction of the factory in Dresden and both new technical equipment and an expansion in production capacities, in particular for the semiconductor equipment industry.

Capital expenditure for intangible assets of 9.2 million euros was at the same level as the prior-year figure, and was primarily allocated to capitalized R+D activities, which totaled 7.8 million euros in the reporting period (prior year: 5.5 million euros).

More information on capital expenditure in the divisions can be found in the Segment Report

Depreciation and amortization increased to 74.9 million euros (prior year: 70.9 million euros) and also included impacts arising from the purchase price allocation for the acquisitions made in recent years.

Depreciation on property, plant, and equipment came to 48.8 million euros (prior year: 44.4 million euros) and was thus significantly below the figure for capital expenditure on property, plant, and equipment.

Amortization on intangible assets fell to 26.1 million euros (prior year: 26.5 million euros), and, as in the prior year, primarily included amortization of software, as well as intangible assets identified in the course of company acquisitions.

T23 Capital expenditure and depreciation/amortization (in million euros)

	2024	2023	Change in %
Capital expenditure	114.6	110.4	3.8
Intangible assets	9.2	9.2	– 0.6
Property, plant, and equipment	105.4	101.1	4.2
Depreciation/amortization	74.9	70.9	5.7
Intangible assets	26.1	26.5	– 1.5
Property, plant, and equipment	48.8	44.4	10.0
Impairments and reversals	0.1	12.4	– 99.6

T24 Capital expenditure by segment – intangible assets and property, plant, and equipment (in million euros)

	2024	2023	Change in %
Total	114.6	110.4	3.8
Advanced Photonic Solutions	87.0	83.1	4.7
Smart Mobility Solutions	15.8	12.8	23.3
Non-Photonic Portfolio Companies	4.6	6.8	– 31.7
Other	7.2	7.7	– 7.0

Analysis of statement of financial position

Compared to the end of 2023, the Jenoptik Group's total assets grew in value to 1,740.0 million euros as of December 31, 2024 (31/12/2023: 1,666.9 million euros).

On the assets side, non-current assets rose slightly to 1,151.3 million euros (31/12/2023: 1,099.8 million euros). This increase was primarily driven by a rise in property, plant, and equipment, which grew from 365.1 million euros at the end of 2023 to 419.9 million euros as of December 31, 2024, reflecting the investments made. The largest increases were in land and buildings, while advance payments and assets under construction declined as construction on the Dresden factory progressed. The decline in intangible assets to 692.8 million euros (31/12/2023: 712.5 million euros) was mainly due to amortization on assets arising from the purchase price allocation related to acquisitions made in recent years.

More information on the intangible assets and property, plant, and equipment can be found in points 5.1 to 5.2 of the Notes

Over the past fiscal year, current assets grew to a value of 588.7 million euros (31/12/2023: 567.1 million euros). This was primarily due to an increase in contract assets, which rose from 68.1 million euros to 86.8 million euros, reflecting impacts from pre-production in preparation for the move to the new site Dresden. Cash and cash equivalents increased to 84.9 million euros (31/12/2023: 67.7 million euros). By contrast, trade receivables and inventories fell.

Due to the increase in contract assets and lower trade payables and contract liabilities, the working capital increased to 318.8 million euros as of December 31, 2024 (31/12/2023: 304.4 million euros). The working capital ratio, that of working capital to revenue based on the last twelve months, remained unchanged at 28.6 percent at year-end 2024 (31/12/2023: 28.6 percent).

T25 Elements of working capital (in million euros)

	2024	2023	Change in %
Inventories	267.0	269.3	– 0.8
Trade receivables	130.8	144.2	– 9.3
Contract assets	86.8	68.1	27.6
Trade payables	– 105.6	– 108.8	– 3.0
Contract liabilities	– 60.3	– 68.4	– 11.8
Total	**318.8**	**304.4**	**4.7**

As of December 31, 2024, equity of 967.2 million euros was sharply up on the prior-year figure of 903.3 million euros and primarily driven by net profit for the period. In contrast, the dividend payment to shareholders of JENOPTIK AG had a negative impact on equity. The equity ratio, that of equity to total assets, improved significantly to 55.6 percent (31/12/2023: 54.2 percent).

Non-current liabilities increased slightly to 512.0 million euros (31/12/2023: 496.0 million euros), mainly due to higher deferred tax liabilities and a reduction in non-current financial debt to 463.9 million euros (31/12/2023: 472.3 million euros).

The reduction in current liabilities to 260.8 million euros (31/12/2023: 267.6 million euros) was mainly due to lower current trade payables and contract liabilities.

G14 Equity ratio (in percent)

T26 Financial debt by due date (in million euros)

	Up to 1 year		1 to 5 years		More than 5 years		Total as of 31/12	
	2024	2023	2024	2023	2024	2023	2024	2023
Liabilities to banks	3.1	4.2	324.9	337.5	92.0	84.4	420.0	426.0
Liabilities from leases	14.1	14.3	32.9	33.9	14.1	16.6	61.1	64.8
Total	**17.2**	**18.4**	**357.9**	**371.4**	**106.0**	**100.9**	**481.1**	**490.8**

Assets and obligations not recognized in the statement of financial position

The value of the Jenoptik brand is one of the main assets we do not include in the statement of financial position. Jenoptik operates in the highly fragmented photonics market, which is characterized by a multitude of highly specialized companies. We aim to further boost awareness of our brand, especially on the international stage, in the coming years. For several years now, Jenoptik has been on the market with new brand positioning and a new corporate design. Strategically, Jenoptik is positioning itself as a photonics specialist.

Non-capitalized tax loss carryforwards. Tax loss carryforwards arise from losses in the past that have not yet been offset against taxable profits. They represent potential liquidity advantages in the future, as their offset against taxable income can reduce actual tax payments.

For non-usable tax loss carryforwards, deferred tax assets are not recognized for corporate income tax purposes in the amount of 14.3 million euros (prior year: 34.4 million euros) and for trade tax purposes in the amount of 0.7 million euros (prior year: 0.7 million euros), as they are unlikely to be used within a determined planning time frame.

Off-balance sheet financing instruments for the financial and asset position. Jenoptik uses a factoring program as an additional instrument to manage its liquidity and working capital. This involves the sale of trade receivables from selected customers to a factoring company and allows Jenoptik to convert some long-term receivables into liquidity at short notice. The volume of this instrument is set at 50 million euros, with approximately 25 million euros actually being used on a revolving basis. Since the economic opportunities and risks associated with the receivables are transferred to the buyer when the receivables are sold, those receivables are no longer recognized on Jenoptik's statement of financial position ("real factoring"). Jenoptik does not use any other significant off-balance sheet financing instruments.

Information on the contingent liabilities and commitments can be found in point 8.3 of the Notes.

Clauses in contracts concluded by JENOPTIK AG, which apply in the event of a change of control within the ownership structure of JENOPTIK AG following a takeover bid, exist for financing agreements with a total utilized volume of 376.1 million euros (prior year: 395.6 million euros). More information can be found in the Information on Takeover Law.

General Statement by the Executive Board on the Development of Business

Jenoptik reported positive performance in terms of revenue and earnings in the fiscal year 2024. A challenging economic environment and the wars in Ukraine and the Middle East did not have any significant negative impact on the operating activities of the Jenoptik businesses in the reporting year, nor on the Group's earnings, financial, or asset positions. Jenoptik met its revenue and EBITDA margin forecasts.

The Jenoptik Group achieved revenue growth of 4.7 percent in 2024, primarily sustained by demand in the semiconductor equipment business in the Advanced Photonic Solutions division, as well as the Non-Photonic Portfolio Companies. Revenue in the Smart Mobility Solutions division was also up on the prior year.

In the fiscal year 2024, Jenoptik increased EBITDA slightly more than revenue, resulting in an improved margin.

The order intake remained below the prior-year figure, mainly due to fewer new orders of the Non-Photonic Portfolio Companies. As a result, the Group's order backlog at year-end 2024 was also lower than the prior year.

Due to lower cash flows from operating investing activities, the Group's free cash flow fell below the prior-year level. Nevertheless, net debt was further reduced over the course of the year. In the Executive Board's assessment, Jenoptik continues to have the financial latitude required for investments in the core photonics business, providing a robust basis for further organic growth.

In view of the Executive Board, the balance sheet and financing structure is highly sound. The equity ratio rose to 55.6 per-cent at the end of the year.

In view of the ongoing challenging environment in 2024, the Executive Board was very satisfied overall with the company's performance.

Segment Report

The two divisions, Advanced Photonic Solutions and Smart Mobility Solutions, together with the Non-Photonic Portfolio Companies, represent the segments as defined in IFRS 8.

For more information, see the Group Structure chapter

The divisions' product portfolio and competitive positioning are set out in greater detail in the "Group Business Model" chapter.

The revenue, order intake, and order backlog figures provided in the Segment Report concern business with external parties only.

Information on the various markets can be found in the Sector Report, on future developments in the Forecast Report

Advanced Photonic Solutions

T27 Advanced Photonic Solutions at a glance (in million euros)

	2024	2023	Change in %
Revenue	866.8	821.2	5.6
EBITDA	191.9	182.6	5.1
EBITDA margin in %[1]	21.8	21.9	
EBIT	138.8	132.3	5.0
EBIT margin in %[1]	15.8	15.9	
Capital expenditure	87.0	83.1	4.7
Free cash flow	96.6	78.2	23.6
Cash conversion rate in %	50.4	42.8	
Order intake	812.8	826.5	– 1.7
Order backlog	536.2	579.8	– 7.5
Employees (full-time equivalent/FTE)	2,956	3,033	– 2.5

[1] Based on total external and internal revenue

The Advanced Photonic Solutions division supports its customers as a partner with a broad photonics technology portfolio covering everything from development to volume production. Cooperation as a development and production partner with numerous large international companies was again an important part of the business in the 2024 reporting year.

Advanced Photonic Solutions generated revenue of 866.8 million euros in 2024 (prior year: 821.2 million euros). The division thus grew by 5.6 percent in the reporting period. The fourth quarter was the strongest, with 229.9 million euros in revenue (prior year: 226.9 million euros). In particular the business with the semiconductor equipment industry grew in 2024. The Advanced Photonic Solutions division's share of Jenoptik revenue rose slightly to 77.7 percent (prior year: 77.0 percent).

In the fiscal year 2024, around 72.3 percent of the division's revenue was generated abroad (prior year: 75.3 percent). Revenue in Europe (including Germany) rose to 524.9 million euros (prior year: 464.5 million euros) and continued to account for the largest share. Revenue in the Americas increased by 1.4 percent to 152.2 million euros (prior year: 150.1 million euros), while in Asia/Pacific revenue of 161.8 million euros was down on the prior-year figure of 176.9 million euros.

> More information on revenue in the regions can be found in the Segment Report in the Notes

In line with the growth in revenue, earnings before interest, tax, depreciation, and amortization (EBITDA) of 191.9 million euros were 5.1 percent up on the prior-year figure of 182.6 million euros. Higher contributions came primarily from Semiconductor Equipment and Optical Test & Measurement, while Life Science & Medical Technology recorded a lower result due to weaker demand in some areas. The prior year's EBITDA included 7.9 million euros from the reversal of a provision for onerous contracts related to a customer order following a contract modification. The division's EBITDA margin came to 21.8 percent, just down on the prior-year figure of 21.9 percent.

At 812.8 million euros, the order intake was 1.7 percent down on the prior-year figure of 826.5 million euros. Set against revenue, this resulted in a book-to-bill ratio of 0.94 (prior year: 1.01).

Despite the slightly lower order intake, the order backlog amounted to 536.2 million euros at the end of 2024 (31/12/2023: 579.8 million euros).

Higher EBITDA, in particular, and a reduced buildup of working capital led to a higher free cash flow before interest and income tax payments of 96.6 million euros (prior year: 78.2 million euros), despite higher cash flows from operating investing activities. The cash conversion rate consequently rose from 42.8 percent in the prior-year period to 50.4 percent at year-end 2024.

Over the reporting period, the working capital increased from 239.4 million euros at the end of 2023 to 257.7 million euros at December 31, 2024, primarily due to a significant reduction in trade payables and contract liabilities.

As of December 31, 2024, Advanced Photonic Solutions had a total of 2,956 employees (FTE), 77 fewer than in the prior year (prior year: 3,033). At the end of 2024, the division had 134 trainees (prior year: 119).

Including development services on behalf of customers, the division's R+D output came to 75.7 million euros, slightly up on the prior-year figure of 68.5 million euros. R+D expenses in the past fiscal year totaled 41.6 million euros (prior year: 40.9 million euros). The share of R+D output in division revenue was 8.6 percent (prior year: 8.3 percent).

> For more information on the key development topics, see the "Research and Development" chapter

Capital expenditure on intangible assets and property, plant, and equipment rose by 4.7 percent to 87.0 million euros (prior year: 83.1 million euros) and was mainly directed toward the new fab in Dresden. In response to the expected increase in demand for optics and sensors in the semiconductor industry, Jenoptik expanded its manufacturing capacities, constructing a state-of-the-art production building for micro-optics and sensors in Dresden. Production at the new factory began as planned in early 2025.

Due to increased capital expenditure, depreciation and amortization also rose to 53.0 million euros (prior year: 50.0 million euros).

Smart Mobility Solutions

The Smart Mobility Solutions division is responsible for the Group's business with systems and services related to traffic safety, such as speed and red-light monitoring systems and special solutions for identifying other traffic violations, and for the field of public safety. The business is primarily influenced by projects, with the service component steadily increasing.

In 2024, the division generated revenue of 119.5 million euros (prior year: 118.8 million euros), 0.6 percent more than in the prior year. The division again posted its strongest revenue of 36.5 million euros in the fourth quarter (prior year: 36.1 million euros). In the past fiscal year, Smart Mobility Solution's share of Jenoptik revenue came to 10.7 percent (prior year: 11.1 percent).

At around 61.9 percent, the share of revenue generated abroad in 2024 was down on the prior-year figure of 69.2 percent, reflecting project volumes. The division saw revenue growth in Europe (including Germany) and in the Middle East/Africa region. Due to changes in the sales structure in the US. Revenue in the Americas declined, and revenue in the Asia/Pacific region was also lower.

T28 Smart Mobility Solutions at a glance (in million euros)

	2024	2023	Change in %
Revenue	119.5	118.8	0.6
EBITDA	13.6	15.3	– 11.0
EBITDA margin in %[1]	11.4	12.9	
EBIT	6.5	9.1	– 28.2
EBIT margin in %[1]	5.4	7.6	
Capital expenditure	15.8	12.8	23.3
Free cash flow	8.1	10.1	– 19.7
Cash conversion rate in %	59.6	66.1	
Order intake	122.9	113.6	8.2
Order backlog	65.1	60.2	8.1
Employees (full-time equivalent/FTE)	507	485	4.6

[1] Based on total external and internal revenue

Primarily due to higher R+D expenses and investments in the new sales structure in the US, EBITDA of 13.6 million euros was down from 15.3 million euros in the prior year. A considerable contribution to earnings of 7.5 million euros (prior year: 8.6 million euros) was again generated in the fourth quarter. In 2024, the EBITDA margin came to 11.4 percent, compared with 12.9 percent in the prior year.

The division’s order intake is subject to typical fluctuations in project business. In 2024, Smart Mobility Solutions received new orders worth a total of 122.9 million euros, 8.2 percent less than in the prior year (prior year: 113.6 million euros), driven in part by orders from the US, Canada, and Kuwait. The book-to-bill ratio increased to 1.03 (prior year: 0.96).

As of December 31, 2024, the division’s order backlog had increased to 65.1 million euros (31/12/2023: 60.2 million euros).

At the end of 2024, the division had 507 employees (FTE), up from 485 at the end of 2023. At the end of December, the division had 17 trainees (prior year: 12).

In 2024, R+D expenses of 17.8 million euros were up on the prior-year figure of 15.6 million euros. Overall, the division’s R+D output grew to 23.8 million euros (prior year: 20.0 million euros).

For information on the key development topics, see the “Research and Development” chapter

As of December 31, 2024, the working capital improved to 22.7 million euros, down on the prior-year figure of 31.4 million euros. While inventories and trade receivables decreased, trade payables and contract liabilities increased.

The free cash flow (before interest and income tax payments) declined to 8.1 million euros, down from 10.1 million euros in the prior year, due in part to higher capital expenditure. As a result, the cash conversion rate of 59.6 percent was also down on the prior-year figure of 66.1 percent.

In the reporting year, the division invested 15.8 million euros in intangible assets and property, plant, and equipment, an increase of 23.3 percent over 2023 (prior year: 12.8 million euros). Capital expenditure was primarily deployed in connection with Traffic Service Provision (TSP) projects, particularly in the Americas. Under TSP contracts, Jenoptik provides comprehensive services for traffic monitoring, including equipment supply and operation, data processing and analysis, and services. In addition, capitalized development costs are included. Capital expenditure was offset by depreciation/ amortization totaling 7.1 million euros (prior year: 6.3 million euros).

Non-Photonic Portfolio Companies

The Non-Photonic Portfolio Companies particularly focus on solutions for the automotive industry in the Metrology (HOMMEL ETAMIC) and Automation (Prodomax) business units.

Revenue of the Non-Photonic Portfolio Companies came to 125.9 million euros in 2024 (prior year: 121.1 million euros), with Prodomax seeing a significant increase. The Non-Photonic Portofolio Companies' share of group revenue came to 11.3 percent in the fiscal year 2024 (prior year: 11.4 percent).

At around 76.7 percent, the division again generated most of its revenue abroad in 2024 (prior year: 76.7 percent). While revenue declined in Europe, including Germany, it increased primarily in the Americas and the Asia/Pacific region.

EBITDA improved significantly to 22.5 million euros (prior year: 17.6 million euros), driven by contributions from both Prodomax and HOMMEL ETAMIC. The EBITDA margin improved strongly to 17.5 percent in 2024, compared with 14.1 percent in the prior year.

EBIT of the Non-Photonic Portfolio Companies came to 15.4 million euros (prior year: minus 1.5 million euros). The prior year's EBIT was impacted by 4.0 million euros in impairments related to the sale of shares in TELSTAR-HOMMEL CORPORATION, Ltd., Pyeongtaek, Korea, and an 8.3 million-euro impairment charge on goodwill for HOMMEL ETAMIC. The EBIT margin improved to 12.0 percent (prior year: minus 1.2 percent).

T29 Non-Photonic Portfolio Companies at a glance (in million euros)

	2024	2023	Change in %
Revenue	125.9	121.1	4.0
EBITDA	22.5	17.6	27.7
EBITDA margin in %[1]	17.5	14.1	
EBIT	15.4	– 1.5	n.a.
EBIT margin in %[1]	12.0	– 1.2	
Capital expenditure	4.6	6.8	– 31.7
Free cash flow	14.7	40.1	– 63.3
Cash conversion rate in %	65.4	227.5	
Order intake	88.5	147.1	– 39.8
Order backlog	68.8	104.9	– 34.5
Employees (full-time equivalent/FTE)	527	500	5.4

[1] Based on total external and internal revenue

The challenging market environment in the automotive industry was reflected in the order intake during the reporting period. In the fiscal year 2024, the Non-Photonic Portfolio Companies received new orders worth 88.5 million euros, significantly lower than in the prior year (prior year: 147.1 million euros). Both Metrology and Automation posted fewer orders. The book-to-bill ratio reached a figure of 0.70 in 2024 (prior year: 1.21).

At the end of 2024, the order backlog was worth 68.8 million euros, 34.5 percent below the figure at the end of 2023 (31/12/2023: 104.9 million euros).

Despite improved EBITDA, the free cash flow (before interest and income tax payments) fell to 14.7 million euros (prior year: 40.1 million euros) due to a buildup in working capital (prior year: reduction). In addition, in the prior year, the sale of real estate had led to significant positive cash flows from operating investing activities.

The working capital increased from 44.4 million euros at the end of 2023 to 51.0 million euros at the end of the reporting year, chiefly due to higher trade receivables and contract assets.

As of December 31, 2024, the Non-Photonic Portfolio Companies had 527 employees (FTE) (31/12/2023: 500) and 21 trainees (31/12/2023: 21).

The R+D output rose to 6.2 million euros (prior year: 5.6 million euros). Development services on behalf of customers accounted for 2.4 million euros in 2024 (prior year: 2.1 million euros). As a result, the share of R+D output in the Non-Photonic Portfolio Companies' total revenue was 4.8 percent (prior year: 4.5 percent). R+D expenses came to 3.7 million euros (prior year: 3.5 million euros).

Capital expenditure on intangible assets and property, plant, and equipment fell to 4.6 million euros (prior year: 6.8 million euros), and was offset in the fiscal year 2024 by depreciation/amortization unchanged from the prior year of 7.1 million euros.

General statement by the Executive Board on the Development of the Segments

In the fiscal year 2024, the Advanced Photonic Solutions division benefited from good revenue with the semiconductor equipment industry and further improved EBITDA. While the order intake did not fully match the high level of the prior year, the division still has a good order backlog.

The Smart Mobility Solutions division achieved revenue close to the prior-year level in 2024, though it did not meet the prior year's EBITDA. Over the reporting period, the division received more new orders than in the prior year, also resulting in a higher order backlog.

The Non-Photonic Portfolio Companies also saw an increase in revenue, with significant improvements in EBITDA and the EBITDA margin. The challenging market environment in the automotive industry was reflected in the order intake during the reporting period, which fell below the prior year's level, resulting in a lower order backlog.

Over the course of the past fiscal year, Jenoptik continued to invest in expanding production capacity and developing new products.

In the opinion of the Executive Board, Jenoptik again succeeded in offering a broader range of products and services, expanding the revenue share with key customers, and winning international projects and new customers in 2024. In terms of revenue, we posted increases in all three segments subject to reporting requirements. Despite a lower order intake in the Advanced Photonic Solutions division and especially in the Non-Photonic Portfolio Companies, Jenoptik ended 2024 with a solid order backlog, providing a robust foundation for the Group's further development.

JENOPTIK AG Management Report

(abridged version according to HGB)

Supplementary to the reports on the Jenoptik Group, the development of JENOPTIK Aktiengesellschaft (hereinafter JENOPTIK AG) is set out below.

JENOPTIK AG is the parent company of the Jenoptik Group and based in Jena. Its asset, financial, and earnings position is fundamentally defined by its capacity as the holding company of the Jenoptik Group. The operating activities of JENOPTIK AG primarily cover the provision of services for subsidiaries and the leasing of commercial premises.

The Annual Financial Statements of JENOPTIK AG are prepared in accordance with German commercial law (HGB) and the supplementary regulations of the German Stock Corporation Act (AktG). The Consolidated Financial Statements are prepared in accordance with the IFRS Accounting Standards (IFRS) valid on the reporting date and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) whose application is mandatory within the European Union, as well as the regulations under commercial law in accordance with § 315e(1) HGB that apply on a supplementary basis. This gives rise to differences in the accounting and measurement methods, chiefly concerning fixed assets, derivatives, provisions, deferred taxes, leases, and revenue recognition.

The Group's strategic policy entails a greater focus on photonics growth markets and thus its development into a globally positioned photonics company.

Asset, Financial, and Earnings Position

T30 Abbreviated statement of income of JENOPTIK AG

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
Revenue	63,772	64,062
Cost of sales	60,855	61,760
Gross profit	2,917	2,302
Selling expenses	2,093	1,461
General administrative expenses	14,316	13,719
Research and development expenses	1,178	938
Other operating result	9,239	4,605
Income and expenses from profit and loss transfer agreements and investment income	54,148	94,997
Financial result	– 2,185	– 4,550
Income taxes	16,669	9,488
Earnings after tax	29,862	71,749
Net profit	29,862	71,749
Retained profits from prior year	20,000	20,000
Accumulated profit	49,862	91,749

Earnings position

Revenue was down 0.3 million euros on the prior year, at 63.8 million euros. Higher intra-group service revenue was offset by lower rental and leasing revenue. The cost of sales saw a decrease of 0.9 million euros, to 60.9 million euros, mainly due to lower real estate management costs.

Selling expenses of 2.1 million euros (prior year: 1.5 million euros) covered costs for communications, advertising, sponsorship, and strategic brand projects.

Administrative expenses rose year-on-year by 0.6 million euros, to 14.3 million euros, in part due to higher legal and consultancy fees. They primarily included personnel costs in the amount of 5.4 million euros (prior year: 5.7 million euros).

JENOPTIK AG posted research and development expenses amounting to 1.2 million euros (prior year: 0.9 million euros), primarily covering expenditure for innovation management and the coordination of R+D work in the Jenoptik Group.

The other operating result included other operating income of 21.0 million euros (prior year: 16.7 million euros), which was offset by 11.8 million euros of other operating expenses (prior year: 12.1 million euros).

Other operating income primarily included currency gains of 5.6 million euros (prior year: 7.3 million euros) and intra-group cost allocations of 4.2 million euros (prior year: 3.2 million euros). In addition, write-ups on financial investments amounting to 8.5 million euros (prior year: 4.2 million euros) and subsequent gains from the sale of VINCORION totaling 1.7 million euros increased other operating income.

Key items in the other operating expenses were currency losses of 7.1 million euros (prior year: 6.4 million euros) and expenses for intra-group cost allocations of 4.3 million euros (prior year: 3.2 million euros). In the prior year, other operating expenses were also impacted by expenses of 1.5 million euros from the disposal of non-current assets.

The financial result improved from minus 4.6 million euros to minus 2.2 million euros, mainly due to lower interest expenses for the debenture bonds.

Income taxes increased by 7.2 million euros on the prior year due to the full utilization of corporate income tax loss carryforwards in the fiscal year 2024.

JENOPTIK AG’s annual net profit decreased by 41.9 million euros to 29.9 million euros (prior year: 71.7 million euros). The company’s earnings position was mainly influenced by the subsidiaries’ earnings, which are transferred to JENOPTIK AG on the basis of existing control and profit and loss transfer agreements. The net earnings contribution of the subsidiaries fell compared to the prior year, by 43.0 million euros to 52.0 million euros, due to write-downs on investment carrying amounts at subsidiaries.

Contrary to the 2024 forecast, revenue declined slightly. While holding company services and service allocations marginally exceeded the prior year’s level as projected, rental and leasing revenue decreased due to a credit note for overpaid advances on incidental rental costs. Annual net profit before transfers from subsidiaries remained in line with the prior year as forecast.

T31 JENOPTIK AG statement of financial position

in thousand euros	31/12/2024	31/12/2023
Assets		
Intangible assets, property, plant, and equipment	82,669	84,686
Financial investment	973,086	980,142
Fixed assets	**1,055,755**	**1,064,828**
Inventories, trade receivables, and other assets	96,302	131,025
Cash and cash equivalents	42,962	24,623
Current assets	**139,264**	**155,648**
Accruals and deferrals	**3,341**	**3,246**
	1,198,361	**1,223,722**
Liabilities		
Share capital	148,819	148,819
Conditional capital 14,950 thousand euros (prior year: 14,950 thousand euros)		
Capital reserves	180,756	180,756
Profit reserves	388,763	337,047
Accumulated profit	49,862	91,749
Equity	**768,200**	**758,371**
Provisions	**16,824**	**16,089**
Liabilities to banks	360,931	380,076
Trade payables	7,576	6,776
Other liabilities	44,278	60,035
Liabilities	**412,786**	**446,887**
Accruals and deferrals	**550**	**2,374**
	1,198,361	**1,223,722**

Asset and financial position

At 1,198.4 million euros, JENOPTIK AG’s total assets were slightly down on the prior-year figure of 1,223.7 million euros.

The assets side of the statement of financial position reflects JENOPTIK AG’s status as a holding company. Alongside a capitalization ratio of 88.1 percent, of which 81.2 percent was attributable to financial investments and 6.9 percent to other non-current assets (in particular real estate), the total assets are characterized by a high level of receivables from associates in the amount of 91.9 million euros, which corresponds to 7.7 percent of total assets.

Within financial investments, the increase in shares in associates of 8.5 million euros, resulting from a reversal of an impairment, is offset by the decrease in loans to associates of 15.6 million euros due to the repayment of issued loans.

Receivables from associates amounting to 91.9 million euros (31/12/2023: 128.9 million euros) essentially concerned cash pool holdings of subsidiaries worth 88.5 million euros (31/12/2023: 122.8 million euros) and a short-term loan receivable from a subsidiary amounting to 1.0 million euros.

The increase in cash and cash equivalents by 18.3 million euros is related to the reporting date and the result of active liquidity management.

As a holding company, the financial position of JENOPTIK AG is significantly influenced by the liquidity situation of the Group. The company was able to meet its financial obligations at all times during the fiscal year. Overall, we assess our liquidity situation as comfortable. Please refer to the “Financial position” section for more details.

Accruals and deferrals essentially comprised accrued costs for various rental licenses.

On the liabilities side, JENOPTIK AG's financing function as the holding company for the Jenoptik Group was particularly evident. Equity came to 768.2 million euros (64.1 percent of total assets), liabilities to banks to 360.9 million euros (30.1 percent of total assets).

In particular thanks to the positive net profit in the sum of 29.9 million euros, equity improved by 9.8 million euros, rising from 758.4 to 768.2 million euros. This was countered by the payment of dividends worth a total of 20.0 million euros for the fiscal year 2023. The equity ratio increased from 62.0 percent to 64.1 percent, also due to the reduction in liabilities to banks.

Provisions were up from 16.1 million euros to 16.8 million euros, the increase of 0.7 million euros due in particular to higher tax provisions of 2.1 million euros (31/12/2023: 1.6 million euros).

The 19.2-million-euro decrease in liabilities to banks, from 380.1 million euros to 360.9 million euros, related to the early repayment of an installment of the debenture bonds issued in 2021 in the amount of 13.5 million euros, and the reduction in the utilization of the syndicated loan from 11.3 million euros to 0.2 million euros.

Other liabilities mainly comprised cash pool liabilities to associates amounting to 36.4 million euros (31/12/2023: 50.8 million euros).

Over the reporting year, JENOPTIK AG's debt-to-asset ratio changed, primarily due to the decrease in liabilities to banks and lower liabilities to associates, from a 38.0-percent to a 35.9-percent share of total assets.

As of December 31, 2024, JENOPTIK AG had 291 employees, of which 28 were temporary workers and trainees (31/12/2023: 275 employees, of which 37 temporary workers and trainees).

General statement by the Executive Board on the development of business

The business performance of JENOPTIK AG is dependent on the overall business performance of the Group. In this respect, we refer to our statements in the section "General statement by the Executive Board on the Development of Business."

Risks and opportunities

Due to its function as a holding company, JENOPTIK AG's development of business is subject to the same risks and opportunities as the Jenoptik Group. JENOPTIK AG generally participated in the risks of equity investments and subsidiaries in line with their equity interests and financial investments. The risks and opportunities of the Group and the segments are set out in the Risk and Opportunity Report.

Forecast Report

The net profit of JENOPTIK AG is largely dependent on the development of earnings contributions by the subsidiaries.

JENOPTIK AG expects slightly higher revenue which is mainly attributable to higher revenues from holding company services and service allocations in the fiscal year 2025, driven by changes in connection with the new group structure.

JENOPTIK AG's earnings – prior to transfer of subsidiaries' earnings contributions and excluding any impacts from corporate transactions or non-scheduled depreciation/amortization – are expected to be slightly below the prior-year level. For a detailed presentation of the expected future development of the Jenoptik Group and its segments, we refer to the Forecast Report.

Risk and Opportunity Report

Principles of Risk and Opportunity Management (Enterprise Risk Management) at Jenoptik

Jenoptik operates in a global and complex business environment and is therefore constantly exposed to internal and external influences on its business activities. Every business decision therefore involves weighing the risks and opportunities within the corporate environment. For Jenoptik, this consideration, is one of the principles of responsible and value-oriented corporate management.

Jenoptik's comprehensive opportunity and risk management system is based on an interactive and management-oriented approach. Its enterprise risk management (ERM) system accounts for both risks and opportunities, and is integrated throughout the company. The goal is to support the implementation of the group strategy and to define actions that create an optimum balance between growth and return targets on the one side and the associated risks on the other. To implement the strategy, it is necessary to identify risks and opportunities at an early stage, present them transparently and comparably, evaluate them, and manage them accordingly. This is achieved by promoting an open risk culture, and through regular development of the enterprise risk management system guided by the ISO 31000 standard. The risk assessment is set out in detail below.

G15 Risk assessment

Metrics	Probability of occurence	Consequences/extent of damage	
		Qualitative	Quantitative impact on group EBITDA
5 = High	up to 50 %	The goal of the Group or the risk reporting unit is jeopardized	or > 2 %
4 = Medium-high	up to 40 %	The goal of the Group or the risk reporting unit has to be adapted immediately	or > 1,5 to 2 %
3 = Medium	up to 30 %	The goal of the Group or the risk reporting unit has to be adapted in the medium term	or > 1 to 1.5 %
2 = Low	up to 20 %	Further measures are necessary in order to achieve the goals of the Group or the risk reporting unit	or > 0.5 to 1 %
1 = Very low	up to 10 %	Minor consequences	or > 0 to 0.5 %

Structure and organizational integration of enterprise risk management

The Supervisory Board's Audit and ESG Committee monitors the existence and effectiveness of Jenoptik's enterprise risk management. Overall responsibility for the ERM system in the Jenoptik Group lies with the Executive Board. The group-wide approach is set out in a risk manual. The structure and process are shown in the figure below.

G16 Process of risk reporting

Risk Officers in the divisions	Assessment of single risks
Central Functions	Assessment of single risks
Central Compliance & Risk Management department	Review and analysis of group risks
Risk Committee	Analysis of group risks
Executive Board	Final assessment of group risks
Audit and ESG Committee Supervisory Board	Evaluation of group risks

Functional responsibility lies with the Central Compliance & Risk Management department. As part of the group risk management, it reports directly to the CFO, who is also defined as the Group's risk officer.

The Risk Committee is made up of the members of the Executive Board and the Head of Compliance & Risk Management. It combined all aggregated reporting results in an overall assessment of the Group's risk position.

The definition and further development of the system take place in close coordination with the Executive Board and the Audit and ESG Committee of the Supervisory Board. The system is managed and approved by the Executive Board, to whom the Head of Compliance & Risk Management communicates the current requirements on the risk management system and advises on its practical implementation and monitors the measures and results of the risk management processes.

The central department organizes and manages the system in close cooperation with other central departments and the risk officers and managers of the divisions. These, in turn, are responsible for implementing the ERM system in the various risk reporting units. The risk reporting units are defined reporting units that are employed to accurately identify and allocate risks and opportunities. They can be both business units and individual subsidiaries or consolidated regional units.

While Internal Audit monitors the effectiveness, appropriateness, and efficiency of enterprise risk management, the Supervisory Board's Audit and ESG Committee performs the external monitoring function for or in conjunction with the Supervisory Board.

As part of the audit of the Annual Financial Statements, the risk early warning system of JENOPTIK AG is examined by the auditor with regard to the requirements of stock corporation law. The audit for the fiscal year 2024 showed that Jenoptik's ERM system complies with the legal requirements for a risk early warning system and that it is suitable for the early detection of developments that could jeopardize the continued existence of the Group.

The scope of risk consolidation corresponds to the scope of consolidation used for financial reporting.

Procedure and processes of enterprise risk management

Risks are defined as potential developments and events that may result in a negative divergence from objectives and forecasts in the company, and involve uncertainty regarding the occurrence of an event. Correspondingly, opportunities are events that may result in a positive divergence from expected targets.

The self-contained, regular, and IT-supported risk management process consists of various risk assessments, which are carried out using a combination of top-down and bottom-up elements. In order to ensure the most in-depth risk identification and comparability possible within the company, risks are recorded in a risk register, which supports management in its evaluation process. It comprises several specified categories, further divided up into subcategories, which are associated with predefined risk symptoms and provide the risk reporting units with a framework to assign potential risks and opportunities. This is to ensure that each risk reporting unit deals with the entire risk landscape and that, simultaneously, an aggregation of the results is guaranteed across the specified categories. To identify current risks and opportunities, the categories and subcategories must be continuously refined and adjusted in coordination with the Executive Board. To place greater emphasis on risks and opportunities related to sustainability and geopolitics, the categories and subcategories have been restructured. The existing risks and opportunities for the fiscal year 2024 were migrated to this updated framework. Until the end of 2023, the risk and opportunity categories were classified as strategic, operational, financial, and compliance-related. From 2024 onward, these are now categorized into financial, geopolitical, technological, environmental, social, and governance-related risks and opportunities. The updated framework is based on the Cambridge Taxonomy of Business Risks, which provides a comprehensive approach to identifying and categorizing risks and opportunities. The new risk and opportunity categories, including their subcategories, are illustrated in graphic G17. Risks and opportunities are assessed for the current year and the three subsequent years, allowing the company to account for business developments, external influences, and their potential impacts.

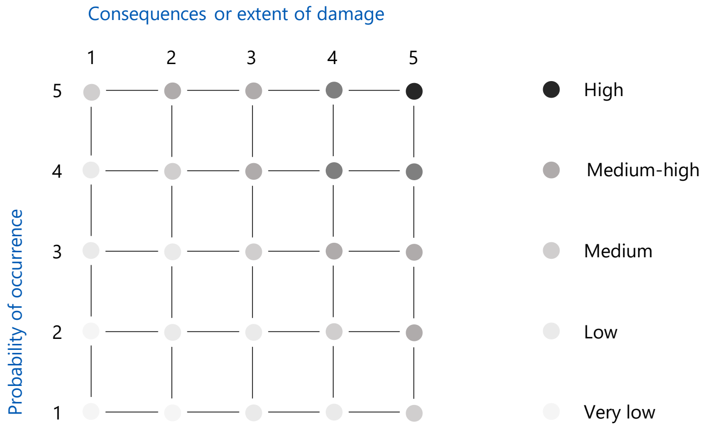
G17 Risk and opportunity categories

Financial Risks / Opportunities	Geopolitical Risks / Opportunities	Technological Risks / Opportunities
Economic outlook / Economic uncertainties / Market risks / Trading environment / Company outlook / Competition / Business partners	Business environment / Corruption & crime / Economic policy of the public sector / Change of government / Political violence / International and domestic conflicts	Disruptive technologies / Cyber/IT / Critical infrastructure / Industrial accidents
Environmental-related Risks / Opportunities	**Social Risks / Opportunities**	**Governance-related Risks / Opportunities**
Extreme weather / Geophysical events / Space / Climate change / Environmental degradation / Scarcity of natural resources / Food security	Socioeconomic trends / Personnel / Brand perception / Sustainable living / Health trends / Infectious diseases	Non-compliance with regulations / Litigation / Strategic performance / Management performance / Deficits in the business model / Pension management / Products and services

Within the scope of the risk analysis, the risk reporting units determine the risks and opportunities in order to be able to make a valid risk assessment in the next stage regarding the assessment methods (qualitative or quantitative) and the measures already taken or still required. The information is recorded using both the gross and net methods. Only the assessed residual risks (net risks) are used for aggregation and reporting, i.e., mitigating measures are already included in the assessment. The assessment of a risk is the product of the probability of occurrence and the quantitative amount of loss or the qualitative extent of damage. The opportunities are evaluated in the same way.

For the two evaluation factors – probability of occurrence and extent of damage – there is a scale from 1 to 5, making the smallest possible risk score 1 and the largest possible risk score 25. See the following graphic for more details.

G18 Calculation of risk scores



Every six months, the results of the assessments are collected from the risk reporting units and aggregated to the Group Risk and Opportunity Report. The findings are then validated by the central Compliance & Risk Management department of the Corporate Center prior to discussion on the Risk Committee. The Executive Board makes an overarching assessment, is informed about the impacts on risk-bearing capacity, determined through a Monte Carlo simulation, and decides on any further steps required. The Group Risk and Opportunity Report is then presented to and discussed by the Audit and ESG Committee and subsequently by the Supervisory Board.

In addition, any risks identified during the year that have a high probability of occurrence and significant potential for damage are communicated without delay to the head of the central department and the Executive Board. After joint analysis with the relevant departments, they decide on further steps and any necessary communication.

Risk prevention and assurance of compliance

Prevention is a key element of the risk management system, and an integral part of regular business operations and committee work. It essentially comprises risk monitoring as part of a range of assessments and special approval procedures. Consequently, risks and opportunities, as well as their impact on the company, are discussed during the monthly meetings of the Executive Board, the EMC meetings, and the quarterly business reviews. At the same time, potential risks to achieving the strategic goals can be considered directly in the strategy development process and suitable measures adopted.

Compliance with national and international standards is an integral part of risk prevention and the processes of Jenoptik's risk management system. In order to improve employee awareness and achieve a company-wide uniform understanding of our compliance standards, regular training is provided on subjects relevant to compliance, such as anti-corruption or anti-trust law, as well as data protection issues. Online training on key compliance issues is obligatory for all employees. In addition, the Jenoptik Compliance Days have been established and further developed as a dedicated communication format. For important risk or compliance-related questions from employees, a corresponding helpdesk is available on the intranet. The guidelines implemented within the Group with regard to important company processes are regularly reexamined, expanded, and updated. They are published on intranet portals. Together with the Integrity Code for Jenoptik employees, they help to further prevent risks.

The Code of Conduct for Jenoptik's business partners obligates them to comply with various international standard compliance requirements. Central business partner screening (third-party due diligence) is used to check whether a cooperation is viable from a compliance perspective.

Jenoptik therefore has a preventive system of regulations, processes, and controls that enable it to identify any possible deficits in the company and to minimize them using appropriate measures at an early stage.

Alongside the risk and compliance management systems, the Internal Control System (ICS) is a key element of corporate governance. It covers technical and organizational regulations and control steps to ensure compliance with guidelines and process descriptions, prevent losses, as well as clear divisions of responsibility and function, in adherence to the principle of double-checking. Its primary goals are to ensure the security and efficiency of business transactions and the reliability of financial reporting. In the past fiscal year, ICS self-assessments were carried out at all group companies, which had to be completed by the respective management. Monitoring and evaluation of the completed self-assessments is carried out by Internal Audit. Reported deficits are analyzed, and appropriate countermeasures are determined to sustainably eliminate them. In addition, a globally standardized, documented, and tool-supported ICS is being implemented for the financial and key non-financial processes of larger Jenoptik companies (> 30 employees), which includes system-supported effectiveness monitoring. The documented internal control system will gradually replace the ICS self-assessment currently in place. The process regarding the biennial compliance interviews remains unaffected. In the past fiscal year, during monitoring of effectiveness, weaknesses were identified in an IT sub-process at a location that was not yet fully integrated in this area. Mitigating measures were then taken immediately across the Group. In addition, neither the Executive Board nor the Head of Internal Audit has any indications that the internal control system and the enterprise risk management system are not essentially appropriate and effective.

Internal Audit supports the Jenoptik Group in achieving its goals by using a systematic and comprehensive approach to assessing and improving the effectiveness of its risk management, control, and monitoring processes. It is responsible for the risk-oriented audit of all processes in the divisions, regions, group companies, operating sites/facilities, strategic business units or functions/specialist areas of the Group ("audit universe"), and follow-up of measures for any deficiencies identified. Thirty audits were carried out in 2024. In order to ensure the greatest possible independence and objectivity, Internal Audit at JENOPTIK AG is a staff function of the Executive Board. In addition to ongoing reporting to the Executive Board, reports are also submitted directly to the Audit and ESG Committee every six months at minimum.

Key features of the Internal Control and Risk Management System (ICS) with regard to the accounting processes of the Group and JENOPTIK AG (§ 289 (4) and § 315 (4) of the German Commercial Code [HGB])

The accounting-related internal control system is part of the ICS of the Jenoptik Group. Its purpose, in part, is to ensure a due and proper process in preparing the Consolidated Financial Statements, guaranteeing compliance with statutory regulations, accounting rules, and internal guidelines for uniform accounting and valuation principles, which are binding for all companies included in the Consolidated Financial Statements. New regulations and changes to existing rules are analyzed and implemented promptly. All employees involved in the accounting process receive regular training. Regional financial delivery centers carry out some operational accounting processes. They also support the harmonization of processes, their efficiency and quality, and thus also the reliability of the internal control system.

Access restrictions in the relevant IT systems are intended to provide the best possible protection for financial systems against misuse. Central control and regular backup of IT systems reduce the risk of data loss.

In order to prepare the Consolidated Financial Statements, the companies recorded their data directly in the consolidation tool. The transferred financial statement data and individual financial statements of the included companies are checked through system-technical and manual controls. All consolidation processes required for the preparation of the Consolidated Financial Statements are documented. These processes, systems, and controls enable Jenoptik to ensure a group accounting process that complies with both the IFRS and statutory requirements. The group auditor audits JENOPTIK AG's Consolidated Financial Statements prepared according to IFRS and the Annual Financial Statements prepared according to HGB rules, in accordance with § 317 HGB and the EU Auditor Regulation (No. 537/2014), giving consideration to the generally accepted German audit principles defined by the Institute of Public Auditors in Germany (IDW).

Group Risk and Opportunity Profile

The risk and opportunity assessments of the segments was used to determine the Group's risk and opportunity profile for the subsequent years on the basis of 2024. The final group assessment includes both the risk evaluations of the segments and those of the Group's central departments. Our processes for identifying and managing risks integrate risks across all levels in the areas of finance, geopolitics, environment, social factors, technology, and governance for the purpose of corporate management. These categories are further explained in graphic G17. To efficiently compare and prioritize risks and opportunities, they are evaluated in terms of their impact on group EBITDA, which serves as a reference metric (see graphic G15). Due to taxonomy adjustments and a standardized assessment aligned with group EBITDA, existing risks and opportunities have been transferred to the new category system. The risk and opportunity management system enables a direct comparison of the development of the Group's risk profile based on risk categories. The Group's total risk exposure is determined by aggregating individual risks.

T32 Risk and opportunity categories with definitions

Category	Definition
Financial risks and opportunities	Influences from macroeconomic factors, financial markets, global economic value chains, and industry- or company-specific events
Geopolitical risks and opportunities	Influences from political shifts in society, political orientation of government players, regulatory actions such as tariffs and import/export restrictions, and conflicts within or between nations
Technological risks and opportunities	Influences from technological advancements, cyberattacks, threats to critical infrastructure, and industrial accidents
Environmental risks and opportunities	Influences from natural events, climate change, and environmental impacts related to business operations
Social risks and opportunities	Influences from socioeconomic trends in society and workforce, including shifting preferences, social norms, and demographic changes
Governance risks and opportunities	Influences from existing and new regulations, legal disputes, and strategic or tactical management decisions

Financial risks and opportunities

Jenoptik is dependent on the economic development of specific industries and markets, and so we are particularly affected by the ongoing weakness of the automotive markets. The Non-Photonic Portfolio Companies are strongly influenced by the development of the automotive industry and its investment schedule. The industry continues to face challenges due to the technological transformations and sales developments of vehicles with conventional drive trains, which pose medium-high risks to our business success as an equipment supplier to this industry. A focus on larger customers in the field of process automation is generally associated with the risk that negative business developments or the loss of customers may impact severely on revenue and earnings. By addressing other branches of industry with our product portfolio, we aim to reduce our dependence on the automotive industry in the future.

The Smart Mobility Solutions division is working to strengthen its presence in the American market and on further product development in line with divergent regional requirements. The highly regulated European traffic safety market, which has certain barriers to market entry due to its high approval requirements, also has a supporting effect here. The expansion into countries with high traffic accident rates can be seen as an opportunity. With its product portfolio, the division can contribute to a significant reduction in accident numbers. In many countries with high accident rates, however, both the willingness to invest and the financial capacity to procure more efficient traffic safety systems are often limited. The continuous development of the product portfolio with expanded service integration as a comprehensive solution for efficient traffic management aims to convince potential customers to increase their investments in traffic safety systems.

The global trend toward digitization and various (supra-)national funding programs to strengthen the local semiconductor industry continue to drive demand for optical technologies in the semiconductor equipment industry. Announcements by individual chip manufacturers regarding larger investment volumes also present significant opportunities for the Advanced Photonic Solutions division.

The relentless progress in medical technology and demographic developments, especially in Asia and the Americas, are also boosting demand for product solutions. Increasing financial problems in healthcare systems, however, are resulting in growing price pressure among suppliers. The increasing complexity of the market environment makes it difficult to make clear and reliable forecasts, particularly in innovative areas of application. In addition, mergers and acquisitions in the markets we target may intensify the competitive environment, and potentially improved cost structures of competitors and the associated increase in pricing pressure, may have negative effects on group earnings.

In some product areas, Jenoptik faces strong and well-established competitors, and in certain business fields, competitors from emerging markets may also enter the market. The company counters the competition risk, which is assessed to be medium-high, with, for example, innovative USPs, specific and flexible adjustments to its product range, or customer-specific adaptations for existing products and solutions.

Financial risks and opportunities have also been identified in the Group's central departments. One key task of the central Treasury department is to safeguard and coordinate the financing of all group companies over the long term. For this purpose, Jenoptik has access to a range of financing instruments. Currency-related risks arising from the Group's international activities are identified together with the group companies and reduced by adopting suitable measures such as the conclusion of currency forward transactions. The risk of changing interest rates is in part reduced by the conclusion of fixed interest loans. Interest derivatives are also used where required. Group-wide liquidity planning aims to identify liquidity risks at an early stage and systematically minimize them. Regular treasury reports and quarterly planning updates have been established for liquidity control and monitoring.

For information on the use of financial instruments, see point 8.2 of the Notes

In the Controlling and Accounting departments, opportunities predominantly arise from the continuing expansion and optimization of the standardized ERP system, and from the centralization of accounting processes for continuous quality improvement. By establishing new controlling instruments based on modern IT solutions, Jenoptik counters the risk of a possible lack of business-critical information in internal reporting.

Financial risks were assessed on average as low throughout the Group.

Geopolitical risks and opportunities

Uncertainties from trade and geopolitical conflicts persist, and conflicts may intensify due to various factors. The situation in the Middle East appears to have stabilized somewhat due to political negotiations and the regime change in Syria. However, conflicts in the region could reignite at any time, potentially disrupting international trade routes through the Red Sea. This could lead to higher commodity and energy prices. For Jenoptik, the current situation in the Middle East has no significant direct impact on customers and suppliers.

The Russian war against Ukraine with the associated sanctions does not pose any direct risks due to Jenoptik's almost non-existent business activities in either country. Indirectly, these conflicts could impact in particular on supply chains, the supply of energy, and its pricing, and also influence the short-term availability of raw materials. This could have a negative impact on inflation rates and pose the risk of a continuing wage-price spiral. Similarly, the blocking of financial transactions may also have an impact on the procurement or distribution of non-sanctioned goods. Both could severely impact on overall economic development in Jenoptik's growth markets and on the success of our business activities by negatively affecting our cost structure through price increases in raw materials and intermediate goods. Jenoptik is attempting to counter this through various measures in Purchasing, through further optimization of the internal cost structure, and, if necessary, through price adjustments in close cooperation with our customers. A worsening of the conflict or an expansion into NATO territory would likely have significant effects on European economies.

While the economic decoupling of the US and China has not changed significantly in the past fiscal year, with increasing trade barriers and technical regulations having a negative impact on global growth, the risk of renewed escalation of tensions between China on the one hand and Taiwan and the US on the other remains high. Despite the international orientation of the semiconductor industry, a significant impact on the global semiconductor market may be assumed in the event of escalation due to Taiwan's strong position in some stages of production, which may represent a medium risk for Jenoptik. The US is restricting technology exports to the Chinese market to complicate access to advanced chip manufacturing equipment, which political actors consider a key technology for technological leadership. As part of the lithography systems supply chain, which is subject to increasing export requirements and restrictions, particularly to China, this situation may also have a downstream impact on sales of Advanced Photonic Solutions. In addition, export restrictions on goods and raw materials imposed by the Chinese government could lead to production shortages. With Donald Trump's re-election as US President and the already implemented tariff increases on goods from Canada, Mexico, and China, the medium risk that there will be further tariff hikes on non-American products cannot be ruled out. Adjustments in production and pricing may follow, considering possible tariff exemptions relevant to Jenoptik's product portfolio. However, Jenoptik already has multiple locations in the US and plays a key role in strengthening the American semiconductor industry with its products.

America's subsidy policy is accompanied by increasing requirements in export handling, as it is associated with geopolitical interests. From a global perspective, there is a medium- to long-term opportunity that the construction of numerous new semiconductor factories worldwide, driven by efforts toward technological sovereignty, will lead to significant growth in the semiconductor industry over the next decade, potentially resulting in increased demand for lithographic equipment, for example, in factory setups. Potential overcapacity among chip manufacturers, however, could impact Jenoptik as a semiconductor equipment supplier, posing risks of order delays.

The uncertain economic climate and sluggish demand in the Chinese market have led to a crisis in the European automotive industry. With the Non-Photonic Portfolio Companies operating in this market, Jenoptik may face risks as part of the supplier industry.

As a supplier to international public-sector customers in particular, the Smart Mobility Solutions division is exposed to both the political and economic development of the respective countries. Particularly in the event of unrest or regime change, this may result in projects being delayed or even abandoned. Due to the tight budgetary situation and the realignment of public budgets in the wake of the war in Ukraine, potential cuts in public investment for traffic monitoring projects cannot be ruled out for the future.

In the risk management period completed, geopolitical risks were rated as medium on average throughout the Group. Due to the dynamic situation and increased trade policy uncertainty, a short-term deterioration in the valuation is possible.

Technological risks and opportunities

As an international technology group, Jenoptik relies heavily on development and innovation. Digitization and artificial intelligence are primarily viewed as opportunities to further integrate digital solutions into the product portfolio. To support this, international service locations have been strengthened to drive continuous software integration in our products. The trends toward AI and increased digital networking between hardware and software components have led to higher demand for high-performance chips in the semiconductor industry. This positive development is expected to continue benefiting the Advanced Photonic Solutions division.

Risks rated as medium are primarily perceived in the form of increasingly frequent and complex cyberattacks. Global IT systems and processes are of great significance to Jenoptik in all its divisions. Sites that are not yet fully integrated are prioritized based on risk and are being gradually incorporated into Jenoptik's IT security systems. The security and availability of these systems are a top priority. The data is stored on redundant storage media and protected from data loss by a multi-level archive and backup system. This aims to enable rapid data recovery in the event of a crisis situation. Due to increasing IT threats worldwide, for example in the form of social engineering, such as phishing attacks or ransomware, Jenoptik is actively taking both preventive and corrective measures to reduce the risk of cyberattacks. For example, all IT security issues are coordinated by the Chief Information Security Officer, existing processes are continuously scrutinized and adjusted, technical measures are implemented, and employees in positions of responsibility are provided with internal training.

Jenoptik has also improved its Security Operations Center (SOC) to better ensure protection of its IT infrastructure. It integrates, monitors, and analyzes all security-related systems such as our corporate networks, servers, workstations, and Internet services, alerts the affected units, and takes action to protect our data and applications. However, these measures to protect our IT infrastructure, intellectual property, and portfolio cannot result in complete risk mitigation. The medium-high risk of unintended transfer of sensitive data through the use of publicly accessible AI applications has been mitigated by the successful implementation of an in-house AI solution for employees.

Technological risks were assessed on average as medium throughout the Group.

Environmental risks and opportunities

In the case of environment-related risks and opportunities, compliance with environmental regulations and reporting obligations has gained in importance, as customers are increasingly demanding adherence to these standards. Failure to comply with environmental regulations and reporting obligations presents the medium risk of losing customer contracts, which could impact revenue. Jenoptik takes environmental standards and reporting obligations seriously and implements measures to enhance environmental protection and sustainability. The company believes that efficient resource use in production improves sustainability and ensures the long-term success of the Group. Environmental factors will also be given greater consideration in supplier selection. Beyond regulatory requirements, climatic risks such as natural disasters and extreme weather events may affect Jenoptik's international locations. Key risks include flooding, tornadoes, and storms. Droughts pose an additional risk, as dry soil can hinder groundwater runoff during flash floods, increasing local flooding potential. Heat waves can impact employee performance and cause damage to production areas.

To mitigate these risks, which were assessed as medium, Jenoptik's locations have been assessed using environmental reports and analytical software to evaluate potential damage scenarios. Preventive measures will be implemented to enhance protection against climate-related physical events at sites worldwide. Additionally, climate-related production disruptions and their consequences will be mitigated through continuous review and, if necessary, adjustments to insurance coverage of the sites and the implementation of business continuity processes. Since climate-related supplier disruptions also pose a risk to material supply at production sites, in particular key suppliers will be included in climate assessments to identify joint measures, if necessary, to reduce the risk of disruptions. Identifying alternative suppliers will help ensure a continuous supply of materials in the event of supplier failures.

Environmental risks were assessed on average as medium throughout the Group.

Social risks and opportunities

Our employees make the most important contribution to the company's success. As an international technology company, Jenoptik needs dedicated and highly qualified colleagues – now and in the future. Due to the difficulties in attracting qualified employees, particularly in Germany, Jenoptik is also exposed to the risk of not being able to fill vacant positions as they arise. This is due to both demographic factors and the sometimes demanding technical aspects in the core business of photonics, coupled with strong competition for skilled workers. The departure of experienced employees, in particular, can lead to a loss of knowledge, especially in complex production processes. Another risk arises from rising inflation, which can increase overall costs for staff and recruitment. However, these risks also present opportunities to position Jenoptik as an attractive employer in the competition for skilled workers.

To address these challenges, various targeted measures are being implemented, including knowledge transfer programs within the Group, the development and expansion of succession planning for leadership positions, leadership and professional career programs, an employer branding campaign, and both attractive and tailored incentive and retention systems. Worth mentioning here is the campaign promoting openness, tolerance, and diversity, and the anchoring of diversity in our personnel structure, which serves to counteract intolerance and isolation and promote an attractive location for foreign skilled workers. Through various formats, events, and collaborations with universities and schools at international locations, Jenoptik presents itself as a modern and appealing employer, enhancing its visibility among students, graduates, and professionals. To support entry into the workforce, a wide range of training opportunities, internships, and research and development projects are offered for future professionals. This approach is to ensure a continuous recruitment of qualified employees, securing the long-term success of the Group.

Social risks were assessed on average as low throughout the Group.

Governance-related risks and opportunities

In view of Jenoptik's international business operations, one general risk is non-compliance with legal, ethical, and contractual requirements. Successfully completed M+A activities, in particular, require careful integration and coordination processes to ensure full integration of the acquired companies into our corporate governance. The continuous improvement of our compliance structures and processes assists all departments and business units in this regard. As a company with customers and business partners in numerous countries and global clients in the public sector, Jenoptik must grapple with many, partly increasing, compliance requirements in a wide range of different markets.

Although the necessary organizational structures and measures to minimize potential compliance violations have been implemented with a group-wide export control and data protection organization, the central Compliance and Risk Management department, and corresponding processes, such violations cannot be entirely ruled out. Strict adherence to the compliance program and the continuous development of the compliance management system aim to close up any process gaps and ensure that processes comply with laws and regulations.

Our strategy of focusing on individual, larger customers in the semiconductor industry and the resulting customer concentration inherently carries the risk that poor business performance or the loss of these customers may impact severely on revenue and earnings. On the other hand, the retention of such customers enables profitable revenue growth through economies of scale. Due to the highly specialized technology portfolio of both Jenoptik and its key customers, the dependency exists in both directions. Although there is always an inherent threat to revenue growth posed by the trend among customers toward forward and/or backward integration, it may still be achieved through the continuous expansion of existing competitive advantages, in-house development activities, and close collaboration with customers. In addition, this risk is addressed by continuously reviewing the depth of our value chain with the aim of supplying more system and service solutions to our customers. In general, specific customer requirements, especially regarding the quality and growing number of complex high-end products, and the dynamic growth of some business areas, lead to rising demands on production technologies, capacities, and floor area concepts. We address these challenges through targeted expansion and replacement investments. Delays in necessary investments or construction projects may pose an increased risk that quality and performance requirements are not met to the agreed schedule, or at all, resulting in either delivery delays or non-acceptance by the customer. To meet demand, the Group continues to invest in new and existing production facilities while maintaining ongoing operations.

Due to the global business model and expansion into new markets, often with public-sector clients, the Smart Mobility Solutions division faces an increased risk regarding compliance with national laws and data protection regulations compared to other segments. In the field of traffic safety technology, the requirements of the General Data Protection Regulation are of particular significance in Europe. They can now be met thanks to the further expansion of a standardized group-wide data protection organization. Regular anti-corruption training is also conducted, particularly for employees in procurement, sales, and customer service.

The increasing number of complex international projects, particularly those of a technically challenging nature, place enormous operational demands on all business areas and our suppliers. Regarding raw materials and production technology, this creates medium risks in supplier management and production processes. For many components, particularly in the semiconductor industry, there is only a very limited number of qualified or single-source suppliers or that are able to meet the necessary specifications in a timely manner. When such a supplier is lost or the customer changes specifications, this can result in corresponding problems in the development or production process. To ensure a stable base of suitable suppliers in the medium and long term, our partners are continuously supported and subject to ongoing qualification with the help of the segments and Strategic Purchasing. In addition, special supplier development teams support our suppliers in the necessary further development of their organizations or business processes. Strained supply chains may also pose risks, especially at a time of increased demand for our products.

Governance risks are assessed as low throughout the Group.

Overall, the risks to which the Group is exposed are in the low-risk range. In the reference year 2023, the overall risk was assessed as medium under the previous risk category system. Due to a standardized assessment methodology and the reclassification of individual risks into the new risk categories applied since 2024, the simulated total risk for the fiscal year 2023 is now in the low range. Compared to the prior year, a slight increase in environmental risks has been identified.

T33 Risk profile of the Jenoptik Group in 2024

	Group risk assessment	
	Current (2024)	Prior year (2023)
Financial risks	Low	Low
Geopolitical risks	Medium	Medium
Technological risks	Medium	Medium
Environmental risks	Medium	Low
Social risks	Low	Low
Governance-related risks	Low	Low

General Statement by the Executive Board on the Group’s Risks and Opportunities

Significant and controllable risks and opportunities were identified and assessed on the basis of our risk and opportunity management system. Overall, the Jenoptik Group’s risk exposure has changed only slightly compared to the prior year. The risks addressed are limited – as far as possible – by the initiation and follow-up of appropriate measures.

In addition to the specific risks set out in the Group Management Report, however, unforeseeable events may occur at any time that have a significant impact on market developments, our sales and production processes, and the reputation of the company. The medium and long-term effects of the unstable geopolitical situation, such as Russia’s ongoing war in Ukraine but also the increasing tensions between China and the partners Taiwan and the US, cannot be assessed with certainty at present. These factors, along with potential tariffs on US imports, could impact the supply and pricing of energy, raw materials, and logistics services for certain Jenoptik locations. Despite the international orientation of the semiconductor industry, a significant impact on the global semiconductor market may be assumed in the event of escalation due to Taiwan’s strong position in some stages of production. Downstream, this could lead to further changes in inflation rates in the coming years.

Overall, it can be said that a consistent focus on the Group’s strategic markets may gradually help to reduce the existing risks. The growing importance of the photonics industry and the strong related demand for applications and devices, both from private households and companies, continue to offer Jenoptik the potential for good further growth. As mentioned in the Advanced Photonic Solutions section, (supra-)national industrial policy within the framework of the American CHIPS and Science Act and the European Chips Act can also have a supportive effect here.

Overall, there is a satisfactory balance between risks and opportunities in the Jenoptik Group. No risks were identified that may jeopardize the continued existence of the Group.

Forecast Report

Framework Conditions: Future Development of the Economy as a Whole and the Jenoptik Sectors

The International Monetary Fund (IMF) expects the global economy to grow by around 3.3 percent in 2025 and 2026 and is therefore forecasting a slight increase in momentum in comparison with 2024 (3.2 percent). Overall, however, growth momentum will be below the historical annual average of 3.7 percent (2000-2019).

The IMF’s key underlying assumptions include the effects of increased trade policy uncertainty, a slight fall in prices for energy commodities, and a slight overall drop in interest rates. In view of the formation of new governments in a number of countries, including the US, Germany, and France, the IMF expressly points out that no assumptions regarding possible policy changes have been included in the forecast.

T34 Gross domestic product forecast (in %)

	2025*	2026*
World	3.3	3.3
US	2.7	2.1
Eurozone	1.0	1.4
Germany	0.3	1.1
China	4.6	4.5
India	6.5	6.5
Emerging markets	4.2	4.3

Source: International Monetary Fund, World Economic Outlook (Update), January 2025
* Forecast

For the US, the IMF expects growth momentum to slow from 2.8 percent in 2024 to 2.7 percent in 2025 and 2.1 percent in 2026. The IMF believes that underlying demand will remain robust, driven by strong wealth effects and a less restrictive stance on monetary policy.

The IMF increased its growth forecast for China, the world’s second largest economy, by 0.1 percentage points in comparison with its last forecast, but still sees declining growth momentum at 4.6 percent in 2025 and 4.5 percent in 2026. The slightly improved outlooks are primarily due to the tax package announced in November 2024, which addresses the negative impact of increased trade uncertainty and the real estate market on investment.

Growth in the eurozone is expected to gradually improve slightly from its very low momentum of an estimated 0.8 percent in 2024 to 1.0 percent in 2025 and 1.4 percent in 2026. It is the belief of the IMF that geopolitical tensions continue to weigh on the mood of economic operators, as do subdued expectations for the manufacturing sector and increased political uncertainty. Stronger domestic demand due to falling interest rates is expected to be the key growth driver in 2026.

According to the IMF’s January 2025 assessment, the German economy should gradually recover after the recession of the past two years, with low growth of 0.3 percent in 2025 and 1.1 percent in 2026.

The worldwide photonics industry is being influenced by a number of long-term trends. Increasing digitization and the resulting steady rise in the demand for microchips, new applications in areas such as mobility and health, and a growing focus on sustainability are key drivers. Overall, market observers from Verified Market Research expect the global photonics market to grow by an average of around 6 percent per year until 2030.

According to the Semiconductor Industry Association (SIA), the global semiconductor industry will continue to grow significantly in 2025. In the long term, demand for semiconductors will be driven by increasingly intelligent and efficient chips, which will better connect the world, and make new applications possible. Geopolitical tensions and the associated sanctions, on the other hand, create uncertainty for the global semiconductor industry and may fundamentally affect regional competitiveness and disrupt supply chains. The SIA is forecasting significant growth in revenue of around 11 percent for the global semiconductor industry in 2025. Industry observer Gartner predicts growth of around 14 percent in 2025.

For the global market for semiconductor equipment, the SEMI association expects a further increase of around 8 percent to 121 billion US dollars in 2025, driven by the building up of new capacities, for example. A total of 18 new semiconductor factories are expected to be built. Growth in the largest market segment, wafer fab equipment, is expected to be slightly below average, while the areas of test equipment, assembly, and packaging are likely to see double-digit growth.

Based on assessments by Market Data Forecast, the global medical technology market will grow by an average of around 5 to 6 percent annually until 2025. Market researcher Fortune Business Insights forecasts the global market for medical technology devices to grow at an annual rate of 5.9 percent through 2030. This market development will be driven, for example, by increasing demand for wearable health devices such as fitness trackers, as the spread of chronic diseases and the shift to home care which requires portable, easy-to-use equipment.

The VDMA industry association expects production in the German mechanical and plant engineering industry to fall by 4 percent in real terms in 2025. In addition to the ongoing slump in the global economy, the industry association also believes that the industry’s declining order backlog is likely to have a noticeable effect in 2024. The business environment for the automotive industry will be challenging in 2025 due to geopolitical and macroeconomic uncertainties. According to the VDA, global vehicle sales are nevertheless expected to increase by 2 percent.

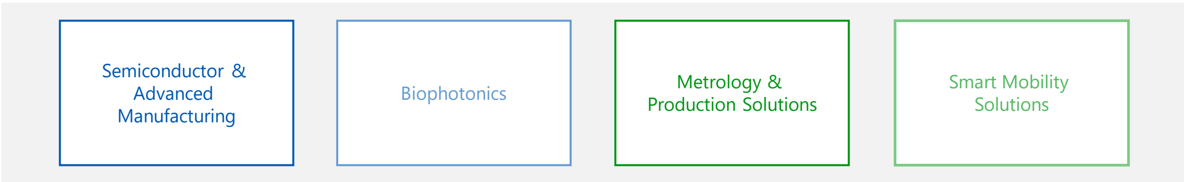
The global traffic safety market is expected to experience average annual growth of 9.6 percent to around 5.1 billion US dollars by 2026, according to the US market research company MarketsandMarkets. The key drivers for this are the increasing urbanization and expansion in the transport and traffic sector, the further development of smart systems and initiatives for greater road safety such as “Vision Zero.”

Expected Development of the Business Situation

Planning assumptions for the Group and segments

Since the beginning of 2025, the Jenoptik Group has simplified its organizational structure in the Advanced Photonic Solutions division in order to increase its customer focus and efficiency, and to allocate responsibilities more clearly. Consequently, Jenoptik has the following reportable segments as of January 1, 2025: Semiconductor & Advanced Manufacturing, Biophotonics, Metrology & Production Solutions, and Smart Mobility Solutions. The segments bundle the businesses according to similar fields of use, customer access, and business models (B2B, B2G), representing the segments within the meaning of IFRS 8 since January 1, 2025.

G19 Segments of the Jenoptik Group



The Semiconductor & Advanced Manufacturing Strategic Business Unit (SBU) primarily comprises the business with optical and micro-optical components for the semiconductor equipment industry along with information and communication technologies.

The activities of the Biophotonics SBU focus on optical components for the life science and medical technology industry and also include various industrial applications.

Systems for quality inspection and production solutions for the optical, electronics, and automotive industries form the core of the Metrology & Production Solutions SBU.

The Smart Mobility Solutions SBU offers camera systems and services for traffic monitoring and civil security, primarily for the public sector.

The forecast for business growth in 2025 is based on the Group planning set out in the fall of 2024.

The starting point are the separate plans from the segments and the operational business units, which are coordinated and integrated into group planning. Potential acquisitions, divestments, and exchange rate fluctuations are generally not taken into account in the planning process.

Since January 1, 2025, the system of key performance indicators has included the indicators revenue, EBITDA margin, and capital expenditure. In the future, order intake will be an information parameter, as the indicator is only suitable as a key performance indicator to a limited extent due to the sometimes high market and demand fluctuations. The cash conversion rate will also be considered an information indicator in the future. Other parameters will also be compiled regularly in the future, serving as information parameters for the top management.

See the "Control System" chapter for more information on the key performance indicators

See the "Framework Conditions" chapter for more information on the future development of the Jenoptik sectors

Forecast for the earnings, financial, and asset positions in the fiscal year 2025

In the fiscal year 2025, the Executive Board expects for the Jenoptik Group that, after a subdued start, an upturn will set in during the second half of the year, particularly in the semiconductor equipment industry. The Executive Board continues to assume that the political and economic conditions will not deteriorate. These include, in particular, economic trends, regulations at European level, and other macropolitical developments in our sales markets, e.g., tariffs and the wars in Ukraine and the Middle East.

In view of the market environment that is currently characterized by above-average uncertainty, the Executive Board expects revenue to be roughly at the prior-year level (+ / -5 percent (2024: 1,115.8 million euros) in the fiscal year 2025.

It also assumes that the EBITDA margin (EBITDA = earnings before interest, tax, depreciation, and amortization including impairments and reversals of impairments) will be between 18.0 and 21.0 percent (2024: 19.9 percent).

In the Semiconductor & Advanced Manufacturing SBU, the Executive Board anticipates a slow start to the fiscal year 2025. In the second half of 2025, however, the SBU should benefit from growing demand for optical and micro-optical system solutions for semiconductor manufacturing. In the fiscal year 2025, the Semiconductor & Advanced Manufacturing SBU expects a slight growth or a decline in the single-digit percentage range in revenue. EBITDA is expected to develop roughly in line with revenue.

In the current fiscal year, the Biophotonics SBU is again expecting greater demand from life science & medical technology. Biophotonics is aiming to achieve revenue growth in the single-digit percentage range in 2025. EBITDA is expected to show a significantly stronger growth than revenue.

In the Metrology & Production Solutions SBU, the Executive Board sees stable business growth overall, although development in the automotive market is likely to remain rather subdued. In the fiscal year 2025, the Metrology & Production Solutions SBU expects revenue and EBITDA to be around the level of the prior year.

For the fiscal year 2025, the Executive Board expects revenue growth and an increase in profitability in the Smart Mobility Solutions SBU. From a regional perspective, growth momentum is expected primarily in North America. In terms of revenue, Smart Mobility Solutions expects growth in the single-digit percentage range. EBITDA is expected to grow significantly faster than revenue.

Following completion of the new cleanroom factory in Dresden, the Executive Board expects capital expenditure in the fiscal year 2025 to be significantly below the prior year's level of 114.6 million euros.

Important note. The actual results may differ significantly from the forecasts of anticipated development described and summarized below. This may especially be the case if one of the uncertainties mentioned in this report were to materialize or worsen, or if the assumptions upon which the statements are based, including with regard to economic and macroeconomic development, market and geopolitical risks, conflicts and war, and the associated sanctions, prove to be inaccurate. Possible changes in the portfolio are not included in the forecast.

T35 Targets for Group and segments (in million euros/or as specified)

	Actual 2024	Forecast for 2025 (without major portfolio changes)
Revenue	1,115.8	Roughly at prior-year level (+/-5 percent)
Semiconductor & Advanced Manufacturing	491.8	Slight growth or decline in single-digit percentage range
Biophotonics	222.2	Growth in single-digit percentage range
Metrology & Production Solutions	222.2	Roughly at prior-year level
Smart Mobility Solutions	119.5	Growth in single-digit percentage range
EBITDA/EBITDA margin	221.5/19.9 %	Between 18.0 and 21.0 percent
Semiconductor & Advanced Manufacturing	139.9	Development roughly in line with revenue
Biophotonics	29.7	Growth significantly stronger than revenue
Metrology & Production Solutions	26.3	Development roughly in line with revenue
Smart Mobility Solutions	13.6	Growth significantly stronger than revenue
Capital expenditure	114.6	Significantly below prior year

General Statement by the Executive Board on Future Development

The Jenoptik Group will continue to implement its strategic Agenda 2025 in the current fiscal year 2025. In terms of economic development, our key focus remains on profitable organic growth. We believe that a positive product mix, cost discipline, and more efficient and faster processes can lead to positive development. It is the opinion of the Executive Board that Jenoptik's strong financial situation and a sustainable and flexible financing structure provide it with sufficient room for maneuver to finance capital expenditure in further organic growth.

Achieving our targets depends on development of the economic and political environment, particularly in connection with the conflicts and wars around the world and the general economic developments.

In the fiscal year 2025, the Executive Board expects for the Jenoptik Group that, after a subdued start, a recovery will set in during the second half of the year, particularly in the semiconductor equipment industry. For the current fiscal year 2025, the Executive Board expects revenue be roughly at the prior-year level (+/-5 percent) with an EBITDA margin between 18.0 and 21.0 percent.

Jenoptik will continue to invest a significant proportion of its funds in the development of innovative products and the expansion of capacities in 2025. Overall, however, capital expenditure is expected to be significantly below the level of the prior year.

Based on the information available at the time this report was created, the Executive Board expects overall a positive business development for the Jenoptik Group in 2025.

Jena, March 19, 2025
JENOPTIK AG

Dr. Stefan Traeger
President & CEO

Dr. Prisca Havranek-Kosicek
Chief Financial Officer

Dr. Ralf Kuschnereit
Member of the Executive Board

Sustainability Statement

General Information

Our take on sustainability

For Jenoptik, entrepreneurial activity is not only the realization of economic goals but also a commitment to the environment and society. Sustainability forms part of our corporate strategy and is deeply rooted in the organization. As an "enabler," we use our expertise and innovative products to make an important contribution to overcome social and climate challenges, enable customers worldwide to contribute more efficiently and sustainably to conserving resources and protecting the climate.

T36 List of disclosure requirements

Principles for the preparation of the Sustainability Statement

This Sustainability Report/Sustainability Statement fulfills the requirements for the non-financial (group) statement prepared in accordance with § 289b et seq. and 315b to 315c of the German Commercial Code (HGB), thus representing the combined non-financial statement for the Jenoptik Group and JENOPTIK AG. The first-time voluntary and complete use of the European Sustainability Reporting Standards (ESRS) as a framework according to § 315c (3) in conjunction with § 289 HGB for the group declaration reflects the importance of the ESRS for our stakeholders as well as the reporting standards for sustainability reporting adopted by the European Commission. In doing so, it also fulfills the requirements of the Corporate Sustainability Reporting Directive (CSRD). We did not use a framework for our non-financial statement in relation to JENOPTIK AG in accordance with Section 289b HGB because for our stakeholders an ESRS sustainability statement for the group is relevant.

As part of the key aspects and the ESRS standards applied in this context, the report refers to environmental, employee, and social concerns as well as respect for human rights and the fight against corruption and bribery. The double materiality analysis did not identify any key impacts, risks or opportunities regarding our social concerns. There are no key risks resulting from our own business activities or from business relationships, products, and services that are very likely to have serious negative impacts on non-financial aspects.

Within the framework of the initial application (phase-in provisions), the information not reported is that relating to financial impact of significant impacts, risks, and opportunities, as well as disclosures related to agency workers and the number of lost days due to work-related injuries as a result of occupational accidents. The reporting requirements pursuant to Article 8 of the EU Taxonomy Regulation relating to the disclosure of environmentally sustainable business activities are also fulfilled, while in prior years the GRI standard served as an orientation aid and reporting was carried out in accordance with the requirements of the CRS-RL-UG. No other legal provisions were applied.

The information in the Sustainability Statement applies equally to the Jenoptik Group and JENOPTIK AG and was prepared on a consolidated basis. The scope of consolidation is identical to that of the Consolidated Financial Statements. Information on strategies, guidelines, actions, key figures, and targets relate both to the company's own business activities and, where necessary and material, to the upstream and downstream value chain. The upstream and downstream value chain was considered particularly when assessing the impacts, risks and opportunities in the double materiality analysis and when determining Scope 3 emissions. In the area of supplier management, for example, actions and targets relate exclusively to the upstream value chain. Previously reported figures contain comparative information from the prior year. For newly introduced metrics Jenoptik uses the transitional provision in accordance with ESRS-1 and does not disclose the prior year's figures.

Information in connection with specific circumstances: Short, medium and long-term timescales correspond to the usual assumptions of one, up to five, and more than five years. Estimates of parameters in connection with the value chain were applied in particular to determine Scope 3 emissions. The relevant sources, the principles for preparation, the resulting degree of accuracy, and planned actions for future improvement are explained in more detail with the result uncertainties in the section Environmental information/Scope 3. The key figures presented in this report have not been subject to any other external audit than the audit by the auditor.

In accordance with ESRS 1.119 or § 315b (1) (3) HGB, reference is also made to other information available in the Group Management Report for individual aspects. The following list shows all components and disclosure requirements of the ESRS that are relevant to the Sustainability Statement and have been incorporated by reference. Further information on the disclosure requirements and principles of preparation can be found in the appendix, section "Additional information and notes" from p. 153. The option to omit information relating to intellectual property, innovations and know-how was utilized.

T37 ESRS disclosure requirement included by reference

ESRS disclosure requirement which was included by reference	See page
ESRS-2, SBM-1 (40a): Products, markets, market position and customers	p. 26: Business model and markets
ESRS-2, SMB-1 (40b): Breakdown of total revenue: segment report	p. 47: Earnings position
ESRS -2, SBM-1 para 40a-iii, Number of employees by geographic area	p. 42: Employees

Sustainability governance

Role and responsibilities of the administrative, management and supervisory bodies

JENOPTIK AG is a stock corporation under German law. The central body of management is the three-member Executive Board that runs the company on its own responsibility and in the interests of the company with the aim of sustainably increasing the value of the company. It takes into account the concerns of all stakeholders, in particular shareholders and the Group's employees. The twelve-member Supervisory Board advises and monitors the Executive Board in its leadership of the company and is involved in decisions of fundamental importance to the company.

Executive Board: All Executive Board members (namely Dr. Stefan Traeger (CEO), Dr. Prisca Havranek-Kosicek (CFO), Dr. Ralf Kuschnereit) are jointly responsible for the overall management of the Group and decide on primary matters of company policy, the corporate strategy in which sustainability targets are given appropriate consideration alongside long-term economic goals, as well as planning with financial and sustainability-related targets. The Executive Board ensures that strategic, operational, financial, and compliance-related risks and opportunities, as well as sustainability risks within these categories, are identified, presented transparently and comparably, systematically assessed, and managed at an early stage as part of the risk management process. When making decisions regarding important transactions and in its risk management process, it takes these opportunities and risks into account. Jenoptik follows the recommendations of A.3 of the German Corporate Governance Code, according to which the Executive Board's internal control system and risk management system also cover sustainability-related objectives. The processes and systems for collecting and processing sustainability-related data and KPIs are defined in the process description “Non-financial Reporting Manual” and are incorporated into strategic corporate decisions in the context of board and committee meetings. In the past fiscal year, the Chief Financial Officer dealt, e.g., with the main impacts, risks, and opportunities associated with the reduction of emissions (increasing customer requirements, transformation plan, reduction targets), KPIs associated with diversity, pay gap, and sustainable supplier management (due diligence in the supply chain) as part of the ESG Committee meetings.

Due to the different personalities, training, professional and personal careers of its members, the Executive Board as a whole has extensive experience, skills, and expertise which are relevant in the photonics sector, in which Jenoptik operates, and for its products and geographical locations.

> The résumés of the members of the Executive Board can be found at
> www.jenoptik.com/about-jenoptik/management/executive-board-and-executive-management-committee-emc

At Executive Board level, the Chief Financial Officer is responsible for sustainability and has several years of experience in managing sustainability issues. The Investor Relations & Sustainability department is responsible for the group-wide coordination of Jenoptik’s sustainability management. It coordinates these issues in close cooperation with the specialist departments involved as well as the divisions, and reports directly to the Chief Financial Officer. Group-wide coordination of all sustainability issues is carried out by an ESG Committee comprising the relevant representatives of the central and operating divisions. With the Chief Financial Officer, the committee discusses current cross-cutting issues and ongoing ESG projects on a monthly basis, coordinates the implementation of new regulations and makes the necessary decisions associated with the key impacts, risks, and opportunities (IROs) relating to sustainability and the implementation of due diligence obligations in this area. The Chief Financial Officer monitors the established targets connected with the IROs and the progress made in achieving them at least on a quarterly basis as part of the ESG Committee meetings, discusses relevant ESG key figures, and decides on necessary actions. The Audit and ESG Committee of the Supervisory Board also deals with the relevant ESG key figures for measuring selected sustainability targets during the year as part of its work on the quarterly statements and interim reports. Employees actively involved in sustainability management regularly attend ESG training courses and webinars, have certified skills and knowledge, take part in expert panels on various sustainability issues, or are a member of the Sustainability Working Group of Deutsches Aktieninstitut. At Executive Board level, the required expertise is available to the full extent due to the work history. The monthly ESG Committee meetings also ensure that sustainability-related expertise is also deepened in relation to the key impacts, risks, and opportunities (IROs) at both working and management level. This means that comprehensive consideration can be given to key IROs in connection with Jenoptik’s business activities and value chain. Close cooperation with the divisions and the central Compliance & Risk Management department ensures that the skills available within the company regarding sustainability issues are also considered when assessing the company’s risks and opportunities.

The Executive Board of JENOPTIK AG is also responsible for the internal control system (ICS) within Jenoptik, which deals with financial and non-financial risks (including for ESG organization and sustainability reporting) and their management. Since the end of 2024, significant sustainability-related risks have also been considered systematically. Controls for existing organizational security measures for sustainability reporting are currently being developed. It also includes control processes for the IROs key to Jenoptik. The Executive Board receives regular reports on the status of the ICS from the head of Internal Audit, who monitors the ICS framework on process-integrated monitoring measures and reviews its effectiveness (see information on GOV-5).

Internal Audit reports to the Chief Executive Officer of JENOPTIK AG (since January 1, 2025, to the Chief Financial Officer) and supports the Executive Board in achieving its targets (including sustainability targets). In addition to the ongoing reporting to the Executive Board, six-monthly reports are also submitted directly to the Audit and ESG Committee (see information on "Risk management and internal controls of sustainability reporting" starting on p. 94)

In addition, the Executive Board regularly informs about fulfillment of the requirements of global human rights and environmental regulations, both in relation to its own business area, including majority shareholdings, and the supply chain (e.g., German Supply Chain Due Diligence Act ("LkSG")).

Additional information in section "Risk management" from p. 71

The Supervisory Board has determined that the Executive Board should include at least one woman. With a three-member Executive Board, this corresponds to a gender ratio of at least 33 percent women. In the current composition of the Executive Board, this ratio is met by Dr. Prisca Havranek-Kosicek as Chief Financial Officer.

Supervisory Board: The Supervisory Board of JENOPTIK AG has equal representation in accordance with the German Co-Determination Act and consists of twelve members, six of whom are elected by the shareholders at the Annual General Meeting and six of whom are nominated by employees in accordance with the Codetermination Act.

Sustainability and the associated cross-cutting issues are so important to Jenoptik that they were initially left to the responsibility of the full Supervisory Board in its supervision and monitoring of the company's activities. However, numerous aspects as cross-cutting issues also affect the areas of responsibility of the Personnel Committee (e.g., non-financial KPIs in remuneration of the Executive Board as well as annual target settlements) and the Audit and ESG Committee in the Supervisory Board (reporting and planning of sustainability KPIs, the inclusion of sustainability targets in risk and opportunity management, the internal control system and the compliance management system, the preparation of the Sustainability Report).

At its meeting on December 11, 2024, the Supervisory Board decided to assign the Audit Committee a stronger preparatory role with regard to other, non-accounting-related sustainability issues due to the particular and growing importance of ESG issues and the specialist expertise available in the Audit Committee, and to rename it as Audit and ESG Committee. The four-member Audit Committee is also able to discuss sustainability-related issues more intensively and efficiently than the twelve-member body as a whole. The Executive Board, as well as representatives of Investor Relations & Sustainability, Internal Audit, Compliance & Risk Management, and other Corporate Center departments, report directly to the Audit and ESG Committee on a regular basis; Internal Audit, Investor Relations & Sustainability, and Compliance & Risk Management report at least every six months. However, the full Supervisory Board also continues to deal with the Executive Board's sustainability strategy at least once a year, receives status updates on key sustainability issues, and approves adjustments and updates to the double materiality analysis. This ensures regular monitoring of the defined sustainability targets and the progress in achieving them as well as the implementation of due diligence in this area.

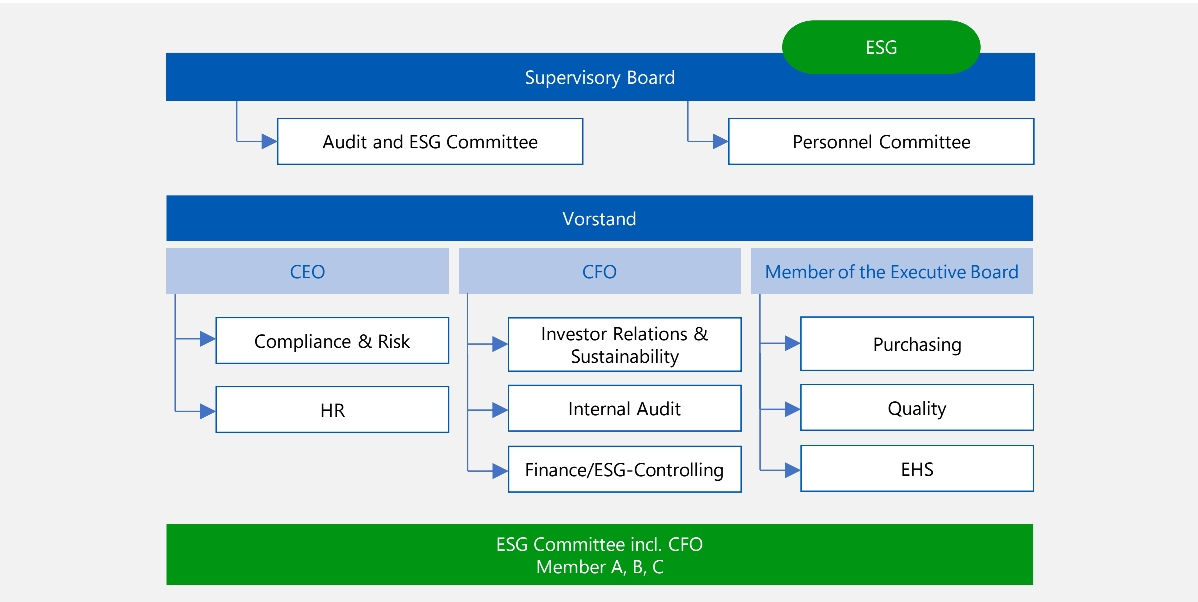
In the 2024 reporting period, the Supervisory Board and the Audit and ESG Committee were informed of the process and results of the double materiality analysis, the transformation plan, and energy management as well as the activities in the social (diversity, commitment, and trainees) and governance areas (results of the climate risk analysis). The Audit and ESG Committee also dealt extensively with the preparation and drafting of this Sustainability Statement.

In particular three members (Ms. Elke Eckstein, Ms. Daniela Mattheus, and Mr. Thomas Spitzenpfeil) have dedicated ESG and sustainability expertise on the Supervisory Board. They have extensive expertise in accounting and auditing, along with expertise and specialist knowledge in sustainability reporting and its auditing due to their activities on various supervisory boards and comparable regulatory bodies, including various audit committees. Audit Committee and Supervisory Board are therefore able to comprehensively assess key impacts, risks, and opportunities in connection with Jenoptik's business activities and value chain. In addition to her various positions on supervisory boards, Ms. Daniela Mattheus is also honorary president of the Financial Expert Association e.V. and a member of the associated sustainability working group and holds CSRS certification from the Accovalist Institute. She completed further training to become a Certified Sustainability Reporting Specialist and also actively participates in the discussion regarding current developments in the field of sustainability reporting and its auditing in specialist committees, bringing this additional expertise to the Audit and ESG Committee.

The Supervisory Board is composed in such a way that, as a whole, it is endowed with the knowledge, abilities, and professional experience necessary to carry out its tasks in an orderly manner. In accordance with its Diversity Statement, the Supervisory Board currently has at least three members who have extensive international experience. Furthermore, the Supervisory Board is to include at least four women, i.e., at least 33 percent. With three women on the shareholder side and three women on the employee side, the proportion of at least 30 percent required by the German Stock Corporation Act is exceeded with a current figure of 50 percent. The members of the Supervisory Board as a whole are also familiar with the photonics sector in which Jenoptik operates and its products and have experience relevant to the company's geographical locations. At least seven members have specific industry and sector experience. Five of the six shareholder representatives on the Supervisory Board, i.e., 83.3 percent, are independent in the opinion of the Supervisory Board.

The Executive and Supervisory Boards jointly consider the key impacts, risks, and opportunities relating to sustainability in their decisions on important transactions and the risk management process, as well as any compromises associated with these IROs.

G20 Role and responsibilities of the administrative, management and supervisory bodies



Sustainability-related performance in incentive systems

The remuneration system for the members of the Executive Board sets clear targets as an incentive to implement the corporate strategy. The remuneration system is based on both long-term (generally four-year) and short-term (i.e., one-year) targets for the Group. At JENOPTIK AG, the Supervisory Board is responsible for passing resolutions on the remuneration system for the members of the Executive Board and for determining the total remuneration of the individual members of the Executive Board. The Annual General Meeting approves the remuneration system for the members of the Executive Board presented by the Supervisory Board whenever a key change is made, but at least every four years.

Sustainability-related aspects are included in both the short-term and long-term variable remuneration of the Executive Board. The (one-year) bonus (~40 percent of variable remuneration) is based on the achievement of certain targets within a fiscal year and is paid out in the following year. The bonus amount resulting from the achievement of targets is calculated using a multiplier ranging between 0.8 and 1.2. This multiplier is determined on the basis of the individual performance of the Executive Board member and the attainment of specific sustainability targets. The multiplier's sustainability targets are derived from the sustainability road map described in the Sustainability Report and published on our website at www.jenoptik.com/sustainability/sustainability-targets.

In addition, the variable remuneration of the Executive Board consists of a multi-year component in the form of performance shares (~60 percent of the variable remuneration). For each installment of performance shares granted, the target achievement is determined after a four-year performance period. With a weighting of a total of 20 percent of the multi-year component, the achievement of long-term (four-year) ESG targets, which are redefined annually, is taken into account. The ESG targets agreed for the fiscal year 2024 also include a climate-related target including a GHG emissions reduction target (see Table T39).

The agreed sustainability-related performance parameters (minimum value, target value 100 percent, maximum value) are to be regarded as benchmarks.

The individual sustainability-related targets in the remuneration of the Executive Board members are shown in the following tables T38 to T39).

T38 ESG targets and target achievement in the multiplier 2024

		2024 target	Target achievement
Green electricity rate	Active reduction of CO_2 emissions: Green electricity share as a proportion of the total electricity demand of the main sites	95.0 %	95.8 %
Employee satisfaction	Global Engagement Score: Commitment of our employees, i.e., the proportion of our employees who identify positively with their tasks at Jenoptik and make an active contribution	better than global benchmark[1] (75 %), but not less than 75 %[2]	76.0 %
CSR rate	Increased transparency in the supply chain for supply chain management regarding compliance with due diligence: CSR rate: The percentage of suppliers of production materials with an annual purchase volume in excess of 200,000 euros for which full CSR self-assessments are available	55.0 %	60.9 %

[1] Is determined annually on the basis of Qualtrics (survey to determine the engagement score)

[2] I. e., no less than 75 % of the employees who took part in the survey identify positively with Jenoptik and are actively involved

T39 Target agreement for ESG targets 2024 (LTI)

		Weighting
CO_2 reduction[1]	Active reduction in CO_2 emissions (Scope 1+2) compared to the base year 2019	1/3
Diversity rate	Increase in diversity: Proportion of managers with an international background and female managers Calculation: ~ Ø (proportion of international managers + proportion of female managers)	1/6
Training rate	Objective is to gradually increase the training rate to the industry average	1/6
Vitality index	Increase in innovative strength: Percentage of revenue generated by products and services developed within the last three years	1/3

[1] Based on the data and scope of the Jenoptik Group's audited Sustainability Statement for the respective fiscal year. In the case of M&A activities, the target is adjusted in line with the conditions of the Science Based Targets Initiative (SBTi)

In the fiscal year 2024, 3.15 percent of the total remuneration for the Executive Board members was attributable to the performance factor (multiplier) within the scope of the one-year variable remuneration. When determining the multiplier as part of an overall assessment, increasing the share of green electricity at the main locations to 95 percent of total electricity demand was taken into account as a predefined climate-related target. Targets for employee satisfaction and transparency in the supply chain were also taken into account (see table T38). Exact percentage allocation of the climate-related target or the total share of variable remuneration that depends on sustainability-related targets, however, is not possible because, when the multiplier is determined, as the individual and collective performance of the members of the Executive Board is taken into account, in addition to ESG targets, and the Supervisory Board only uses this information to determine an overall figure. In fiscal year 2024, the Personnel Committee took into account the fulfillment of the ESG targets shown in Table 38 and the extensive preparatory work for implementing the verticalized group structure that will apply from 2025, as well as the cost and timely progress of the construction and commissioning of the new factory in Dresden when recommending a multiplier of 0.95. However, the lower-than-expected order intake, the continued work required to achieve an appropriate working capital ratio and the ongoing challenges in connection with the further development of the non-photonic portfolio companies were also taken into consideration as part of an overall assessment. The ESG targets included in the long-term variable compensation (performance shares) since the fiscal year 2023 will be settled for the first time as part of the recognized compensation of the members of the Executive Board for the fiscal year 2026.

In accordance with proposal G. 18 of the German Corporate Governance Code, the members of the Supervisory Board only receive fixed remuneration for their activities, as set out in the Articles of Association. For this reason, there are also no sustainability-related targets in the remuneration of the Supervisory Board. Changes to or retention of the remuneration specified in the Articles of Association are resolved by the Annual General Meeting at least every four years.

Declarations on due diligence

Jenoptik comprehensively integrates sustainability into its business activities. This includes strategy and business development, reporting, risk management, and group policy. This enables us to create the basis for sustainable governance and meet the requirements of our stakeholders. Both the Executive and Supervisory Boards deal with the central management of environmental and climate protection issues as well as social and governance aspects in a structured, regular, and intensive manner. The following overview shows in which sections of this report a more detailed explanation of the core elements of the due diligence obligations can be found.

T40 ESRS disclosure requirements

Core elements of due diligence	Paragraphs in the Sustainability Statement
a) Integration of due diligence into governance, strategy, and business model	ESRS-2 GOV-2: General information/GOV-2, p. 88 and Report of the Supervisory Board, p. 8, Declaration on Corporate Governance, p. 153 ESRS-2 GOV-3: General information/GOV-3, p. 92 as well as Remuneration Report, p. 170 ESRS-2 SBM-3: General information/SBM-3, p. 99 as well as materiality analysis, p. 100
b) Involvement of affected stakeholders in all important steps of due diligence	ESRS 2 GOV-2: p. 88 ESRS 2 SBM-2: p. 98 ESRS 2 IRO-1: Materiality analysis, p. 100 ESRS 2 MDR-P: p. 95 Issue-related ESRS-S-1-2, p. 127, ESRS-E-1-2, p. 107
c) Identification and assessment of negative impacts on people and the environment	ESRS 2 IRO-1: Materiality analysis, p. 100 ESRS 2 SBM-3: Strategy/materiality analysis, p. 103
d) Actions to counter these impacts	ESRS 2 MDR-A: Issue-related ESRS: Regarding actions for environmental aspects ESRS-E1-3, p. 107 and transition plans for environmental aspects ESRS-E1-1, p. 108; social aspects, p. 132f.; ESRS-S1-4, p. 127 as well as Governance ESRS-G1, p. 147
e) Follow-up of the effectiveness of these efforts and communication	ESRS 2 MDR-M: ESG reporting (quarterly), p. 98, 103 and 108; anchoring in group financing and remuneration ESRS 2 MDR-T: Overview, p. 96 Issue-related ESRS regarding parameters and targets: Environmental aspects ESRS-E1-4, p. 109, ESRS-E1-5, p. 110, ESRS E1-6, p. 112 Social aspects: ESRS-S1-5, S1-6, S1-7, p. 131f.; S1-8, S1-10, S1-11, S1-15, p. 134; S1-9, S1-16, p. 136 and S1-14, p. 137f. Governance aspects: ESRS-G1-4, p. 142ff.

Risk management and internal controls of the sustainability reporting

The internal control system (ICS) established at Jenoptik is designed to ensure in particular the security and efficiency of business transactions as well as the reliability of financial and sustainability reporting. The ICS covers financial and non-financial risks (including those relating to the ESG organization and sustainability reporting) as well as their control. In addition to the risk and compliance management systems, the internal control system (ICS) is a key component of corporate governance. It encompasses technical and organizational rules and control steps for compliance with guidelines and the prevention of damage, as well as clear responsibilities and the separation of functions, while maintaining the four eyes principle. In particular, it is designed to ensure the security and efficiency of business transactions, compliance with applicable laws and regulations, and the reliability of financial and sustainability reporting.

The Investor Relations & Sustainability department coordinates group-wide sustainability reporting, which covers all quantitative and qualitative requirements of the CSRD and is responsible for managing the sustainability reporting process. Responsibility for compliance with the guidelines and statutory requirements lies with the respective departments, which address this through appropriate control activities. In addition to the review and compliance with the four eyes principle at department level, the ESG key figures are also reviewed centrally on a quarterly basis by the Investor Relations & Sustainability department and reported, including a risk assessment, to the Group's management committees.

The formal risk management and internal control system in relation to sustainability reporting is currently being developed. In the reporting year, the first elements of an internal control system were in place, such as process descriptions as a monitoring measure, clear assignment of responsibility, and the establishment of regular reporting. Regular reporting is currently provided to the Executive Board, the Audit and ESG Committee and the Supervisory Board, including on risks in the area of sustainability. In addition, risk assessments are carried out twice a year with the central divisions and segments. An internal audit was also conducted to verify the correctness of the sustainability reporting in terms of processes and results. With regard to the risk of incomplete reporting, the compliance of the CSRD reporting regarding qualitative requirements is ensured analogously by the departments involved by comparing it with the EFRAG data point list, among other things. The experts from the respective departments prepared the report on the basis of the standards and used the ESRS standards as a basis for preparing the text. The experts in the respective specialist areas were also responsible for checking completeness. In addition, the Investor Relations & Sustainability department carried out a completeness check. The quality assurance of the content follows the already implemented process for preparing the Annual Report. No significant risks were identified that are highly likely to have a seriously negative impact on the aforementioned key aspects of sustainability at Jenoptik.

In the past fiscal year, an ICS self-assessment was carried out at all group companies, focusing on financial and non-financial risks (including ESG organization and sustainability reporting) and their management. In future, this assessment will take place in a two-year cycle, alternating with compliance interviews. Detailed information on the compliance risk analysis procedure, of which the compliance interviews are a component, are given in the section on the G1 standard.

For further information on risk management and the internal control system, see the Risk Report from p. 69 on

Strategy, targets, and business model

Strategy

For Jenoptik, entrepreneurial activity is not only the realization of economic goals but also a commitment to the environment and society. Working with our customers, we shape forward-looking trends in the fields of digitization, healthcare, mobility, and sustainability. As an enabler, we use our expertise and innovative products to make an important contribution to overcoming social and climate challenges as well as enabling customers worldwide to contribute more efficiently and sustainably to greater resource conservation and climate protection.

As a supporter of the UN Global Compact – the world's largest initiative for responsible corporate governance – we are also committed to comprehensively complying with the ten principles in the areas of human rights, labor standards, environmental protection, and anti-corruption.

Our Agenda 2025 "More Value" and the associated transformation of Jenoptik into a global photonics group is based on the "enabler principle." As an enabler, Jenoptik can create added value ("More Value") for all stakeholders – e.g., customers, employees and shareholders – with its photonic solutions. According to the SPECTARIS Trend Report, photonic solutions can make a significant contribution to reducing greenhouse gas emissions due to their properties, applications, and effects, and avoiding global greenhouse gas emissions of at least 11 percent by 2030. They enable resource-saving production processes, material savings, and reduced energy consumption.

Jenoptik reports group revenue by division The entire revenue is to be allocated to the application area of the ESRS. Jenoptik is not active in the areas of fossil fuels (coal, gas, oil), controversial weapons, the manufacture of chemicals, or tobacco.

See “Earnings position” chapter in the Segment Report, p. 47

For further information on strategy, see the “Targets and strategies” chapter on p. 30 of this Annual Report

Statements on our products and services (ESRS-2, 40a.i) as well as important markets and customer groups (ESRS-2, 40a.ii) are included in the “Business model and markets” chapter from p. 26 on of the Annual Report. For statements revenue and employees by division (ESRS-2, 40a.iii), see the Segment Report from p. 60 on

Statements relating to our employees by region can be found in the “Employees” section from p. 42 on of the Management Report

Sustainability targets

Our sustainability targets in the environment, social, and governance areas therefore also focus on our most important resources: protecting the earth and the climate, our own employees, and the responsible management of the company. Our targets relate to the entire Jenoptik Group, are summarized in the following overview, and are explained in detail in the issue-specific sections of this Statement. Throughout the year, certain product groups, customers, or geographical areas may be the focus of attention. For example, a switch to green electricity has taken place in the Asia/Pacific region during the past fiscal year. Dialog with our top suppliers has further intensified during the past fiscal year in order to achieve a more sustainable and transparent supply chain. Our own employees and trainees were the focus of HR work and recruiting in order to achieve more diversity (diversity rate) and a greater training rate.

T41 Overview of key sustainability targets

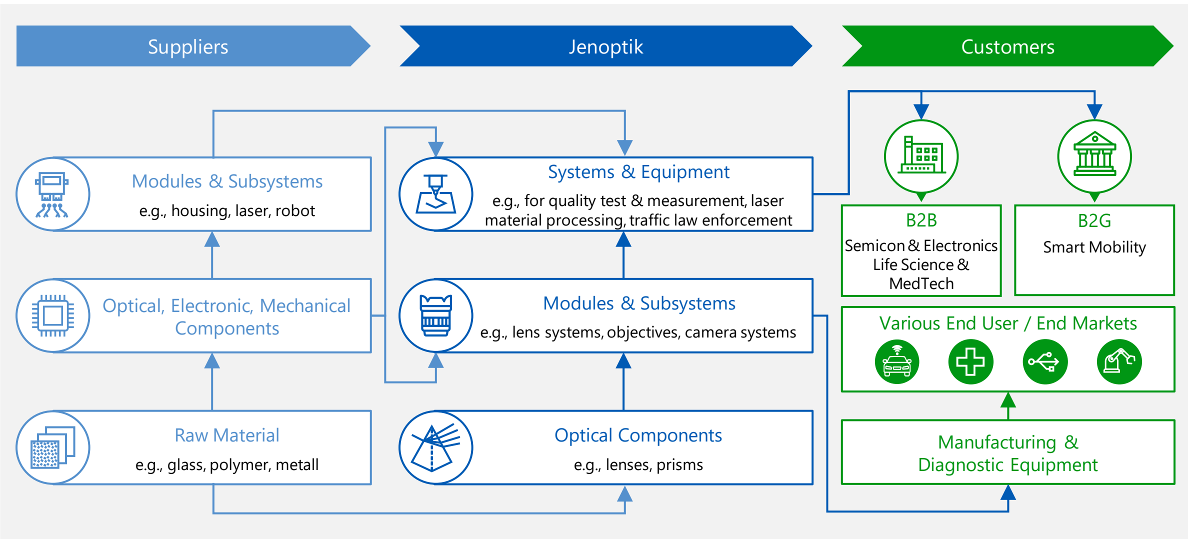
Aspects	Performance indicators	Base year 2019	2024	Target 2025
Enviroment	Portion of green electricity	63.1 %	95.8 %	> 90 %
	CO_2 reduction Comp. with base year 2019 (10,161 t)	0	55.8 %	> 55 %
	Achieving net zero (Scope 1+ 2) by 2035 at the latest			
Social	Diversity rate	25.5 %	31.6 %	33 %
	Engagement score	72 %	76 %	better than global benchmark
	Training rate	3.8 %	3.8 %	> 4.0 %
Governance / supply chain	CSR rate	25.4 %	60.9 %	50 %

Business model and value chain

Jenoptik offers the majority of its services in the photonics market and is a supplier of capital goods. The Group is thus primarily a technology partner to industrial companies and public sector contractors. The company's range of products comprises OEM and standard components, modules and subsystems, and complex systems and production equipment, particularly for the semiconductor & electronics, life science & medical technology, and smart mobility sectors. The range also includes total solutions and full-service operator models. Alongside industrial customers, clients in the Smart Mobility division include public sector contractors. With our technologies and their focus on the three high-growth future markets of Semiconductors & Electronics, Life Science & Medical Technology, and Smart Mobility, Jenoptik can create significant added value ("More Value") for customers, employees, and shareholders with its photonic solutions and is therefore aiming for above-average growth and an increase in profitability.

As a technology group, Jenoptik is dependent on various raw materials, materials, and services that the company procures from a global supplier base. More than half of our direct suppliers and our purchasing volume come from Germany. The most important product group areas in direct purchasing are optics, mechanics, and electronics which are based on mineral, metallic and fossil raw materials and the associated mining and processing (see G21). In indirect purchasing, goods and services are procured on the one hand to support facility management, and on the other for machines and equipment, marketing and communication, and transportation services.

G21 Illustration of the value chain



For further information on the business model and the value chain see chapter "Business model and markets" from p. 26 on of this Annual Report

Stakeholder commitment

As a responsible company, employer, and business partner, Jenoptik is in continuous dialog with internal and external stakeholders. In addition to their own employees, the relevant departments also regularly exchange regularly communicate with both customers and suppliers as well as with analysts, investors, and the general public in order to grasp, understand, and take into account their views, thus being able to optimally consider them when making decisions. The Executive and Supervisory Boards are informed by the respective specialist departments at regular committee meetings regarding the main views of the stakeholders in connection with sustainability-related impacts, risks, or opportunities. In the fiscal year 2024, e.g., the increasing customer requirements for emission reduction targets, including Scope 3 and net zero targets, the demands of ESG investors for increased transparency, and the increasing number of requests from ESG rating agencies were discussed and were taken into account in decisions. Jenoptik's corporate strategy is aligned with the interests of our most important stakeholders. For example, important customer requirements for increased transparency in sustainability reporting are implemented and taken into account in strategic decisions. Our sustainability strategy is currently an integral part of our corporate strategy and business model.

Employees: With their experience and expertise, our employees are essential to our business success and are the most important stakeholder group. In order to grow sustainably and profitably, we must be an attractive employer, attracting and retaining highly qualified and committed employees. Our focus is on our corporate values – open, driving, confident –, and a dialog-oriented corporate culture, which is characterized by personal initiative and respect for diversity and equal opportunities as an important building block in achieving our strategic goals. Exchange with employees also takes place in a variety of ways: through intensive intranet communication, the exchange with employee representatives in the works councils and staff meetings, and in an annual employee survey including an evaluation of the results or our complaints channels. The interests, views, and rights, including respect for human rights of our employees, are incorporated into Jenoptik's strategy and business model, primarily through the participation and representation of the works council in Supervisory Board meetings, but also through employee meetings attended by management. The annual employee survey gives employees the opportunity to express their concerns and wishes anonymously. In addition, concerns can also be expressed or complaints submitted anonymously via a whistleblower system.

For further information, see section "Governance information/ Supplier management" from p. 145 on and section "Social information/ corrective measures" from p. 127 on

Customers: As an enabler and innovation partner, Jenoptik works closely with its customers on joint solutions, and is in constant communication in order to understand and consistently implement perspectives and needs. Customer orientation is a strategic core element for the company. As a long-term system partner, Jenoptik concentrates on key customers in order to expand and further strengthen customer relationships in joint development projects.

Suppliers: As a manufacturing company, Jenoptik is dependent on its suppliers and engages in ongoing dialog with them, especially with its top suppliers. Intensive supplier management increases transparency and awareness with regard to respect for the human rights of employees in the value chain, implemented sustainability aspects, and emissions generated in the supply chain in order to better manage these and reduce risks in the future.

Society and affected communities: In a globalized market environment, Jenoptik is fully committed to responsible corporate governance and law-abiding, compliant conduct. We reach our business decisions with this in mind and always work to ensure that our actions are in accordance with regulations, laws, our values, and our responsibility toward the environment and society, including respect for human rights. As an innovative photonics group, strategic and research cooperations play an important role for Jenoptik. Through membership in various industry and technology-oriented associations such as Optonet e. V., SPECTARIS e.V., or EPIC as well as in specialist groups and committees, Jenoptik maintains a dialog and actively participates in networks in order to gain access to external expertise and exploit cooperation potential.

Shareholders: Jenoptik is listed on the Frankfurt Stock Exchange and, among other things, is a member of the MDax. Communicating openly, promptly, and continuously with shareholders, analysts, and investors is therefore a matter of course for us. In this way, we want to guarantee the greatest possible transparency for capital market participants as well as interested members of the public, strengthening their confidence in Jenoptik. The Executive Board and the Investor Relations team use financial reports and press releases to explain the Group's business development, key figures, and strategy in detail to institutional investors, analysts, and journalists, at our Annual General Meeting and in the form of numerous personal discussions at investor conferences and roadshows.

Consumers and end users: As an OEM supplier, Jenoptik is primarily active in the B2B and B2G business. In the few areas with end products (e.g., laser machines or traffic safety technology, metrology), we obviously respect the rights of consumers and end users, including human rights, and ensure responsible use and compliance with statutory regulations and limits.

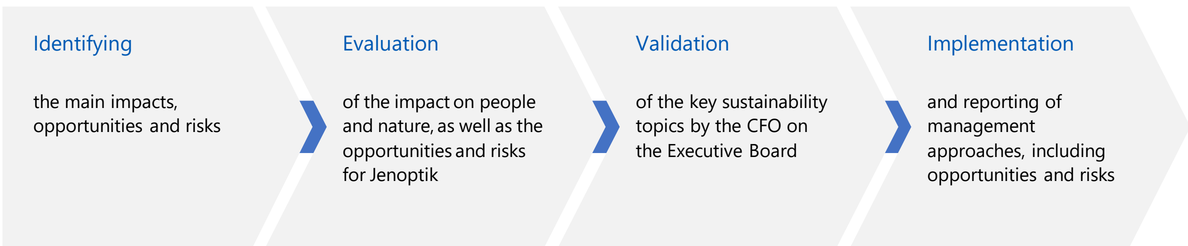
For further information on customers and suppliers, see the "Business model and markets" chapter of the Management Report from p. 26 on

Process for identifying and assessing significant impacts, risks and opportunities

By identifying the key sustainability issues for Jenoptik, we create the basis for our global sustainability activities. Specific targets, actions, and management approaches are explained in the issue-specific chapters of this Declaration. To identify the potential and actual impacts, risks, and opportunities key to Jenoptik, a double materiality analysis was carried out in the past fiscal year in accordance with the requirements of the European Sustainability Reporting Standards (ESRS). The Group perspective was adopted, and the upstream and downstream value chain was included in the analysis alongside the company's own business activities. Any differences in terms of regionality or segments were documented, but did not result in different evaluations. The method for conducting the double materiality analysis corresponds to the evaluation of the two dimensions "impact on people and the environment" and "financial materiality" for Jenoptik as required by ESRS. The assessment of the impacts on people and the environment, including the risks regarding human rights violations, and the assessment of the financial materiality in terms of risks and opportunities, is based on the methodology used in the group-wide risk management system.

Our materiality analysis was carried out in the following process steps:

G22 Process steps of the materiality analysis



On the basis of expert assessments as well as by taking our stakeholder issues into account, the key impacts, risks, and opportunities were identified and evaluated and will be subject to an annual review in the future. These key impacts, risks, and opportunities for Jenoptik form the basis of all long-term sustainability activities and are considered in the corporate strategy as well as general management procedures.

Materiality analysis: Process for determining materiality and stakeholder involvement

Identification: Jenoptik maintains ongoing dialog with all of its stakeholders. The relevant departments communicate with its own employees, customers and suppliers as well as analysts and investors in order to understand their views, considering them in the operating business.

Further information on stakeholders can be found in the Stakeholder commitment section of this chapter from p. 98 on

The involvement of both external and internal stakeholders as part of the double materiality analysis already took place in 2023 in the form of an online survey. The external stakeholders comprised individual customers, suppliers, analysts, and investors; internally, both employees and managers, including the Executive Board, who is responsible for implementing the sustainability strategy, took part in the survey. The starting point for preparing the survey was a gross issue list, drawn up on the basis of the sustainability aspects taken into account in the ESRS-1 and supplemented by Jenoptik's own specific criteria as well as potentially relevant ESG aspects from peer group analyses. Our business model and the group strategy were used as the basis for identifying possible key issues. After consolidating and clustering the issues into a net list, a survey was created with the categories environment, social, and governance, taking into account the two necessary perspectives "inside-out" (impact of Jenoptik on people and the environment) and "outside-in" (impact of sustainability aspects on Jenoptik) in the respective questions.

Evaluation: In order to determine the key aspects for Jenoptik, our teams of experts from various specialist functions evaluated these at several workshops. The respective experts – experienced managers in environment, social, and governance areas who can take the perspective of both internal and external stakeholders – evaluated the sustainability aspects on the basis of the collected data, processes, and assumptions with regard to the impacts of Jenoptik's business activities and its value chains on people and the environment (inside-out perspective or impact materiality) as well as the risks and opportunities of the respective sustainability aspects on Jenoptik's business activities (outside-in perspective or financial materiality). In this process, the entire consolidated group of companies was always considered. Possible impacts, risks, or opportunities were discussed and analyzed in detailed discussions by the experts in the workshops in compliance with the dual control principle on the basis of implemented processes and available data sources. The explanation of the interim results in the ESG Committee ensured an appropriate assessment and evaluation of the key impacts, risks, and opportunities with regard to its relevance.

The evaluation of the impacts formed the starting point and was carried out on a scale of 1 to 5, whereby an impact may vary from 1 (low) to 5 (high). The risks and opportunities associated with the impacts were also assessed on a scale of 1 to 5, which corresponds to the evaluation in the risk assessment from 1 (very low) to 5 (high). A comparison of the results of the double materiality analysis with the risk assessments already carried out ensured that all risks and opportunities related to material sustainability aspects identified there as well as their impacts and dependencies are also included in the evaluation of financial materiality and may therefore be prioritized in sustainability management.

Further information on the management of significant risks and opportunities can be found in the relevant topic-specific sections of the Sustainability Statement.

For further information on the management process and the associated guidelines, see the Risk and Opportunities Report starting on page 71

In addition, all issues examined in the materiality analysis are also part of the risk management process. The restructuring of the risk universe within Enterprise Risk Management is based on the Cambridge Taxonomy for Business Risks, which now also explicitly identifies the “Environmental,” “Social,” and “Governance” areas in thematic blocks, allowing us to establish a better link to the materiality analysis. The focus of the evaluation of impacts, risks, and opportunities was on our own business activities. The evaluation of the IROs in the upstream and downstream value chain was carried out from the perspective of the experts and based on media research, focusing on areas in which these are considered likely. The evaluation also took into account the extent to which the impact of the respective topics may be expected to change within short, medium, or long-term timescales. The respective thresholds that determine when impacts, risks, or opportunities are considered material were determined in a management workshop. The thresholds for both impact materiality and financial materiality were 4 on a scale of 1-5. All sustainability aspects that were evaluated as 4 or higher in terms of their impacts or risks and opportunities are therefore key to Jenoptik.

The evaluation of the materiality of the actual negative impacts is based on the degree of severity, which is determined on the basis of the extent, scope, and immutability of the impacts. In the case of potential negative impacts, this is considered in connection with the probability. Relating to positive impacts, the materiality is based on scale and scope; in the case of potential impacts, it is also based on probability. In order to determine the impacts on people and the environment, the experts focused their evaluation on areas where impacts were considered likely due to activities, business relationships, or geographical circumstances and where there was an increased risk of adverse impacts. Major impacts in which Jenoptik is involved due to its own activities or business relationships were considered by the experts. As a result, the impacts, risks, and opportunities identified for Jenoptik and evaluated as material in the expert workshops correspond to the issues that were also considered key by our stakeholders in the online survey and were therefore able to verify the result.

From a financial perspective, a sustainability aspect is material if it has significant financial impacts on the company or if it gives rise to risks and opportunities that may have a significant influence on the development, financial position, financial performance (cash flows), or access to funds (cost of capital) in the short, medium, or long term. Sustainability-related risks and opportunities are also an integral part of our risk assessment process, which takes place twice a year. In the fiscal year 2024, this was converted to the Cambridge Taxonomy and sustainability risks were considered as a separate category. Further information on this can be found in the Risks and Opportunities section of the Management Report from p. 69 on. Overall, an IROs considered key if it has been assessed as key in one of the two dimensions, i.e., in terms of impact or financially.

The evaluation of the impacts, risks, and opportunities of environmental issues associated with climate change, environmental pollution, water and marine resources, biodiversity and ecosystems, resource use, and the circular economy, as well as the governance issue of “corporate policy” was always conducted by the expert teams across the Group, taking into account all key locations. In addition to the company’s own business activities, the upstream and downstream value chain was also included in the analysis, whereby the evaluation was based on media research and focused on areas in which impacts, risks, and opportunities are considered likely. The compliance risk analysis was also taken into account accordingly. No further consultations with affected communities were carried out in this context, as issue mentors in the expert team acted as representatives for direct consultation with stakeholder groups. Stakeholders were directly involved in advance through the survey within the scope of the double materiality analysis. As a result, no key impacts on people and the environment in terms of pollution, water and marine resources, biodiversity and ecosystems, resource use and circular economy, or on opportunities and risks for Jenoptik, were identified in the above-mentioned areas.

Climate change: Climate-related risks may exist for Jenoptik's business model both in its own business area as well as in the upstream and downstream value chain. As a manufacturing company, both physical climate risks (for example, floodings, storms and droughts, etc.) and transition risks (for example, legal risks, market and reputation risks, etc.) – are relevant for our own business activities and assets and for the upstream and downstream value chains.

In order to evaluate the physical climate risks in our own business operations, all of Jenoptik's key locations were subjected to an external risk assessment at the end of 2023 in accordance with the requirements of the EU Taxonomy. The analysis was carried out in various climate scenarios including those with high emissions for the timescales 2025, 2040, and 2060, comprising the areas of temperature, wind, water, and solid mass-related risks. The results of the analysis for the timescale up to 2025 were included in the risk assessment and appropriate measures were defined if necessary. In the reporting period, both physical and transition climate risks in our value chain were assessed on the basis of expert workshops. A scenario analysis apart from the base scenario (limiting warming to 1.5°C) was not carried out at this point.

Climate-related transition risks in our own business operations were assessed in the reporting year along the following risk areas: political/regulatory, legal, market, competition, and reputational risks. The analysis and assessment was carried out as part of expert workshops, taking into account various climate-related factors, e.g., with regard to future CO_2 pricing in the short, medium, and long term. The risk of transition climate risks in our value chain was also assessed on the basis of expert workshops in 2024. A scenario analysis for the assessed timescale up to 2025 was not carried out here.

Climate-related opportunities: Light-based solutions enable resource-saving production processes, material savings, and reduced energy consumption, thereby contributing to the global reduction of greenhouse gas emissions. According to the latest SPECTARIS Trend Report, the use of photonic solutions may avoid at least 11 percent of global greenhouse gas emissions by 2030. Against this background, there are fundamental opportunities for Jenoptik, although we classify these as moderate.

Further information on climate-related risks can be found in the Risk Report on p. 78

Environmental pollution: The review of our sites and business activities as well as the value chain we are considering was carried out within the scope of the materiality analysis in accordance with the process described under IRO-1 from p. 100 on. As a result, no key impacts, opportunities, or risks were identified in connection with environmental pollution.

Water: In connection with water and marine resources, no key impacts, risks, and opportunities were identified by our teams of experts when reviewing the assets and business activities as well as the direct value chain as part of the materiality analysis in accordance with the process described under IRO-1.

Biodiversity: Jenoptik's site in Monheim is located on the edge of a conservation area and complies with the conditions required regarding tree pruning and noise, ensuring that habitats and their species are not endangered. At all other group locations, no dependencies or physical risks associated with biodiversity were identified as part of the materiality analysis and the process described under IRO-1.

Resource use, waste, and circular economy: As Jenoptik is largely active in the OEM business, manufacturing components, our materiality analysis and the process described under IRO-1 did not identify any key impacts, risks, and opportunities in connection with resource use, waste, and the circular economy within the scope of our business activities, assets, and the direct value chain.

Corporate governance: The review of our sites and business activities, as well as the value chain we consider, was carried out as part of the materiality analysis according to the process described under IRO-1 starting on p. 100. With regard to corporate governance, the materiality assessment took into account regional requirements at our locations, e.g. with regard to compliance with due diligence, sector-specific considerations, the structure of our suppliers and the type of customer relationships (B2B vs. B2G). The impacts, opportunities or risks identified in connection with corporate governance are described in detail in the Governance section of this chapter.

The review and validation of the implementation and results of the double materiality analysis were carried out by an external consultant. In a management workshop, attended by the Executive Board, those responsible for sustainability, and individual representatives of the expert groups, the respective threshold values were developed which determine when impacts, risks, or opportunities are considered to be key. As a result, the key impacts, risks, and opportunities for Jenoptik with a threshold value of 4 on a scale of 1-5 are those sustainability issues that are of central importance for our future corporate strategy and our business model.

Implementation: The key sustainability issues are coordinated centrally by Investor Relations & Sustainability as the responsible member of the ESG Committee and are processed by the responsible members of the respective departments. This also includes the relevant sustainability-related opportunities and risks as well as the necessary actions, which are depicted in group-wide risk management. The quarterly internal reporting of the relevant key figures also serves to monitor the strategy implementation and, if necessary, to initiate further actions.

Key impacts, risks, and opportunities as a result of the double materiality analysis

The key impacts, risks, and opportunities for Jenoptik resulting from the double materiality analysis are presented here in an overview. They relate to environment, social, and governance issues, focusing in most cases on the company's own business area and are relevant at present or in a medium to long-term time frame. Currently, there are no significant financial implications of the IROs on strategy and business model. Information on the expected financial impact of significant IROs will be reported at a later stage as part of the phase-in. Associated strategies, management, actions, and targets of the key IROs are developed in the respective departments and coordinated and implemented as part of Jenoptik's sustainability management. They are in line with our current corporate strategy and the Jenoptik business model so that no adjustment is currently required.

Our key impacts, risks, and opportunities are represented here as an overview. The respective impacts on people and the environment as well as their association with our strategy and the Jenoptik business model are explained in detail in the respective thematic sections. This report does not contain any additional company-specific disclosures regarding impacts, risks or opportunities. As a manufacturing technology company with more than 4,600 employees, Jenoptik's key impacts on people and the environment as well as the sustainability-related risks and opportunities for the Group lie both in the social area for employee issues (e.g., Jenoptik as an attractive employer, diversity, personnel development & recruitment), due to the emissions caused by our own production and those of the value chain, but also in climate protection issues and aspects of responsible corporate management (governance, compliance, supplier management). In view of the existing actions already implemented in connection with the key impacts, risks and opportunities as well as the departmental strategies in the areas of environmental, social and governance designed to address them and considered effective, the Executive Board currently considers the company to be resilient in the short to medium term. The mid- to long-term resilience considerations in connection with the main IROs in the environmental, social and governance areas were discussed with the board member responsible for the respective department as part of the strategic roadmap. Jenoptik's strategy and business model are currently agile and resilient, enabling the company to cope with all the identified impacts, risks and opportunities. Based on the continuous monitoring of important trends, including medium-term ones, and agile operations, we consider ourselves to be resilient in terms of achieving positive impacts in the short and medium term and dealing with the identified potential risks.

T42 Key impacts, risks, and opportunities

Issue/sub-issue	Positioning in the value chain	Temporal reference	IRO: Key impacts, risks, and opportunities
Climate protection (ESRS-E1)	Own business activities	Currently negative impacts	Production-related CO_2 emissions (Scope 1+2) from our own business activities currently have a negative impact on people and the environment
	Supply chain (up-stream)	Currently negative impacts	Currently, there are negative impacts on people and the environment due to a high proportion of Scope 3 emissions, particularly within the upstream supply chain (e.g., through purchased materials that are emission-intensive in their manufacture, such as electronics or glass)
	Supply chain (down stream)	Mid- to long-term risk	A potential risk is associated with high customer requirements regarding CO_2 reduction/product carbon footprint
Own workforce: (ESRS-S1) Working conditions/ secure employment	Own business activities	Currently positive impacts	As a growth company, Jenoptik is a large and reliable employer, especially at its production sites, has hardly any short-term positions or temporary workers, and currently has a positive effect on its employees
Working hours	Own business activities	Currently positive impacts	Collective agreements for a high proportion of the employees as well as the works agreement on “flexible working” go beyond the statutory requirements and guarantee employees a relatively flexible working environment as well as time off in lieu, and have a positive effect on our employees
		Mid- to long-term potential risk	In the medium to long term, there is a risk that competitors, especially at the headquarters in Jena, will offer more attractive working-time models and that this will lead to redundancies or loss of productivity due to changes to our working hours
Adequate remuneration	Own business activities	Currently positive impacts	Through collective bargaining agreements for a large part of our workforce and orientation towards renowned remuneration studies, Jenoptik is currently having a positive effect on employees in terms of adequate remuneration
Social dialog	Own business activities	Currently positive impacts	Through employee representatives on the Works Council, regular company meetings, and active internal employee communication, Jenoptik is currently having a positive effect on our employees and, as a social partner, is improving working conditions
Work-life balance	Own business activities	Potentially negative impacts	High workloads, overtime, and sometimes fixed working hours or shift models could restrict the work-life balance and potentially have a negative impact on employees
Health and occupational safety	Own business activities	Potentially negative impacts	The potential for injury, stress, and psychological strain associated with the job may have a negative impact on employees
Gender equality	Own business activities	Currently positive impacts	Collective agreements and implemented grading systems ensure equal pay for equal positions for the majority of the workforce and currently have a positive effect on employees
Training and skills development	Own business activities	Currently positive impacts	Diverse personnel development programs ensure the continuous development of the workforce and are currently having a positive effect, further reinforced by training and feedback
Diversity	Own business activities	Currently positive impacts Potentially negative impacts	Currently positive and potentially negative impacts on employees, as many measures have already been implemented and are having a positive effect, but diversity at management level is still below the target value, with women and international employees still not yet fully represented.
Governance (ESRS-G1) corporate culture	Own business activities	Mid- to long-term potential risk	In international business relationships, non-compliance represents an intrinsic theoretical gross risk despite implemented processes and may lead to reputational damage. There is also a potential risk that customer requirements regarding material compliance will not be met sufficiently well
Protection of whistleblowers	Own business activities on supply chain (down stream)	Currently positive impacts	Currently, there are positive impacts and the protection of affected employees through established processes, continual training and education that protect employees
Management of supplier relationships	Own business activities	Mid- to long-term potential risk	There is a potential reputational and default risk due to non-compliance with due diligence obligations in the supply chain despite high regulation density
Corruption and bribery	Own business activities	Mid- to long-term potential risk	Potential theoretical risk regarding corruption in B2G business/emerging markets despite the low percentage of total revenue and no incidents to date

List of essential disclosure obligations in the last chapter of the Sustainability Statement “Additional information and notes”)

Explanations on how the material information is determined, including the use of thresholds, are provided in section IRO-1 of this chapter. The following overview summarizes where the relevant information on essential disclosure obligations can be found in the Sustainability Statement.

T43 List of the essential disclosure obligations

ESRS	Disclosure obligation	Full description of the disclosure obligation	Page
General information			
ESRS-2	BP-1 and BP-2	Principles for preparation and disclosures regarding specific circumstances	
	SBM-1 and SBM-2	Strategy (including business model, value chain, stakeholders)	
	IRO-1 and SBM-3	Key impacts, risks, and opportunities	
	GOV-1 to GOV-5	Governance (administrative, management and supervisory bodies, incentive systems, due diligence, risk management, and internal controls)	
	IRO-2	Disclosure requirements contained in ESRS and covered by the company	
	ESRS-G1 (5), ESRS-E1 (13)		87ff.
Environmental information			
ESRS-E1	E1-1	Transition plan for climate protection	
	E1-2	Policies relating to climate protection	
	E1-3	Actions and resources relating to climate protection	
	E1-4	Targets relating to climate protection	
	E1-5	Energy consumption and energy mix	
	E1-6	Gross GHG emissions Scope 1, 2, 3	
	E1-9	Phase-in: expected financial impact of physical climate risks and transition risks	
	EU taxonomy		106ff.
Social information			
ESRS-S1	S1-1	Policies relating to own workforce	
	S1-2	Processes for involving own employees, employee representation	
	S1-3	Processes for remediating negative impacts, whistleblower system	
	S1-4	Actions regarding significant impacts, risks, and opportunities	
	S1-5	Targets relating to key IROs	
	S1-6	Characteristics of employees	
	S1-7	Characteristics of non-salaried employees	
	S1-8	Collective bargaining coverage and social dialog	
	S1-9	Diversity indicators	
	S1-10	Adequate wages	
	S1-11	Social protection	
	S1-13	Training and skills development	
	S1-14	Health and safety	
	S1-15	Work-life balance	
	S1-16	Compensation indicators	
	S1-17	Incidents, complaints, and serious impacts relating to human rights	125ff.
Governance information			
ESRS-G1	G1-1	Corporate policy	
	ESRS-G1-1	Policies relating to corporate policy and culture	
	ESRS-G1-2	Management of supplier relationships	
	ESRS-G1-3, G1-4	Corruption and bribery	140ff.
Appendix			
Additional information and notes			148ff.

Environmental information

Protection of the environment has a high priority for Jenoptik. We see it as our corporate responsibility to grow sustainably in harmony with the environment and society. Accordingly, Jenoptik has already reduced its Scope 1 and 2 (greenhouse gas (GHG)) emissions by more than 55 percent in recent years, and has also set itself an ambitious reduction goal.

T44 List of disclosure requirements

General disclosure	ESRS	Page reference
Climate-related impacts, risks, and opportunities (incl. climate risk analysis)	ESRS 2 IRO-1	p. 106 and 102
Material impacts, risks, and opportunities and their interaction with strategy and business model	ESRS 2 SBM 3	p. 106f.
Policies related to climate protection and climate change adaptation	ESRS E1-2	p. 107
Transition plan for climate protection	ESRS E1-1	p. 107f.
Actions and resources related to climate policies	ESRS E1-3	p. 108f.
Targets related to climate protection and climate change adaptation	ESRS E1-4	p. 109f.
Energy consumption and energy mix	ESRS E1-5	p. 110f.
Gross GHG emissions in the categories Scope 1, 2, and 3 as well as total GHG emissions	ESRS E1-6	p. 112ff.
Information on EU Taxonomy	Article 8 of the Regulation (EU) 2020/852	p. 114ff.

Climate-related impacts, risks, and opportunities

As part of the climate risk analysis described in the "Procedure for identifying and assessing material impacts, risks and opportunities" in the general section, subsection "Climate change" on pages 102ff., experts were consulted to take an integrated view of measures that would be appropriate in principle for addressing the identified risks. The measures were initially selected qualitatively and without considering different scenarios. Based on the decarbonization levers relevant to Jenoptik, the measures already initiated, and the expected resource requirements for implementing measures, we consider Jenoptik to be resilient to climate risks. A more thorough analysis is planned for future reporting periods.

On the basis of the double materiality analysis, the following impacts and risks were assessed as material:

GHG emissions: Due to production-related GHG emissions (Scope 1+2), our own business operations currently have a negative impact on people and the environment. The high proportion of Scope 3 emissions compared with Scope 1 and 2, especially within the upstream supply chain (e.g., through purchased materials such as electronics or glass that are emission-intensive in their production) is also currently having a negative impact on people and the environment. Furthermore, due to high customer requirements regarding the reduction of GHG emissions, there is a potential transition risk for Jenoptik with regard to compliance with and fulfillment of these requirements, which may lead to an impact on revenue.

Policies related to climate protection and climate change adaptation

In order to meet the constantly increasing requirements of our stakeholders and to further significantly reduce our GHG emissions, Jenoptik is pursuing a strategy that is primarily based on the avoidance and reduction of GHG emissions. Accordingly, we want to use renewable energies wherever possible. As far as technically feasible and economically viable, we are consistently improving our energy efficiency or replacing energy sources. This procedure is used group-wide and is based on energy consumption and GHG emissions by energy source. Achieving these goals does not require a fundamental adjustment of the business model with the transition plan described below, which refers to the reduction of Scope 1+2 emissions. A transition plan for Scope 3 emissions will be drawn up in the coming years.

The required actions are developed by the Jenoptik ESG Committee and approved by the Executive and Supervisory Boards. The Chief Financial Officer is responsible for the area of sustainability and the associated strategy development. The implementation takes place at operational level and is conducted and coordinated group-wide by the Investor Relations & Sustainability department. The quarterly internal reporting of the relevant key performance indicators also serves to monitor the strategy implementation and, if necessary, to initiate further actions.

Group guidelines: The issue of the environment is represented in various guidelines at Jenoptik. General requirements are regulated in the Integrity Code, which is valid throughout the Group and binding on all employees. It also covers environmental issues such as the sparing use of resources such as energy and water. In addition, special environmental aspects are included in our purchasing and company car policies, among other things. Corresponding with their environmental relevance, selected Jenoptik companies are certified in accordance with the ISO 14001 environmental management standard. Certification according to the ISO 50001 standard for relevant Jenoptik companies is being prepared and is scheduled to be conducted in 2025.

Transition plan for climate protection

The transition plan outlined below does not yet show a path to achieving a 1.5°C compatible climate target, as a target for Scope 3 has not yet been set. The decarbonization levers and actions described outline our plan for achieving the Scope 1+2 target.

GHG emission reduction already achieved: Due to the continuous conversion of our energy supply to renewable sources and the use of state-of-the-art building technology in new builds, we have been able to significantly improve both our energy efficiency and our GHG emissions (Scope 1+2) in comparison with the base year 2019. For example, the reduction in the aforementioned GHG emissions in 2024 amounted by 55.8 percent in comparison with the base year 2019.

With regard to our manufacturing processes and the structure of our resource consumption and energy sources (Scope 1+2), we have identified the following key decarbonization levers:

T45 Key decarbonization levers

Energy sources	Approach	Decarbonization lever
Electricity	Avoidance/ conversion	Conversion of electricity procurement to 100 percent green electricity Introduction of ISO 50001 at key sites in Germany Replacement and expansion investment in energy-efficient buildings, machinery, and equipment
Diesel/gasoline	Avoidance/ conversion	Significant increase in proportion of vehicles with alternative drive systems using appropriate incentive measures
District heating	Conversion	Conversion to climate-friendly production by suppliers
Gas	Avoidance/ conversion	Reduction of consumption and, if possible, economically viable conversion to alternative renewable energy sources

Risks for achieving our Scope 1+2 goals are posed by a delayed conversion of our suppliers in the district heating sector and a delayed conversion to net-zero drives in the vehicle fleet. The progress in implementing these actions is reviewed continuously in the quarterly ESG Committee meetings in order to be able to initiate countermeasures if necessary. We consider the risk of not achieving our GHG emission reduction targets due to included greenhouse gas emissions, such as fossil fuel-powered industrial plants, to be low.

Implementation of the transition plan: A number of actions have already been implemented in the fiscal year 2024. In order to manage the reduction of our emissions related to diesel and gasoline, a new company car policy has been introduced for our locations in Germany, which provides an incentive to use electric vehicles. The respective electric vehicles are powered entirely by green electricity. In connection with the reduction to areas needed for operations, the Rochester Hills site in the US was sold and adequate space was leased in return. In addition, we have made our IT infrastructure more efficient and have begun to switch our energy supply to renewable sources in Asia.

OpEx and CapEx related to the transition plan: Jenoptik generally aims to finance its infrastructure investment from operating cash flow. According to current estimates, implementation of the transition plan is not associated with significant expenses and capital expenditure. We therefore do not expect any significant impact on our cost structure. The expenses (OpEx) and capital expenditure (CapEx) related to the transition plan are taken into account in the Group's annual budget planning with its individual items and are approved by the Executive and Supervisory Boards. A final quantification of the transition plan was not carried out given the fact that capital expenditure on buildings in particular cannot be determined separately in accordance with sustainability aspects.

Scope 3 emissions: We are also seeing an impact on climate protection in the upstream and downstream value chain due to our Scope 3 footprint. Therefore, in 2025, following further detailing and analyzing of the key levers and reduction opportunities, Jenoptik will create a strategic road map and formulate corresponding goals within the scope of managing our CO_2 footprint.

Actions and resources related to climate policies

In order to achieve our goals, which include an active reduction in our Scope 1+2 GHG emissions of 90 percent by 2035 at the latest (base year 2019), the following key actions are planned, aimed at reducing both energy consumption and GHG emissions:

T46 Overview of actions for the reduction of Scope 1+2 emissions

Energy sources	GHG emissions 2024 (t)	Key actions	Period	Targeted reduction
Electricity	1,172	Conversion to green electricity (Asia)	by 2030	approx. 100 %
District heating	825	Conversion to renewable generation (Stadtwerke Jena and Berlin)	by 2035	approx. 80 %
Gas	1,112	Partial electrification of the clean-room air conditioning system	by 2030	approx. 30 %
Gas/electricity		Reduction to areas needed for operations (worldwide)	2024	
Gas/electricity		Active consumption control (worldwide)	continuous	
Diesel/gasoline	1,384	Incentive for e-vehicle use (worldwide)	from 2024	approx. 90 %

The table above shows the Scope 1+2 emissions by energy source and the targeted reduction in emissions. The reduction target is only shown at the level of the respective energy source, but not for each measure. The above-mentioned reduction targets were determined without taking into account various climate scenarios.

The actions for reducing Scope 1+2 emissions were determined on the basis of an energy consumption and emissions model. This model includes the following further considerations, actions, and policy scenarios:

- Revenue increases in line with corporate planning
- Complete conversion of district heating by Stadtwerke Jena and Berlin to CO_2-free generation by 2040
- Gradual conversion of electricity procurement in Asia to renewable energy sources
- Gradual conversion of the vehicle fleet to electric vehicles
- Extension of the purchasing policy for machinery and power-consuming appliances to include the issue of energy efficiency
- Successive conversion of lighting in office and production buildings to LED lighting
- Consolidation and optimization of existing on-site data centers

Infrastructure and building technology: When equipping production facilities, Jenoptik implements the latest technologies for resource-saving and environmentally friendly processes. With LEED Gold certification (Leadership in Energy and Environmental Design), a recognized sustainability standard in the construction industry, being implemented for all newly constructed buildings, the Group far exceeds the statutory requirements in terms of sustainability. Ecological and social aspects are implemented to a particular extent, e.g., the installation of photovoltaic systems, e-charging stations, covered bicycle parking, the use of low-emission interior materials, or actions for reduced water consumption.

New factory in Dresden: The Jenoptik Group's new high-tech factory (fab) at the Airportpark Dresden meets both precise manufacturing conditions as well as high environmental standards. To achieve this, a photovoltaic system, the use of recycled materials in construction, a highly efficient building envelope including extensive greening, cold and heat recovery, and water reuse, among other things, were implemented. Production in the new fab will begin in early 2025 replacing two previous production sites in Dresden, so a reduction of emissions is expected on balance.

Other actions: At several sites around the world, conversion of existing lighting to LED lighting is being examined and successively implemented, taking into account cost-saving and environmentally friendly aspects. In addition, the course was set for the further development of an energy monitoring system. With the help of ultra-efficient building control technology (BCT) and a computer-aided facility management system, data quality is to be further increased, evaluation facilitated, and transparency improved.

The actions related to the gradual conversion of electricity procurement in Asia, the reduction in areas needed for operations, and the incentive for the use of electric vehicles in Germany were already partially or fully implemented in 2024.

Goals related to climate protection and climate change adaptation

The Jenoptik Group has set itself the goal of reducing Scope 1+2 emissions and increasing the share of green electricity in its total electricity consumption. In defining these goals, the expectations of external stakeholders (in particular customer requirements) were included through expert assessments and, in some cases, direct stakeholder dialog. The formulated goals are in line with the Group's strategic targets and are shown in detail in the following table:

T47 Climate protection goals

Scope	Reference value in base year 2019	Disclosure 2024	Short-term goal 2025	2030 goal	Long-term goal
Scope 1+2	10,161 t CO_2eq[1]	55.8 %	> 55 % reduction compared to 2019	> 70%	> 90 % reduction by 2035 at the latest
Share of green electricity in total electricity consumption	-	95.8 %	> 90 %	-	-

[1] CO_2 equivalent; for explanation see chapter on Total Greenhouse Gas Emissions (E1-6)

The reference value specified for the base year 2019 remains representative for our portfolio. Both the reference value and the goals relate to the Group's entire scope of consolidation, in line with the financial reporting.

In the 2025 milestone, Scope 1+2 emissions are included in a combined goal with roughly equal shares. We believe that by 2035, the share of Scope 2 emissions in the combined goal will have fallen steadily to around 10 percent.

Our targets for Scope 1+2 take into account, in both the short and long term, the level of ambition for a reduction in line with a 1.5°C-compatible target set by the Science Based Target Initiative (SBTi). In the short term, all target values are above a linear annual reduction (LAR) target of > 4.2 percent (2025 goal: LAR=9.2 percent, 2030 goal: LAR=6.4 percent). In the long term, by 2035 at the latest, we are aiming to reduce Scope 1+2 emissions by 90.0 percent in comparison with the base year. In relation to our total footprint, i.e. direct (Scope 1+2) plus indirect emissions (Scope 3), we currently have no target determined, so it is not possible to comply with the Paris Agreement. The development of such a target and a verification by the SBTi is planned for the coming years.

The emission reductions to date have been achieved exclusively by means of active reductions, e.g., the use of green electricity. Offsetting has not been used to date. The use of generally accepted high-quality offsetting standards for the remaining maximum 10 percent of Scope 1+2 emissions is planned after 2030.

With the current Scope 1+2 emissions reduction by 55.8 percent in the fiscal year 2024, we have already achieved the interim target of CO_2 reduction for 2025 of > 55.0 percent ahead of schedule. The goals are reviewed and adjusted if necessary as part of the annual corporate planning.

Energy consumption and energy mix

Jenoptik's energy consumption is listed in T48. The consumption values are determined on the basis of bills from the energy suppliers, meter values, and estimates. Publicly available information on the electricity mix of the respective countries and regions is used to determine fossil and nuclear shares in gray electricity purchases. Since the figures were collected in this form for the first time in the reporting year, the prior year's figures are only specified in those categories where there was a figure for the prior year.

T48 Energy consumption (in MWh) and energy mix

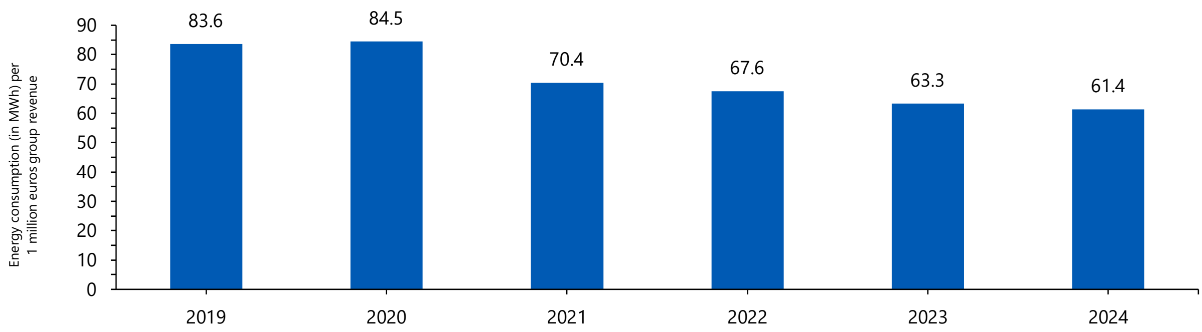
	2024	2023
(1) Fuel consumption from coal and coal products	0	0
(2) Fuel consumption from crude oil and crude oil products	5,264	4,460
(3) Fuel consumption from natural gas	5,488	4,925
(4) Fuel consumption from other fossil sources	0	0
(5) Consumption from purchased or received electricity, heat, steam, and cooling from fossil sources	8,817	11,018
(6) Total consumption of fossil fuels	**19,570**	**20,403**
Share of fossil sources in total energy consumption	28.6 %	30.2 %
(7) Consumption from nuclear power sources	996	n. a.
Share of consumption from nuclear sources in total energy consumption	1.5 %	n. a.
(8) Fuel consumption for renewable sources, including biomass (including industrial and municipal waste of biological origin, biogas, hydrogen from renewable sources, etc.)	517	408
(9) Consumption from purchased or received electricity, heat, steam, and cooling from renewable sources	47,428	46,665
(10) Consumption of self-generated renewable energy other than fuels	2	0
(11) Total consumption of renewable energy	**47,947**	**47,073**
Share of renewable sources in total energy consumption	70.0 %	69.8 %
Total energy consumption	**68,512**	**67,476**

The energy intensity is shown in Table 49. Despite low total emissions from its own business activities (Scope 1+2), Jenoptik is operating in one of the climate-intensive sectors overall (NACE Code C, manufacturing). Consequently, the following value applies to the entire business of the Jenoptik Group. Compared to the prior year, energy intensity has continued to fall, and the positive trend of previous years has continued.

T49 Energy intensity

Energy intensity per net revenue	Comparison	2024	2024/2023
Total energy consumption from activities in climate-intensive sectors per net income from activities in climate-intensive sectors (MWh/currency unit)	decreased	61.4	-3.0 %

G23 Energy efficiency



Figures correspond to the values published in the respective annual report for the reporting year

Gross GHG emissions in the categories Scope 1, 2, and 3 as well as total GHG emissions

The GHG emissions are presented in T50 in Scopes 1, 2 and 3. The emissions relate to the entire Group and thus reflect the scope of consolidation of financial reporting.

Scope 1+2 emissions: The GHG emissions are determined on the basis of media consumption (electricity, district heating, gas, wood pellets, and diesel/gasoline). In order to maintain comparability and accuracy, we use fuel- or supplier-specific emission factors for Scope 1+2 wherever possible, and residual mixes (RE-DISS) for electricity of unknown origin if possible. Site-based Scope 2 emissions are primarily based on emission factors from the current version of the Ember Yearly Electricity Dataset. By using CO_2 equivalent factors in all scopes, all greenhouse gases are represented in the inventory. An analysis of the base year for Scope 1+2 with the new equivalent factors showed a deviation of < 1.5 percent between t CO_2 and t CO_2eq, so that the base year figures will be given as 10,161 t CO_2eq from 2024.

Group-wide emissions fell by 10.7 percent to 4,493 t in 2024 despite an increase in revenue (prior year: 5,031 t CO_2eq). Relative to the base year 2019, Jenoptik has already been able to reduce CO_2 emissions by 55.8 percent. In addition to active management, the main drivers for this were the partial conversion of our Chinese sites to green electricity and thus a higher overall share of green electricity.

Direct emissions from gas, heating oil, diesel, and gasoline (Scope 1) amounted to 2,496 t CO_2eq in 2024 (prior year: 2,254 t CO_2eq), while indirect emissions from electricity and district heating totaled 1,997 t CO_2eq (prior year: 2,778 t CO_2eq).

Table T50 shows the indirect Scope 2 emissions on both a market and site-specific basis. The difference between site-specific and market-specific emissions shows the reduction of emissions that Jenoptik has already achieved today through the targeted purchase of emission-free energy. This amounts to 14,193 t CO_2eq. The purchase of green electricity is based on the use of certificates of origin (European electricity market; 77.0 percent of total green electricity consumption), RECs (Renewable Energy Certificates, US market, 13.3 percent) and GECs (Green Energy Certificates, Chinese market, 4.9 percent).

Scope 3 emissions: Emissions along our value chain are listed per category along with the total emissions in T50. Scope 3 categories that are essential for Jenoptik are Purchased goods and services (3.1), Capital goods (3.2), and Use of sold products (3.11). They cover more than 90 percent of Jenoptik’s total GHG footprint. The categories Upstream leased assets (3.8), Processing of sold products (3.10), Downstream leasing (3.13), and Franchises (3.14) are not relevant due to Jenoptik’s business model. Product leasing takes place at Jenoptik in the Smart Mobility Solutions division as part of the TSP business. On the basis of the GHG Protocol, leased products were reported under category 3.11, which means that category 3.13 is not relevant for Jenoptik. Emissions from the use of rented buildings and leased vehicles are included in Scope 1+2 emissions, which means that category 3.8 is also not relevant for Jenoptik.

All other categories were analyzed and excluded from consideration due to their small size (in total, < 10 percent of Jenoptik’s total GHG footprint).

Scope 3 emissions are disclosed group-wide. Only Prodomax’s Scope 3 emissions (a small share of revenue) were extrapolated over revenue in the calculation of downstream emissions. The calculation of Scope 3 emissions was carried out solely on the basis of secondary data.

GHG emissions per 1 million euros in Group revenue amounted to 26.0 t CO_2eq/million euros in revenue for the market-specific approach and 27.3 t CO_2eq/million euros in revenue for the site-specific approach.

Further information on group revenue can be found in the Management Report chapter on earnings, asset, and financial position from p. 46 on

T50 Greenhouse gas emissions (in t CO_2eq)

	Retrospective				Milestones and target years			
	2019	2023	2024	Change in %	2025	2030	2035	Annual % of the target 2035/ base year
Scope 1 greenhouse gas emissions								
Scope 1 gross greenhouse gas emissions	-	2,254	2,496	10.8	-	-	-	-
Percentage of Scope 1 greenhouse gas emissions from regulated emissions trading schemes	-	-	-	-	-	-	-	-
Scope 2 greenhouse gas emissions								
Site-specific Scope 2 gross greenhouse gas emissions	-	-	16,190	-	-	-	-	-
Market-specific Scope 2 gross greenhouse gas emissions	-	2,778	1,997	– 28.1	-	-	-	-
Scope 1 and market-specific Scope 2 gross greenhouse gas emissions combined	**10,161**	**5,031**	**4,493**	**– 10,7**	**4,300**	**3,050**	**1,000**	**5.6**
Significant Scope 3 greenhouse gas emissions**								
Total indirect (Scope 3) gross greenhouse gas emissions	-	-	285,705	-	-	-	-	-
1 Goods and services purchased	-	-	197,010	-	-	-	-	-
2 Capital goods	-	-	33,750	-	-	-	-	-
3 Activities related to fuel and energy (not included in Scope 1 or Scope 2)	-	-	not material	-	-	-	-	-
4 Upstream transport and sales	-	-	not material	-	-	-	-	-
5 Waste generation in companies	-	-	not material	-	-	-	-	-
6 Business travel	-	-	not material	-	-	-	-	-
7 Employee commutes	-	-	not material	-	-	-	-	-
8 Upstream leased assets	-	-	not relevant	-	-	-	-	-
9 Downstream transport	-	-	not material	-	-	-	-	-
10 Processing of sold products	-	-	not relevant	-	-	-	-	-
11 Use of sold products	-	-	54,945	-	-	-	-	-
12 Handling of products at the end of their life	-	-	not material	-	-	-	-	-
13 Downstream leased assets	-	-	not relevant	-	-	-	-	-
14 Franchises	-	-	not relevant	-	-	-	-	-
15 Capital expenditure	-	-	not material	-	-	-	-	-
Total greenhouse gas emissions								
Total greenhouse gas emissions (site-specific)	-	-	304,391	-	-	-	-	-
Total greenhouse gas emissions (market-specific	-	-	290,198	-	-	-	-	-

* According to the table of goals under E1-4

** Itemization and analysis of the key levers and reduction opportunities of Scope 3 will be carried out in 2025 and corresponding goals will be formulated. A corresponding base year value has therefore not yet been determined

Determination method for essential Scope 3 category

Scopes 3.1 and 3.2: The determination of category 3.1 Purchased goods and services and category 3.2 Capital goods was calculated on the basis of input data such as purchasing volume of the Jenoptik companies, and purchased product groups, and country from which the goods were obtained. In order to map the upstream supply chain, a macro-economic model was used, which uses statistical data to include global trade flows and the respective national emission balances. The scope3analyzer used was developed as part of a climate protection project at the University of Pforzheim and complies with the requirements of the GHG Protocol, ISO standard 14064, and the Science Based Target Initiative (SBTi). As a result, it was established that approximately 23 percent of indirect emissions originate from our direct supply chain. The remaining 77 percent of emissions come from the upstream, deeper supply chain.

Scope 3.11: The calculations of the emissions during the use of our products are based on the consumption of electrical energy over the entire life cycle in the respective destination countries. Where necessary, the consumption of compressed air by machinery and plant was converted into electrical energy. Indirect emissions are optional on the basis of the GHG Protocol, so passive products without electricity consumption are not included in Scope 3.11. The spare parts business is still excluded, as consumers of electricity are replaced in the process and the emission effect is therefore zero, as are repairs and services in the field.

Each relevant active product was assessed on the basis of its lifetime consumption of electrical energy. For this purpose, average consumption and lifetimes were assumed along with typical usage profiles in the various end markets. If no service life is known from the market, a standard service life of 10 years has been assumed. This lifetime consumption was multiplied by the number of products sold per destination country (activity data from the ERP system) and the specific emission factors of the destination countries. The specific emission factors of the electricity mixes of the destination countries come primarily from the current version of the Ember Yearly Electricity Dataset. Where appropriate, products were grouped into product groups and evaluated as a group.

Information on EU taxonomy

The EU Commission has used the taxonomy regulations to define uniform standards for ecological management, using a number of criteria to specify when an economic activity is to be classified as ecologically sustainable. The aim is to increase the transparency of the sustainability level of companies and to channel more cash flows into sustainable capital expenditure in order to achieve net zero in the European Union by 2050 in line with the European Green Deal. To this end, the EU Taxonomy Regulation classifies sustainable economic activities into six different environmental objectives:

- 1. Climate protection
- 2. Climate change adaptation
- 3. Sustainable use and protection of water and marine resources
- 4. Transition to a circular economy
- 5. Pollution prevention and control
- 6. Protection and restoration of biodiversity and ecosystems

In addition, the Taxonomy Regulation distinguishes between "taxonomy-eligible" and "taxonomy-aligned" activities. Activities defined in one of the delegated acts of the regulation are considered taxonomy-eligible. These activities are considered taxonomy-aligned as soon as they meet the technical assessment criteria, do not meet any of the "Do No Significant Harm" criteria, and do not violate the "Minimum Safeguards."

In accordance with Article 8 of the EU Taxonomy Regulation, the Jenoptik Group meets the transparency requirements to ensure transition to a net zero, resource-efficient, and circular economy for the long-term competitiveness of the EU. As a result, since 2022, the Group has been reporting taxonomy-related revenues, operating expenses (OpEx), and capital expenditure (CapEx). As in the prior year, the reporting focuses on the environmental goals (1) "Climate protection" and (4) "Transition to a circular economy." This was determined by updating the screening, which had already been carried out in prior years.

As part of environmental goal (1) "Climate protection," Jenoptik reports individual investments and operating expenses in the same categories as in the prior year: CCM 6.5 Transport by motorbikes, passenger cars, and light commercial vehicles, CCM 7.1 Construction of new buildings, CCM 7.3 Installation, maintenance, and repair of energy-efficiency equipment, CCM 7.4 Installation, maintenance, and repair of charging stations for electric vehicles in buildings, and CCM 7.5 Installation, maintenance, and repair of instruments and devices for measuring, regulation, and controlling energy performance of buildings. In addition, in 2024, Jenoptik has invested in the categories CCM 7.5 Installation, maintenance, and repair of instruments and devices for measuring, regulation, and controlling energy performance of buildings and CCM 7.6 Installation, maintenance, and repair of renewable energy technologies.

The majority of the taxonomy-eligible activities are to be found primarily in the area of manufacturing electrical equipment, such as measuring and testing systems, traffic monitoring systems, or infrared cameras. These activities make a significant contribution to the environmental goal (4) "Transition to a circular economy" and are therefore reported in the same categories as in the prior year: CE 1.2 Manufacture of electrical and electronic equipment, CE 5.1 Repair, refurbishment, and remanufacturing; CE 5.2 Sale of spare parts; CE 5.4 Sale of second-hand goods, and CE 5.5 Product-as-a-service and other circular use- and result-oriented service models. In the course of the European Commission's extension of the reporting obligations for 2024, the economic activities for this environmental goal were examined for the first time in 2024 for their taxonomy alignment in accordance with Annex II of the Act. To this end, a screening model was developed that translates the legal requirements into a transparent system in order to review the technical assessment criteria and the "Do No Significant Harm" criteria for the Jenoptik portfolio. Jenoptik meets most of the requirements for the technical assessment criteria, as the Group's plants are designed for the longest possible useful life. To check the DNSH criteria, for example, climate risk and vulnerability analyses were executed within the scope of Annex A. For 2024, the evidence could not be fully provided and thus no alignment with the climate goal (4) "Transition to a circular economy" is disclosed.

The tables T51 – T56 at the end of the Sustainability Statement show an overview of the key performance indicators (KPIs) to be disclosed. The composition of the revenue, CapEx, and OpEx KPIs is explained below.

Taxonomy-eligible economic activities

The revenue from taxonomy-eligible economic activities was determined in accordance with the requirements of the delegated act on reporting obligations. In order to avoid double counting, specific queries were executed in the reporting units in which taxonomy-eligible economic activities were identified. Only external revenue was taken into account and each product or product group was allocated solely to one economic activity. The taxonomy-eligible numerator value determined in this way was compared to the total revenue (denominator). The Group revenue was 1,115.8 million euros in 2024 (prior year: 1,066.0 million euros). The revenue from taxonomy-eligible economic activities comprised 416.9 million euros (prior year: 412.1 million euros) and thus corresponds to a taxonomy-eligible revenue share of 37.4 percent of the total revenue (prior year: 38.7 percent). As a result, not all evidence could be provided this year either, so there is no taxonomy-aligned revenue.

The capital expenditure (CapEx) was also determined in accordance with the requirements of the delegated act on reporting obligations. The methodology for this was adopted from the prior year. Additions to property, plant, and equipment, intangible assets, and right-of-use assets amounted to 114.6 million euros in 2024 (prior year: 111.4 million euros).

Detailed information on the financial situation can be found in the Management Report starting from page 55 and in the Notes starting from page 218

In 2024, the capital expenditure by the Jenoptik Group for the acquisition of products from taxonomy-eligible economic activities amounted to a total of 66.0 million euros (prior year: 41.1 million euros), which equates to 57.6 percent of the total investment volume. This taxonomy-eligible capital expenditure was also checked for alignment. In addition to capital expenditure on property, plant, and equipment for the production of taxonomy-eligible products, this also includes capital expenditure on, for example, construction of the high-tech fab in Dresden or capital expenditure on energy-efficient equipment, renewable energy technologies, and the leasing of vehicles. As a result, not all evidence could be provided this year either, so there is no taxonomy-aligned capital expenditure.

The operating expenses (OpEx) of the Jenoptik Group from taxonomy-eligible economic activities totaled 37.5 million euros in 2024 (prior year: 37.6 million euros) and the total operating expenses 92.0 million euros (prior year 86.3 million euros[1]). This results in a taxonomy-eligible share of 40.8 percent. The methodology for determining taxonomy-eligible operating expenditure was carried out in accordance with Article 8(1.1.3) of the delegated act, as in the prior year. These operating expenses were also fully checked for alignment – this year, for the first time, this also included the operating expenses related to climate goal (4) "Transition to a circular economy." As a result, not all evidence of alignment could be provided in the fiscal year 2024 either, so there are no taxonomy-aligned operating expenses.

Jenoptik is not involved in any economic activity related to energy generation from fossil gas or nuclear energy and therefore does not provide the specific reporting forms for these activities.

T51 Share of revenue from goods or services related to taxonomy-aligned economic activities – disclosure for 2024

Details in thousand euros				Criteria for a significant contribution						DNSH criteria ("Does Not Significantly Harm")									
Economic activities (1)	Code (2)	Revenue (3)	Share of revenue, 2024 (4)	Climate protection (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Environmental pollution (9)	Biological diversity and eco-systems (10)	Climate protection (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Environmental pollution (15)	Biological diversity and eco-systems (16)	Minimum protection (17)	Share of taxonomy-aligned (A.1.) or taxonomy-eligible (A.2.) revenue, 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		Currency thousand euros	%	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Revenue from environmentally sustainable activities (taxonomy-aligned) (A.1)		**0**	**0.0 %**	**0**	**0**					**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0.0 %**		
Of which enabling		**0**	**0.0 %**	**0**	**0**					**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0.0 %**		
Of which transition		**0**	**0.0 %**	**0**						**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0.0 %**		
A.2 Taxonomy-eligible, but not environmentally sustainable activities (not taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of electrical and electronic equipment	CE 1.2	271,004	24.3 %	N/EL	N/EL	N/EL	EL	N/EL	N/EL								23.8 %		
Repair, refurbishment, and remanufacturing	CE 5.1	58,679	5.3 %	N/EL	N/EL	N/EL	EL	N/EL	N/EL								5.0 %		
Sale of spare parts	CE 5.2	55,749	5.0 %	N/EL	N/EL	N/EL	EL	N/EL	N/EL								7.7 %		
Sale of second-hand goods	CE 5.4	976	0.1 %	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0.1 %		
Product-as-a-service and other circular use- and result-oriented service models	CE 5.5	30,444	2.7 %	N/EL	N/EL	N/EL	EL	N/EL	N/EL								2.0 %		

Details in thousand euros				Criteria for a significant contribution						DNSH criteria ("Does Not Significantly Harm")									
Economic activities (1)	Code (2)	Revenue (3)	Share of revenue, 2024 (4)	Climate protection (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Environ mental pollu- tion (9)	Bio- logical diversity and eco- systems (10)	Climate protec- tion (11)	Climate change adapta- tion (12)	Water and marine re- sources (13)	Circular econo- my (14)	Environ mental pollu- tion (15)	Bio- logical diversity and eco- systems (16)	Mini- mum protec- tion (17)	Share of taxo- nomy- aligned (A.1.) or taxo- nomy- eligible (A.2.) revenue, 2023 (18)	Cate- gory- en- abling activity (19)	Cate- gory transi- tional activity (20)
		Currency thousand euros	%	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Revenue from taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		**416,851**	**37.4 %**	**0.0 %**	**0.0 %**	**0.0 %**	**37.4 %**	**0.0 %**	**0.0 %**								**38.7 %**		
A. Revenue from taxonomy-eligible activities (A.1 + A.2)		**416,851**	**37.4 %**	**0.0 %**	**0.0 %**	**0.0 %**	**37.4 %**	**0.0 %**	**0.0 %**								**38.7 %**		
B. Not taxonomy-eligible activities																			
Revenue from not taxonomy-eligible activities		**698,936**	**62.6 %**																
Total		**1,115,787**	**100.0 %**																

Abbreviations: N/EL – non eligible / eligible, Y/N – yes / no

T52 CapEx share of goods or services associated with taxonomy-aligned economic activities – disclosure for 2024

Details in thousand euros				Criteria for a significant contribution						DNSH criteria ("Does Not Significantly Harm")									
Economic activities (1)	Code (2)	CapEx (3)	CapEx share, 2024 (4)	Climate protection (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Environ mental pollu-tion (9)	Bio-logical diversity and eco-systems (10)	Climate protec-tion (11)	Climate change adapta-tion (12)	Water and marine re-sources (13)	Circular eco-nomy (14)	Environ mental pollu-tion (15)	Bio-logical diversity and eco-systems (16)	Mini-mum protec-tion (17)	Share of taxo-nomy-aligned (A.1.) or taxo-nomy-eligible (A.2.) revenue, 2023 (18)	Cate-gory-en-abling activity (19)	Cate-gory transi-tional activity (20)
		Currency thousand euros	%	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%		E
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
CapEx on environmentally sustainable activities (taxonomy-aligned) (A.1)		**0**	**0.0 %**	**0**	**-**	**-**	**0**	**-**	**-**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0.0 %**		
Of which enabling		**0**	**0.0 %**	**0**	**-**	**-**	**0**	**-**	**-**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0.0 %**		
Of which transition		**0**	**0.0 %**	**0**	**-**	**-**	**0**	**-**	**-**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0.0 %**		
A.2 Taxonomy-eligible, but not environmentally sustainable activities (non taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of electrical and electronic equipment	CE 1.2	5,150	4.5 %	N/EL	N/EL	N/EL	EL	N/EL	N/EL								5.8 %		
Repair, refurbishment, and remanufacturing	CE 5.1	854	0.7 %	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0.7 %		
Sale of spare parts	CE 5.2	1,703	1.5 %	N/EL	N/EL	N/EL	EL	N/EL	N/EL								3.7 %		
Sale of second-hand goods	CE 5.4	15	0.0 %	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0.0 %		
Product-as-a-service and other circular use- and result-oriented service models	CE 5.5	13,061	11.4 %	N/EL	N/EL	N/EL	EL	N/EL	N/EL								4.6 %		

Details in thousand euros				Criteria for a significant contribution						DNSH criteria ("Does Not Significantly Harm")									
Economic activities (1)	Code (2)	CapEx (3)	CapEx share, 2024 (4)	Climate protection (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Environ mental pollu-tion (9)	Bio-logical diversity and eco-systems (10)	Climate protec-tion (11)	Climate change adapta-tion (12)	Water and marine re-sources (13)	Circular eco-nomy (14)	Environ mental pollu-tion (15)	Bio-logical diversity and eco-systems (16)	Mini-mum protec-tion (17)	Share of taxo-nomy-aligned (A.1.) or taxo-nomy-eligible (A.2.) revenue, 2023 (18)	Cate-gory-en-abling activity (19)	Cate-gory transi-tional activity (20)
		Currency thousand euros	%	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%		E
Transport by motorbikes, passenger cars, and light commercial vehicles	CCM 6.5	2,148	1.9 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.6 %		
New build	CCM 7.1/ CE 3.1	42,137	36.8 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								19.7 %		
Installation, maintenance, and repair of energy efficient appliances	CCM 7.3	758	0.7 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1 %		
Installation, maintenance, and repair of equipment for measuring, regulating, and controlling the over-all energy performance of buildings	CCM 7.5	214	0.2 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0 %		
Installation, maintenance, and repair of technologies for renewable energies	CCM 7.6	2	0.0 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0 %		
CapEx taxonomy-eligible, but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		**66,043**	**57.6 %**	**39.5 %**	**0.0 %**	**0.0 %**	**18.1 %**	**0.0 %**	**0.0 %**								**37.3 %**		
A. CapEx taxonomy-eligible activities (A.1 + A.2)		**66,043**	**57.6 %**	**39.5 %**	**0.0 %**	**0.0 %**	**18.1 %**	**0.0 %**	**0.0 %**								**37.3 %**		

Details in thousand euros				Criteria for a significant contribution						DNSH criteria ("Does Not Significantly Harm")									
Economic activities (1)	Code (2)	CapEx (3)	CapEx share, 2024 (4)	Climate protection (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Environ mental pollu-tion (9)	Bio-logical diversity and eco-systems (10)	Climate protec-tion (11)	Climate change adapta-tion (12)	Water and marine re-sources (13)	Circular eco-nomy (14)	Environ mental pollu-tion (15)	Bio-logical diversity and eco-systems (16)	Mini-mum protec-tion (17)	Share of taxo-nomy-aligned (A.1.) or taxo-nomy-eligible (A.2.) revenue, 2023 (18)	Cate-gory-en-abling activity (19)	Cate-gory transi-tional activity (20)
		Currency thousand euros	%	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%		E
B. Not taxonomy-eligible activities																			
CapEx not taxonomy-eligible activities		**48,536**	**42.4 %**																
Total		**114,579**	**100.0 %**																

Abbreviations: N/EL – non eligible / eligible, Y/N – yes / no

T53 OpEx share of goods or services associated with taxonomy-aligned economic activities – disclosure for 2024

Details in thousand euros				Criteria for a significant contribution						DNSH criteria ("Does Not Significantly Harm")									
Economic activities (1)	Code (2)	OpEx (3)	OpEx share, 2024 (4)	Climate protection (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Environmental pollution (9)	Biological diversity and eco-systems (10)	Climate protection (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Environmental pollution (15)	Biological diversity and eco-systems (16)	Minimum safeguards (17)	Share of taxonomy-aligned (A.1.) or taxonomy-eligible (A.2.) revenue, 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		Currency thousand euros	%	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
OpEx on environmentally sustainable activities (taxonomy-aligned) (A.1)		**0**	**0.0 %**	**0**	**-**	**-**	**0**	**-**	**-**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0.0 %**		
Of which enabling		**0**	**0.0 %**	**0**	**-**	**-**	**0**	**-**	**-**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0.0 %**		
Of which transition		**0**	**0.0 %**	**0**	**-**	**-**	**0**	**-**	**-**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0.0 %**		
A.2 Taxonomy-eligible, but not environmentally sustainable activities (not taxonomy-aligned activities)																			
				Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL										
Manufacture of electrical and electronic equipment	CE 1.2	26,284	28.6 %	N/EL	N/EL	N/EL	EL	N/EL	N/EL								30.1 %		
Repair, refurbishment, and remanufacturing	CE 5.1	2,820	3.1 %	N/EL	N/EL	N/EL	EL	N/EL	N/EL								4.3 %		
Sale of spare parts	CE 5.2	2,265	2.5 %	N/EL	N/EL	N/EL	EL	N/EL	N/EL								4.8 %		
Sale of second-hand goods	CE 5.4	169	0.2 %	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0.2 %		
Product-as-a-service and other circular use- and result-oriented service models	CE 5.5	5,178	5.6 %	N/EL	N/EL	N/EL	EL	N/EL	N/EL								3.6 %		

	Details in thousand euros			Criteria for a significant contribution						DNSH criteria ("Does Not Significantly Harm")									
Economic activities (1)	Code (2)	OpEx (3)	OpEx share, 2024 (4)	Climate protection (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Environ mental pollu-tion (9)	Bio-logical diversity and eco-systems (10)	Climate protec-tion (11)	Climate change adapta-tion (12)	Water and m-arine resourc es (13)	Circular eco-nomy (14)	Environ mental pollu-tion (15)	Bio-logical diversity and eco-systems (16)	Mini-mum safe-guards (17)	Share of taxo-nomy-aligned (A.1.) or taxo-nomy-eligible (A.2.) revenue, 2023 (18)	Cate-gory-en-abling activity (19)	Cate-gory transi-tional activity (20)
		Currency thousand euros	%	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y, N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Transport by motorbikes, passenger cars, and light commercial vehicles	CCM 6.5	359	0.4 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.3 %		
Installation, maintenance, and repair of energy efficient appliances	CCM 7.3	391	0.4 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.2 %		
Installation, maintenance, and repair of equipment for measuring, regulating, and controlling the over-all energy performance of buildings	CCM 7.5	23	0.0 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0 %		
OpEx taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		**37,490**	**40.8 %**	**0.8 %**	**0.0 %**	**0.0 %**	**39.9 %**	**0.0 %**	**0.0 %**										
A. OpEx taxonomy-eligible activities (A.1 + A.2)		**37,490**	**40.8 %**	**0.8 %**	**0.0 %**	**0.0 %**	**39.9 %**	**0.0 %**	**0.0 %**										
B. Not taxonomy-eligible activities																			
OpEx not taxonomy-eligible activities		**54,471**	**52.9 %**																
Total		**91,960**	**100.0 %**																

Abbreviations: N/EL – non eligible / eligible, Y/N – yes / no

T54 Revenue share/total revenue

	Taxonomy-aligned per target	Taxonomy-eligible per target
CCM	0 %	0 %
CCA	0 %	0 %
WTR	0 %	0 %
CE	0 %	37.4 %
PPC	0 %	0 %
BIO	0 %	0 %

Abbreviations: CCM – Climate Change Mitigation, CCA – Climate Change Adaptation, WTR – Water, CE – Circular Economy, PPC – Pollution Prevention and Control, BIO – Biodiversity and ecosystems

T55 CapEx share/total CapEx

	Taxonomy-aligned per target	Taxonomy-eligible per target
CCM	0 %	39.5 %
CCA	0 %	0 %
WTR	0 %	0 %
CE	0 %	18.1 %
PPC	0 %	0 %
BIO	0 %	0 %

Abbreviations: CCM – Climate Change Mitigation, CCA – Climate Change Adaptation, WTR – Water, CE – Circular Economy, PPC – Pollution Prevention and Control, BIO – Biodiversity and ecosystems

T56 OpEx share/total OpEx

	Taxonomy-aligned per target	Taxonomy-eligible per target
CCM	0 %	0.8 %
CCA	0 %	0 %
WTR	0 %	0 %
CE	0 %	39.9 %
PPC	0 %	0 %
BIO	0 %	0 %

Abbreviations: CCM – Climate Change Mitigation, CCA – Climate Change Adaptation, WTR – Water, CE – Circular Economy, PPC – Pollution Prevention and Control, BIO – Biodiversity and ecosystems

Social information: Own Workforce

General social information

Jenoptik is a globally operating technology group. The majority of our portfolio is focused on the photonics market. To implement our strategy – which is based on leveraging our technological expertise to achieve sustainable, profitable growth with our core customers – the continuous recruitment and retention of skilled professionals worldwide is a critical success factor.

T57

ESRS S1 Own workforce	Mandatory disclosures	Section/page
Policies and governance related to own workforce	ESRS S1-1	Own workforce/p. 125f.
Processes for engaging with own workers and workers' representatives	ESRS S1-2	p. 127
Remediation measures: Processes to remediate negative impacts and channels for own workers to raise concerns	ESRS S1-3	Business model and markets/p. 127
Incidents, complaints, and severe human rights impacts	ESRS S1-17	p. 128
Characteristics of the undertaking's employees	ESRS S1-6	p. 128
Material impacts, risks, and opportunities in the social area:	ESRS 2, SBM-3	p. 130ff.
Jenoptik as an attractive employer:		
- Secure employment		
- Work-life balance	ESRS S1-15	
- Adequate wages	ESRS S1-10	
- Social protection	ESRS S1-11	
- Training and skills development	ESRS S1-13	
- Collective bargaining coverage and social dialogue	ESRS S1-8	
Equal treatment and equal opportunities		
- Gender equality and equal pay for equal work	ESRS S1-16	
- Diversity	ESRS S1-9	
Health and occupational safety	ESRS S1-14	
Policies and measures related to material impacts, risks, and opportunities	ESRS S1-4, MDR-P, and MDR-A	p. 131ff.
Parameters and targets related to material impacts, risks, and opportunities	MDR-T and ESRS-S1-5	p. 134ff.

Policies and governance related to own workforce

Our employees are our most important asset. Alongside the Human Resources department, the Chairman of the Executive Board of Jenoptik, in his capacity as HR Director, holds direct responsibility for the personnel policy of the Jenoptik Group. The strategic deployment of human resources management is regularly discussed with the Executive Board, setting both short-term and medium-term goals.

Respect for human rights, including labor rights, and the prohibition of forced and child labor are fundamental principles for us. To ensure the protection of our employees, we prioritize the creation of a safe and discrimination-free working environment. Therefore, we reject any form of discrimination due to exclusion based on age, gender, sexual identity and orientation, ethnic origin and nationality, religion and belief, or physical abilities. As a commitment to these principles, we have signed the "Diversity Charter." Employees can report discrimination cases confidentially through our whistleblower system. Further detailed explanations of the Jenoptik whistleblower system can be found in the "Governance" section, as part of the IROs commentary, particularly regarding whistleblower protection.

Jenoptik enforces a clear zero-tolerance policy for confirmed cases of discrimination, including sexual harassment, as defined in the Jenoptik Integrity Code.

In addition, Jenoptik is globally responsible for the health and safety of its employees in the workplace. Safe and dignified working conditions are a fundamental standard for us. Occupational health and safety are therefore integrated into our structures and processes and is regulated in our group guideline on "Health, Safety, and Environmental Protection."

Another key measure to ensure compliance with human rights, prevent discrimination, and combat sexual harassment is to continuously raise awareness of these issues among colleagues at all levels of the organization. We ensure this through regular, mandatory training sessions – both digital and in-person – that are monitored for compliance, and properly documented. The Group's Human Rights Officer provides regular updates on these topics.

If a human rights violation is confirmed, Jenoptik is committed to taking immediate remedial action to remedy the violation.

Standards and principles: Respect for international human rights and adherence to labor standards are fundamental obligations for us. We support and uphold international standards and principles, including the International Human Rights Convention and its Universal Declaration of Human Rights, as well as the fundamental principles of the International Labour Organization (ILO). In 2021, Jenoptik joined the UN Global Compact. We do not tolerate any form of human rights violations, including forced labor, slavery, involuntary prison labor, or child labor. These commitments are enshrined in our "Statement on Human Rights and Environmental Protection," which was approved by the Executive Board of Jenoptik and is publicly available: www.jenoptik.com/-/media/websitedocuments/responsibility/2025-joag-policy-statement-lksg.pdf

Policies and disclosures: Since the fiscal year 2023, Jenoptik has annually published a statement on human rights and environmental due diligence obligations in both its own operations and supply chain. This statement outlines the company's priorities and provides detailed information on how Jenoptik globally ensures compliance with human rights, including the prohibition of human trafficking, within its business activities and among its business partners. The human rights strategy is complemented by our Integrity Code. Jenoptik has further developed its human rights risk management system with the goal of ensuring compliance with applicable laws and regulations, identifying and minimizing human rights-related risks within Jenoptik's business activities and supply chain, and striving for continuous improvement. Compliance with human rights requirements is monitored across all subsidiaries through an ESG reporting platform via an annual self-assessment process, aligning with the company's internal processes for human rights compliance. The assessment covers topics such as equality and discrimination, forced labor and mistreatment, child labor, working conditions and minimum wage, freedom of association and collective bargaining, as well as impacts on local communities. The assessment results in the reporting year indicate that Jenoptik's business operations comply with the UN Guiding Principles on Business and Human Rights.

In 2024, we began conducting on-site human rights audits, with plans to expand these further, including within the supply chain.

Our processes for engaging with our own workers and workers' representatives

We maintain an active dialogue with our employees at various levels to incorporate their perspectives. At the highest level, worker representatives on the company's co-determined Supervisory Board engage directly with the Executive Board in five regular annual meetings. There is also ongoing exchange with works councils at both Group and subsidiary levels, as well as employee meetings. In coordination with the HR Director, operational responsibility for employee engagement lies with the Global Head of HR.

We respect democratically and legally recognized forms of cooperation with employees and their representatives. Freedom of association, works councils, and employees' rights to information, consultation, and participation are fundamental principles that Jenoptik explicitly commits to, fostering a culture of mutual respect and trust. This includes the right to freedom of association and collective bargaining within the framework of applicable national laws, practices, and agreements. Local management members are the primary points of contact for shaping labor and social relations based on shared values while adhering to national laws and practices. At the Group level, all local units conduct annual tool-based self-assessments, including an evaluation of human rights issues. Jenoptik conducts an annual employee survey, gathering feedback on various topics, including job satisfaction. However, there is currently no strategy in place to gain specific insights from individual employee groups. In addition, the central Compliance & Risk Management department conducts periodic Compliance Culture Surveys to assess corporate compliance culture.

Future Former Initiative: Our Future Former Initiative offers employees an additional opportunity to engage in dialogue and actively contribute to the company's development. Sponsored by the Chairman of the Executive Board, the initiative allows participants to propose their own improvement topics and work on them within project teams. The project status and results are regularly communicated to the Executive Board via the intranet, management meetings, and project briefings.

Remediation measures: Processes to remediate negative impacts, and channels for own workforce to raise concerns

Whistleblower policy and system: Violations of ethical standards, laws, and regulations, including suspected human rights violations, not only conflict with our values but also harm both society and the company itself.

To protect individuals within the company's operations and the supply chain, maintain stakeholder trust, and minimize potential harm, risks and misconduct must be identified at an early stage. Communication is key to achieving this. Ensuring continuous improvement and incorporating concerns of all stakeholders, the reporting channels and case-handling process are integral components of the Compliance Culture Survey. No additional remedial measures have been implemented at this time.

For further details on the whistleblower system, complaints mechanisms, and remedial measures, please see the "Governance" section.

Annual employee survey: Our annual employee survey measures not only employee satisfaction and engagement but also provides an opportunity to offer feedback on various aspects of corporate and leadership culture. Feedback can also be provided across departments, and results are made available anonymously to managers through dashboards. They are expected to discuss the results with their teams and jointly develop action plans, supported by the HR team. In addition, the global survey results are communicated via the intranet, and works councils are granted access to the data relevant to their areas of responsibility.

Incidents, complaints, and severe human rights impacts

No reports of potential or actual human rights violations were received through our channels during the reporting year. Consequently, no human rights violations were identified. Similarly, no reports of other social infractions, such as violations of the General Equal Treatment Act or discrimination by the employer, were received. A total of seven (7) reports related to the category "discrimination and harassment" were submitted through the central Compliance & Risk Management department's reporting channels during the reporting period. These primarily concerned violations of the Jenoptik Integrity Code by individual employees. The number of reports in other categories totaled sixteen (16), including violations of internal policies. Reports that are unfounded or lack substantive details and have no relation to legal or internal guideline violations, such as personal disputes, are not pursued further.

Jenoptik utilizes a digital case management system to consolidate all reporting channels, ensuring the availability of necessary information. The process follows an internal process description that defines case categorization and relevant reporting deadlines. All case categories are clearly defined, and in instances of overlapping categories, cases are classified based on their primary focus. Each report's credibility is assessed individually, based on the available information, and always involves communication with the reporting party whenever possible. Personnel responsible for handling reports are trained on the topic of "internal investigations" by subject matter experts and, based on their extensive experience, are capable of conducting appropriate assessments regarding substantiality. For cases involving human rights violations, the company's Human Rights Officer is involved in the initial evaluation.

No fines, sanctions, or compensation payments related to compliance-relevant incidents, including human rights violations or corruption cases, were imposed on Jenoptik during the reporting year due to the absence of relevant incidents or convictions.

Characteristics of the undertaking's employees

Number of employees

Jenoptik is a globally active Group. In 2024, 380 employees, or approximately 8.2 percent of the 4,646 employees (prior year: 4,658), worked in the Asia/Pacific region. 79.4 percent of all employees (3,690) were based in Europe, the majority in Germany (2,969). 12.4 percent (576 employees) were employed in North America.

As of December 31, 2024, Jenoptik had 178 trainees and dual-study students, 99 temporary workers and student employees, 26 interns, and 38 agency workers. In the fiscal year 2024, 64 new trainees and dual-study students were hired.

The term "employees" includes all active employees (both those covered by a collective bargaining agreement and those not covered), trainees, dual-study students, and temporary workers and student employees who were employed at the company on the reporting date. All parameters were collected group-wide as of December 31, 2024, and verified using the dual control principle.

Characteristics of company employees

As of December 31, 2024, out of a total of 4,646 employees, 1,409 (or 30.3 percent) were female, 3,236 (or 69.7 percent) were male, and one employee did not specify a gender.

T58 Workforce structure by gender and type of employment as headcount

	Female	Male	Other	Not reported	Total
Number of employees (active employees, trainees, temporary workers)	1,409	3,236	< 5HC, therefore not reported		4,646
Number of permanent employees	1,244	3,008	< 5HC, therefore not reported	-	4,253
Number of fixed-term employees	165	228	-	-	393
Number of employees without guaranteed working hours	42	57	-	-	99
Number of full-time employees	1,088	2,983	-	-	4,071
Number of part-time employees	321	253	< 5HC, therefore not reported	-	575

T59 Employment structure of the countries with the most employees – with 50 or more employees that make up at least 10 percent of the total workforce (as headcount)

	Germany	Switzerland
Number of employees	2,967	556
Female	915	181
Male	2,051	375
Other	< 5HC, therefore not reported	-
Not reported	-	-

Turnover rates: In the fiscal year 2024, 444 employees and trainees worldwide voluntarily or involuntarily left Jenoptik. The turnover rate was 9.7 percent (prior year: 10.3 percent). This figure is determined by calculating the number of employees and trainees who voluntarily or involuntarily left the company, i.e. due to termination by the employer or employee, after expiry of a fixed-term employment contract, due to retirement or death in the past fiscal year. This is set in relation to the average headcount of employees and trainees present during the fiscal year. The voluntary, employee-driven turnover rate, which includes any termination of the contract by the employee in relation to the average number of employees and trainees present in the past fiscal year, was 4.8 percent (prior year: 5.8 percent).

Age structure: Demographic change also affects the age structure at Jenoptik. To counteract the effects of demographic change at individual locations, we implement measures based on local needs in the areas of work organization, qualification and knowledge transfer, talent management, health management, and corporate and leadership culture.

T60 Group age distribution

	under 30	30-50	over 50	Total
31/12/2024	799	2,606	1241	4,646
31/12/2023	1,028	2,454	1176	4,658

In the past fiscal year too, agency workers were also employed to cover production peaks and short-term order intakes as well as for major projects. They were employed mainly in the operating areas and the number fluctuated during the year. On the reporting date of December 31, 2024, 38 agency workers were employed by Jenoptik (31/12/2023: 42). All parameters were collected group-wide as of December 31, 2024, as headcounts and verified using the dual control principle.

Material impacts, risks, and opportunities (IROs) in the social area

Considering our business model and strategy for sustainable and profitable growth, social aspects play a crucial role in Jenoptik's long-term success and sustainable development. Our commitment extends to creating attractive working conditions, promoting diversity and inclusion, and supporting employee health and well-being. Through targeted initiatives and continuous improvements, we aim to create a work environment that not only meets the needs of our employees but also contributes positively to our communities and society.

The double materiality analysis forms the foundation for our understanding of social aspects that are critical to our corporate strategy, business activities, stakeholder interests, and long-term value creation. In the following sections, we outline the material social impacts, risks, and opportunities and explain how these insights are integrated into our strategic decisions and operational measures. The IROs we have identified can be summarized into three pillars:

- Attractiveness as an employer (attractive working conditions, work-life balance, training and skills development, social dialogue, freedom of association, and collective bargaining)
- Equal treatment and equal opportunities for all (including diversity and measures against workplace violence and harassment)
- Health and safety incl. occupational health and safety

We consider these pillars essential, as achieving our goals as a growth-oriented technology company depends on highly skilled professionals.

Jenoptik as an attractive employer

Description of material impacts, opportunities, and risks

A key part of our strategy is to create an attractive working environment. From a materiality perspective, this particularly includes job security, fair pay, social partnership, work-life balance, and training and skills development programs. The management of material impacts is anchored in the HR department. The areas of Compensation & Benefits, Health Management, and Learning & Development focus on the content of the respective topics. Our business strategy, employee surveys, and market research serve as input. This ensures that our practices do not cause or contribute to significant negative impacts on our workforce.

Secure employment: Jenoptik is a financially solid and growing company. As a global photonics group, our products are embedded in the value chain of companies across various industries, providing stability. Jenoptik is largely covered by collective agreements, and the majority of employees have permanent contracts. With a very low proportion of temporary employees and agency workers, the company is seen as a secure employer from an employee perspective, which has a positive impact on our workforce.

Work-life balance and working hours: Working hours and work-life balance are key considerations for Jenoptik and are therefore embedded in our HR strategy. As an employer, we see a positive influence on our employees, both currently and in the future. We have established a framework for this through our collective agreement and additional company agreements, such as flexible working time models. We are guided by market trends toward greater flexibility. However, periods of increased workload can also potentially have a negative impact on our employees, leading to reduced work-life balance. A potential risk for the near future is the reduction of general working hours. Providing this flexibility as a positive impact for our employees involves coordination efforts for us as a company. It will then be necessary to examine how profitability can be maintained and productivity optimized.

Adequate wages: Jenoptik aims to attract and retain top talents. Offering attractive, market-driven remuneration and appropriate participation in the company’s success is therefore a matter of course, providing a positive impact on our employees. We compensate our employees worldwide based on job-related criteria such as job requirements and performance, in line with local market conditions, and currently have a positive influence. Despite appropriate pay levels, there is currently a gender pay gap (unadjusted earnings difference). Fields of action to promote women are therefore part of our HR strategy.

Training and skills development: Training and skills development are essential for Jenoptik as they continuously enhance employee capabilities and knowledge, thereby improving productivity and work quality. Well-trained employees develop innovative solutions, whether in product development or optimizing work processes, and can more quickly adapt to the changes we constantly face as a company. In addition, training fosters employee retention and satisfaction while enhancing employer attractiveness. This enhances Jenoptik’s competitiveness and efficiency, enabling it to respond more effectively to new market demands.

Our employees' expertise is crucial to our business success and a core component of our HR and corporate strategy. Our diverse programs and offerings have short-, medium-, and long-term positive impacts on our employees and contribute to the continuous development of our workforce.

Collective bargaining coverage and social dialogue: Collective bargaining coverage and social partnership positively impact employees covered by collective agreements, providing planning security and contributing to a positive working atmosphere. This also influences productivity and the consistent quality of our work.

In Germany, employment and working conditions for employees not covered by collective agreements are governed by company agreements. Jenoptik is not represented in a European Works Council, an SE (Societas Europaea) works council, or an SCE (Societas Cooperativa Europea).

Policies for Jenoptik as an attractive employer

The global HR strategy, including the associated guidelines, defines responsibilities and targets, as well as key levers, and actions in compensation and employment policy. It covers all the impacts, risks and opportunities identified and described in the following sections “Jenoptik as an attractive employer” and “Equal treatment and equal opportunities” and forms the basis of our HR work. The HR strategy aims to establish long-term attractive working conditions while maintaining competitiveness. Our corporate strategy is the most important starting point for the global HR strategy. The goals and areas of action defined here are translated into specific HR measures. For 2025, this means focusing on topics such as onboarding, international trainees, management development and the digitalization of HR processes, among other things. The HR strategy is reviewed regularly, typically annually. Our Global Head of HR, who reports to the Chairman of the Executive Board, is responsible for the implementation of the strategy and the related guidelines.

Secure employment: Secure employment is a prerequisite for the performance and innovative strength of our employees. Our HR work as a whole (HR strategy) is geared towards supporting the implementation of our business strategy and therefore also towards retaining and attracting skilled employees, while there is no separate strategy for secure employment. We address our impact on secure employment through our HR strategy which applies globally to all employees throughout the Group. Our strategy prioritizes offering permanent employment contracts to our employees. Temporary contracts and agency workers are used for growing areas and to bridge personnel shortages. We offer social protection for difficult phases of life in almost all countries. (See information under Parameters and targets, p. 135ff.)

Various guidelines and company agreements, such as the group works agreement on “mobile working” that applies to all employees throughout Germany and the “More Caring” policy, anchor key aspects of work-life balance and working hours within the organization. The aim of mobile working is to make the company more attractive and ensure that work is carried out efficiently, as well as enabling employees to organize their work themselves and achieve a better work-life balance. It requires mutual trust and ongoing communication between employees and their superiors. Contractual working hours are not extended by mobile working. Monitoring is conducted through daily time tracking. If the agreed working hours are exceeded a reporting system has been implemented. Regular monitoring and reporting of weekly working hours ensure that legally defined maximum limits are not exceeded. The “More Caring” policy is aimed at all permanent employees in Germany and aims to provide additional company offers over and above the statutory options for taking time off to care for relatives. These include, for example, the Jenoptik care bonus and the Jenoptik care sabbatical.

Our standards for adequate wages are defined in the international remuneration policy which apply globally to all employees. Jenoptik strives for a transparent and fair remuneration structure. We compare the remuneration annually with external market benchmarks. In addition, the guideline clearly regulates responsibilities and approval processes. 100 percent compliance with the regulations regarding the approval, documentation and payment of benefits and remuneration to employees is of crucial importance. We have a systemically mapped, globally standardized process for salary adjustments in which our central compensation criteria are mapped. Review loops ensure compliance with these standards. For employees covered by collective agreements in Thuringia and Baden-Württemberg, remuneration is determined in accordance with the IG Metall collective agreement. The most important point for determining pay is that we have defined our own job descriptions for the grouping, and created a formal promotion process for this purpose, which takes place twice a year. Further information on this can be found under Parameters and targets, p. 135ff.

Training and skills development: A group works agreement has been concluded for the annual employee review process. The group works agreement applies to all permanent employees in Germany and is implemented analogously for all permanent employees worldwide. The aim of the group works agreement is to conduct regular employee appraisals. It regulates, among other things, the topics of the employee appraisals, the parties involved in the process and the process. Implementation is standardized in SAP SuccessFactors is monitored and tracked via an HR reporting system.

Measures regarding Jenoptik as an attractive employer

Our strategic workforce planning is jointly managed by HR and Finance worldwide and encompasses all employees. Anticipated economic developments are incorporated into rolling personnel planning to mitigate the risk of job cuts. Employee-related measures are designed for the medium- to long-term timeframe. Our measures are expected to strengthen our position as an attractive employer.

We offer flexible working hours and the option to work remotely, e.g. in Germany, the USA, Australia and wherever the workplace allows it, allowing employees to better align their working hours with personal needs, such as parents regarding their individual childcare needs. This leads to higher job satisfaction, reduced turnover, and lower recruitment efforts. Jenoptik has also established childcare partnerships at several locations, such as in Jena-Göschwitz. Priority placement in daycare facilities allows parents to reliably plan their return to work. The proximity of daycare centers to the Jenoptik site also enhances time efficiency in balancing childcare and work. We at Jenoptik believe that autonomy is a key motivator for our employees. Where possible and operationally feasible, we therefore prioritize self-determination regarding the start and end of individual working hours. In addition, we offer a wide range of tailored working time models that cater to the individual desire for more leisure time, embracing the concept of "time is the new currency." Jenoptik provides flexible parental leave models for both mothers and fathers at our sites worldwide, ensuring that both parents feel supported, which strengthens their loyalty to the employer and reduces the risk of skilled labor shortages.

Jenoptik goes beyond statutory provisions in Germany by offering additional support for employees who require caregiving leave and bonuses. Through company-specific benefits such as a caregiving bonus and a caregiving sabbatical, Jenoptik significantly exceeds legal requirements, making it easier to balance work and caregiving responsibilities. The eligibility criteria and all further details are outlined in the guideline "More Caring: Support for Employees Caring for Relatives." The corresponding applications for family care leave, the caregiving bonus, and the caregiving sabbatical facilitate the application process for our employees.

We have established standardized processes for job evaluation and promotions to ensure adequate pay and promote social dialogue. Dedicated evaluation committees, composed of employer and works council representatives, oversee these processes.

Adequate wages: Jenoptik is committed to fair and transparent remuneration, regardless of gender or other factors. To reduce the gender pay gap, a standardized evaluation system has been introduced, regular salary reviews have been established and targeted support programs for women have been implemented. These measures apply to all Jenoptik locations and divisions and help to ensure a non-discriminatory remuneration structure.

Training and skills development: During annual appraisal interviews, employees and their supervisors collaboratively define individual training and development measures, which are then documented in SuccessFactors. Both parties can update and track these development goals. The aim for each supervisor is to conduct at least one structured performance review with every employee each year.

Framework agreements have been established with external training providers for teaching methodology, personal development, and language skills. Employees also have access to LinkedIn Learning's online resources. Mandatory annual training programs are conducted by the Compliance & Risk, HR, and IT Security departments, alongside targeted development and leadership programs. Further learning resources are available via the intranet. Specialized training is offered through our Learning Management System as well as in-house subject matter experts. The major challenge arises, above all, in assessing the "skills of the future". In particular in the technological areas, framework conditions and technologies change so quickly that it is difficult to anticipate this in time and to train employees comprehensively with the currently available resources in HR.

At Jenoptik, employees have career development opportunities tailored to their skills and talents, aligned with the Group's needs. Three career paths have been established: the technical career track, the project management track, and the management track. As an international company, we strive to offer career development opportunities that transcend organizational and national boundaries. We also offer our employees to take part in part-time further education or academic studies, alongside their jobs, providing financial assistance for these programs.

Our learning framework at Jenoptik follows the 70:20:10 model, meaning that ideally, 70 percent of learning occurs directly on the job, as employees and their supervisors are best positioned to drive their professional development. An additional 20 percent comes from learning through others, and 10 percent through online or in-person training. The employees themselves are responsible for their personal development: in line with our corporate values (open, driving, confident), each employee takes charge of their own development within the company.

Parameters and targets for Jenoptik as an attractive employer

To assess the effectiveness of our strategy and actions, we have defined targets related to absenteeism, turnover rates, training rates, and diversity. They are compiled quarterly and provided to management. Workforce capacity is reported on a monthly basis and reviewed in conjunction with personnel planning and business development. All parameters were collected group-wide as of December 31, 2024, and verified using the dual control principle. Apart from the limited assurance by the auditor, there was not further external validation of the figures.

The majority of our employees and trainees are entitled to leave for family-related reasons. This includes maternity leave, paternity leave, parental leave, and caregiving leave, depending on the country-specific regulations. No specific target value has been set for the utilization of these benefits. During the current calendar year, 82 female employees (7.6 percent) and 129 male employees (4.7 percent) made use of these leave options which corresponds to 5.5 percent of our employees worldwide. Across the entire Jenoptik Group, 82 percent of employees are entitled to family-related leave.

All employees, group-wide, are covered by social protection measures, whether through public programs or company-specific benefits, to safeguard against income loss due to major life events. These include illness, workplace accidents, disability, retirement, parental leave, and unemployment. The only exception is our colleagues in India, who are not covered for unemployment, either by public programs or by us as an employer.

The majority of our employees enjoy social protection through public programs or company-specific benefits that cover significant life events and prevent them from losing earnings. These include illness, occupational accidents and disability, as well as retirement, parental leave or unemployment. Only our colleagues in India have no protection in the event of unemployment, either through public programs or through us as an employer.

Training and skills development: The key figures for training and skills development are derived from our HR tool, SAP SuccessFactors, which tracks all centrally managed training programs across the Group. This information is supplemented by training courses that our employees do not receive on a systematic basis. In the fiscal year 2024, our employees participated in 27,524 hours of training- either online or in person. Of these, 31.6 percent were attended by female employees and 68.4 percent by male employees. Overall, 95.7 percent of female employees and 97.9 percent of male employees participated in training programs.

T61 Average training hours

Female	Male	Other	Total
6.16	5.82	< 5	5.92

T62 Completed and systemically documented employee performance reviews in %

Female	Male	Other	Total
48.6	50.5	100	49.9

Collective bargaining agreements, including the proportion of employees covered: 43.8 percent of employees in the company's own workforce are covered by collective agreements, i.e. the collectively agreed regulations apply to them, e.g. on working hours and pay. This corresponds to 2,033 employees. A total of 62.7 percent of employees (2,914) are employed in companies that have elected employee representation. This applies exclusively to employees in Germany.

Jenoptik has been a member of the Thuringian Metal and Electrical Industry Association (Verband der Metall- und Elektroindustrie Thüringen e.V. (VMET)) since 2020. A supplementary collective agreement of June 2019 governs company-specific provisions for applying the framework agreement at the Thuringia sites until 2025. Since acquiring Jenoptik Industrial Metrology Germany GmbH, Jenoptik has been a member of the Baden-Württemberg Metal and Electrical Industry Association (Südwestmetall). No other collective agreements exist within or outside the European Economic Area.

T63 Collective agreement coverage

	Collective agreement coverage		Social dialogue
Coverage rate	Employees – EEA (for countries with > 50 employees, representing > 10 % of the total workforce)	Employees – non-EEA (for countries with > 50 employees, representing > 10 % of the total workforce)	Workplace representation (EEA only) (for countries with > 50 employees, representing > 10 % of the total workforce)
0-19 %		Switzerland	
20-39 %			
40-59 %	Germany		
60-79 %			Germany
80-100 %			

Equal treatment and equal opportunities for all

Description of material impacts, opportunities, and risks

Equal treatment and equal opportunities are essential for Jenoptik, as they foster an inclusive and diverse working environment that brings together different perspectives and experiences, ultimately driving innovation and creativity. As a result, Jenoptik positively impacts employee satisfaction and retention, enhances competitiveness, and strengthens the company's profile as an attractive employer. Through our "Stay Open" campaign, we position ourselves as an employer that champions openness, tolerance, and diversity, ensuring that we remain attractive to international talent in the future. In Thuringia, in particular, we face the challenge that meeting the demand for skilled labor is not feasible without immigration.

Gender equality and equal pay for equal work are fundamental to us, as they promote fairness and justice, leading to increased employee satisfaction and motivation. This, in turn, reduces staff turnover and enhances productivity. It also strengthens the company's reputation, makes it more attractive to top talents, skilled workers, and fosters employee loyalty. A diverse workforce drives innovation and competitiveness while mitigating legal risks and potential discrimination claims.

Diversity: Employees from diverse backgrounds present opportunities for innovative and creative solutions. The foundation for this is mutual respect, acceptance, and trust. Through our open corporate culture, a fair working environment, diversity programs, and targets, we actively promote inclusion, thereby positively impacting our employees. However, there are also potentially negative effects on humans and the environment, because women and international employees remain underrepresented at the management level, meaning Jenoptik has yet to fully unlock its potential.

Policies on equal treatment and opportunities

Strategies related to equal treatment and equal opportunities are an integral part of our global HR strategy with the aim of creating an inclusive and diverse working environment. It applies to all employees worldwide and is the responsibility of the Global Head of HR, who reports to the CEO. Our diversity KPIs and our recruiting policy are the most important points of reference for all measures. The Recruiting Policy applies globally to all hiring processes and is applied to all business areas and locations. It includes rules on the tasks of hiring managers, the content of job advertisements, the structure of interviews (in particular, how to avoid unconscious bias), and the involvement of external service providers who are committed to supporting our diversity goals. Adherence to the policy is supported by regular interview training for hiring managers and by regular monitoring of diversity KPIs. The recruiting team and the hiring managers are responsible for implementation, while the Global Head of HR has overall responsibility.

Actions for equal treatment and opportunities

To achieve our diversity target, we have established defined KPIs, which are collected quarterly and reported to the Executive Board. In addition, regular audits through the Women's Career Index (FKI), provide insights into potential areas for improvement and effective measures. For our development programs, we have set a participation quota for women, aligned with our KPIs. We also offer mentoring and diversity training. We promote gender equality and equal pay for equal work through the actions and policies on fair remuneration and social dialogue outlined in the "Jenoptik as an attractive employer" chapter.

Parameters and targets for equal treatment and opportunities

In order to promote diversity and equal opportunities within Jenoptik in the best possible way, we remain committed to our goal of increasing our diversity rate to 33 percent by 2025. This diversity rate is calculated by determining the number of executives (level 1-4) with an international ("non-German") background and the number of female executives. These figures are then compared individually and in total with all executives across the Group, including female employees with an international background, who are counted in both categories. This target is also reflected in the remuneration system for the Executive Board, as approved by the Supervisory Board, and is embedded in our corporate financing framework. In the fiscal year 2024, the diversity rate was 31.6 percent (prior year: 29.4 percent). The promotion of women in leadership positions remains one of our primary focus areas. At the end of the fiscal year 2024, the share of women in mid- and senior management positions, i.e. on the first and second level below the Executive Board, was 30.6 percent across the Group (eleven women). Accordingly, the group-wide proportion of men in middle and senior management positions is 69.4 percent (25 men).

Gender equality and equal pay for equal work: To provide transparency on potential pay disparities between male and female employees at Jenoptik, we calculated the percentage difference in average pay between the two groups. The calculation was based on the annual salaries of all employees, taking into account individually agreed working hours. For employees in Germany, actual payroll data was used, while for all other employees, the contractually agreed fixed remuneration (incl. bonus, LTI, etc.) formed the basis. Subsequently, the gross hourly wage for all employees was determined, and the average was calculated separately for male and female employees.

In 2024, the gender pay gap at Jenoptik was 14.6 percent. The ratio of the total annual remuneration of the highest-paid individual to the median total annual remuneration of all employees was 22, meaning the highest-paid employee earns 22 times the median salary.

Occupational health and safety

Description of the main impacts, risks and opportunities

Despite all due diligence, workplace accidents cannot be entirely prevented. Work-related accidents have a potentially negative impact on our employees in our own operations, particularly those working in production, service, and field operations. Overall, these negative effects primarily concern our employees rather than specific business relationships. For this reason, occupational health and safety is a critical management responsibility at Jenoptik, as safe working conditions and employee protection are top priorities. Without our skilled professionals and specialists, Jenoptik's economic success would be at risk. Moreover, our business model does not inherently pose significant or atypical industry hazards.

Jenoptik's occupational health and safety management system is an integral part of our corporate strategy, ensuring the long-term viability of our business model. Workplace safety is also embedded in our company-wide risk management process and is regularly evaluated. A safe work environment enhances productivity and efficiency while reducing absenteeism and insurance costs. From a temporal perspective, the negative impacts are typically short-term and manageable. We ensure full compliance with all applicable legal provisions by all our employees across all our operations. Safe and healthy working conditions also contribute to lower absenteeism, reduced accident costs, and a better workplace climate, making Jenoptik more attractive to talent.

To promote employee health preventively and facilitate reintegration following illness or injury, Jenoptik has implemented corporate health management. The commitment, performance, and, above all, the well-being of our employees are key to our success. The goal of our corporate health management is to safeguard the long-term health and productivity of our employees. Through early intervention, long absences can be prevented, and a swift return to work after extended sick leave can be facilitated. This is particularly important given demographic shifts, as an increasing number of employees stays in employment for longer. The corporate health management is controlled by the HR department, with the implementation of measures coordinated through local "health steering committees."

Policies on occupational health and safety

Jenoptik has a group-wide policy on occupational health, safety, and environmental protection, which governs reporting obligations, emergency plans, training and instruction, responsibilities, as well as the rectification of deficiencies and violations to protect our employees from potential negative impacts. Occupational safety regulations and the scope of our guidelines are also codified in the Integrity Code, Section 3.14, applying to the entire Group and ensuring compliance with all legally required provisions. Beyond providing a safe and ergonomic working environment, these guidelines also regulate the execution of risk and hazard assessments and the subsequent implementation of prevention and protection measures. In Germany, occupational safety measures are monitored and internally audited through quarterly occupational health and safety committee meetings. In addition, an annual occupational safety status survey is conducted by the responsible department. The HR Director (CEO), together with the respective management teams up to the managing directors of the individual subsidiaries, is responsible for occupational health and safety. They are supported by subject matter experts.

Actions for occupational health and safety

Our goal is to prevent workplace accidents and occupational illnesses before they occur. Jenoptik relies on the active participation of all employees. When introducing new technologies, materials, workplaces, or workflows, the responsible Environmental, Health, and Safety (EHS) management department, along with fire safety officers, must be involved in the risk assessment. We have also implemented a corporate health management system centrally managed by the HR department. We provide a safe working environment and fully comply with all location-specific health and safety regulations. High technical and operational safety standards form the foundation of our work.

In 2024, as in prior years, the following occupational health and safety measures were implemented at all company locations:

- To maintain safe working conditions, expert-led inspections are conducted at least once a year at all German and selected international sites and work areas in cooperation with local management
- Throughout the Company/Group, regular risk and hazard assessments are carried out. These assessments serve to identify existing hazards, implement appropriate preventive and protective measures, and also identify opportunities for improvement, such as enhancing workplace ergonomics
- Implementation and adaptation of protective measures for new machinery and equipment
- Review of occupational health and safety measures for machines, equipment, and activities
- Mandatory training sessions for managers and employees are conducted at least once per year

To maintain safe working conditions, expert-led inspections are conducted at least once a year at each site and work area in cooperation with local management. These measures serve to identify weaknesses, implement improvement potential, and train management, directly contributing to increased workplace safety during the reporting year. They align with the company’s risk minimization policy. Regular occupational safety briefings and inspections ensure the consistent implementation of identified measures and raise employee awareness of occupational safety. Our customers receive product training to familiarize them with the necessary safety standards, and as part of supplier audits, are encouraged to comply with labor and environmental protection standards in addition to the contractual regulations.

The goal of these measures is to further reduce the number of workplace accidents and related loss of worktime, strengthen occupational safety awareness among managers, employees, and suppliers, and enhance employees’ sense of security. Thanks to our implemented measures, workplace accidents at Jenoptik remain at a low level and below the industry average reported by the employers’ liability insurance association. Our safety mechanisms for new machinery contribute to the continued pursuit of our zero-accident strategy.

See governance information, section supplier management p. 145

Jenoptik does not view the achieved occupational health and safety results as final. We are aware that ongoing efforts in the area of occupational health and safety are needed to further minimize risks and hazards for our employees. In particular, the introduction of new machines, systems and technologies continues to challenge Jenoptik, and it consistently rises to this challenge.

In the area of health management, in addition to programs accessible to all employees across Germany (e.g., occupational reintegration management (BEM), a health app, a workshop on healthy leadership, and partnerships with fitness studios), additional local offerings cater more specifically to employees’ needs (e.g., health days, sports activities, and massage services). An additional control tool are the results of the psychological risk assessment – conducted every three years as part of our employee survey. The HR department supports discussions of the results as well as the development and implementation of agreed-upon measures.

Protection of our employees: Ensuring a safe working environment is a top priority for Jenoptik, and we take a preventive approach to workplace safety. In the fiscal year 2024, we again invested at least the legally required training hours worldwide in the education and training of our fire protection and occupational safety experts. This helps to strengthen employees' confidence in workplace safety and ensures appropriate responses in emergencies within our own operations. Workplace-specific risk assessments conducted worldwide ensure that occupational hazards that could endanger employees are identified and that the necessary protective measures to minimize risks are implemented in a timely manner. Risk assessment is carried out using the Nohl risk matrix, and measures are subsequently defined according to the STOP hierarchy. This means that substitution and technical measures take precedence over organizational or personal measures, such as personal protective equipment. Fire protection and occupational safety experts are regularly involved in the equipping and redesign of workplaces, the introduction of new technologies and tasks, as well as the implementation and handling of hazardous substances. In particular, they work closely with colleagues from operational units and facility management when relocating workplaces.

Parameters for occupational health and safety

All data for our occupational health and safety regulations apply group-wide to all our employees, i.e. 100-percent of our workforce. The key objectives of our occupational health and safety strategy are to further reduce the number of workplace accidents and related loss of working hours, strengthen occupational safety awareness among managers, employees, and suppliers, and enhance employees' sense of security. During the reporting period, there were zero (0) fatal occupational accidents involving employees on Jenoptik's premises, and zero (0) cases of work-related illnesses. The number of reportable occupational accidents resulting in at least one lost workday stood at 36 for our own employees. This corresponds to 4.9 occupational accidents per 1,000,000 hours worked or per 500 full-time employees at Jenoptik.

Governance information

General governance information

Responsible corporate governance is a key success factor for Jenoptik. Just as we strive for outstanding technologies and innovative solutions, we also aim to align our business activities with the values of integrity, transparency, and ethics, considering them fundamental prerequisites for our business success.

The central Compliance & Risk Management department ensures that our processes, interactions, and decisions comply with applicable laws, regulations, and industry standards. Compliance with legal requirements, internal corporate policies, and Jenoptik's core values serves to protect our company, society, and all our stakeholders.

T64 List of disclosure requirements

ESRS-G1 Business conduct	Mandatory disclosures	Section/page
General governance information		
Role of administrative, management, and supervisory bodies	ESRS 2, GOV-1	p. 88ff.
Description of material impacts, risks, and opportunities in the area of governance	ESRS 2, SBM-3	p. 140ff.
Management of material impacts, risks, and opportunities	ESRS 2, SMB-3	p. 142ff.
Corporate policies and culture	G-1-1	p. 142
Whistleblower protection	G1-1	p. 143f.
Supplier management	G1-2	p. 145f.
Corruption and bribery	G1-3 and G1-4	p. 146f.

Procedures for identifying and assessing material impacts, risks, and opportunities (IROs) and internal controls

The procedures for identifying and assessing material impacts, risks, and opportunities were already outlined in the general section of the Sustainability Statement starting on page 100ff.

In the governance area, four IROs have been identified: impacts of corporate culture, protection of whistleblowers, risks related to supplier management, and risks of corruption and bribery.

Description of material impacts, risks, and opportunities in area of governance

Corporate culture: Corporate culture, compliance, and integrity are of particular importance to Jenoptik as a publicly listed company and a major employer at key locations. We believe that maintaining high standards of integrity and legal compliance is a fundamental prerequisite for fulfilling our societal responsibilities. In addition, by implementing laws that focus, among others, on human rights protection, ensuring fair working conditions, and safeguarding the environment, we contribute to improving people's living conditions both within our company and throughout our supply chains.

We recognize the topic of “corporate culture” as an identified material potential risk in connection with “Corporate Culture, Compliance & Integrity.” Adhering to compliant business relationships is essential and indispensable for Jenoptik’s business success – we expect and promote a high standard of integrity and compliance among all our business partners. However, due to the human factor, legal and regulatory violations can never be entirely ruled out, even with an effectively implemented compliance management system and contractual obligations requiring business partners to act in accordance with compliance standards. Consequently, a residual risk always exists.

Protection of whistleblowers: Jenoptik sees positive impacts on the protection of whistleblowers and individuals in its own business area and throughout its value chain. Persons, who may be affected by legal violations or other abuses, are protected through continuous training and education on whistleblower protection and human rights, contractual requirements for suppliers and contractors, and established reporting processes.

It can be assumed that we have greater indirect influence on suppliers with a significant share of our procurement volume compared to those with a lower share.

Supplier management: As a manufacturing company with a vast network of suppliers from various countries worldwide, Jenoptik has an impact on individuals in its supply chain and faces the potential risk of non-compliance with due diligence obligations.

The continuously increasing regulatory requirements for supply chain due diligence currently present a risk in terms of obtaining and verifying relevant and accurate information. A reputational damage due to regulatory violations and the associated risk of supplier failure cannot be ruled out, only minimized. Through a rigorous supplier management approach, the Group considers itself strategically and operationally resilient.

Corruption and bribery: Corruption and bribery represent significant general societal and economic problems to the detriment of all market participants, particularly in so-called “emerging markets,” and can lead to a loss of trust in the integrity of public authorities and companies. As a globally active company, Jenoptik considers it part of its social responsibility to prevent corruption through effective prevention measures.

Although we consider the risk of corruption and bribery to be low, taking into account the measures and processes in place at Jenoptik (net perspective), the topic was identified as a significant potential risk in the materiality analysis (gross perspective). The risk, however, is considered somewhat higher in the Smart Mobility Solutions division due to its business structure, which includes business-to-government (B2G) transactions and operations in countries with a low Corruption Perception Index (CPI < 60). As a result, corruption risk has been classified as a material potential risk in our IRO assessment. Compared to the Advanced Photonic Solutions division, that division is significantly smaller. The Advanced Photonic Solutions division primarily operates in business-to-business (B2B) transactions with publicly traded large corporations, which themselves generally have efficient compliance management systems and strict anti-corruption policies. Given the Non-Photonic Portfolio Companies’ exclusive focus on B2B transactions and its key markets in Europe and North America, corruption and bribery risks in this division are not considered material.

In this context, it should be noted that there have been no confirmed or suspected cases of corruption or bribery in the past or at present. The materiality assessment is based solely on the nature of the business model and the markets in which we operate.

Further information on IROs in corporate culture, whistleblower protection, and corruption prevention

The implementation of an effective compliance management system, the establishment of a whistleblower system, and measures to prevent corruption and bribery are not based on strategic corporate goals. Rather, they are driven by legal requirements, and we regard the implementation of these measures as part of our corporate social responsibility, both internally and towards external stakeholders. Due to the nature of these identified IROs, it is not possible to reasonably quantify the timeframes in which they are expected to materialize.

There are no directly quantifiable financial impacts associated with corporate culture, whistleblower protection, or anti-corruption efforts at Jenoptik. However, it is reasonable to anticipate a positive financial effect resulting from the prevention of financial losses and reputational damage caused by non-compliance incidents.

In addition, we refer to the Risk and Opportunity Report from page 79 on, and the risk-bearing capacity assessment included in this section, which was conducted as part of our evaluation of risks and opportunities.

Management of material impacts, risks, and opportunities in the area of governance

Corporate culture and corporate policy

Strategies and guidelines: At Jenoptik, the Executive Board sets the framework for a transparent and ethical corporate culture and, in consultation with the Director of Compliance & Risk Management, determines how this can be ensured through an effective compliance management system. Jenoptik has defined clear corporate values – "open," "driving," and "confident" – that guide our interactions with customers, suppliers, colleagues, and all stakeholders we encounter in our business activities. Our values help us to achieve our business and societal objectives and meet our standards of legal compliance. Our compliance targets include, among other things, ensuring that no human rights violations or confirmed cases of corruption and bribery occur within our company. "Open" embodies openness toward all internal and external stakeholders, as well as toward new ideas and perspectives, which we actively embrace and encourage in our daily work at Jenoptik. This is crucial for fostering a culture of transparency, where employees feel safe to speak up and report potential compliance risks or conflicts with our corporate culture. "Driving" represents our proactive commitment to advancing both our business and society. Every employee is encouraged to actively contribute to achieving our objectives. "Confident – by working confidently and complying with the requirements of the law in the respective field of work, we show not only internally but also externally to our business partners and authorities that we take legal compliance and our social responsibility seriously.

Actions: To ensure a strong corporate culture, regular annual training sessions on the Jenoptik Integrity Code, the company's internal Code of Conduct, are conducted every year for all employees of the Group. We do not see any particular functions at risk in this area. Acknowledgment of these guidelines via our Learning Management System is mandatory for all employees worldwide. All applicable processes and work instructions, including documents related to compliance and ethical standards, are published on the intranet and remain permanently available.

The Jenoptik Executive Board communicates clear compliance and integrity guidelines through a public compliance video statement, setting the "tone from the top." Aspects of corporate culture are discussed monthly in a fixed meeting between the Executive Board and the Director of Compliance & Risk Management. The Audit and ESG Committee reviews Jenoptik's compliance policy twice a year.

To ensure regulatory compliance among employees, various governance controls exist within the group-wide Internal Control System (ICS). These are carried out by an "owner" and reviewed by a "reviewer." The status of compliance training is monitored quarterly. Escalation procedures are in place for employees who fail to participate, as these trainings are mandatory. The fulfillment of due diligence obligations in the supply chain management is audited annually by the Group Human Rights Officer. Any documented improvement potential must be implemented within one year. To further enhance corporate culture, "Compliance Days" are held regularly, where current topics from the fields of governance, ethics, and regulation are communicated to all employees worldwide. In addition, compliance-related topics are regularly communicated. Each quarter, a Compliance Newsletter is distributed to all managers, providing relevant information on topics such as prevention of sexual harassment, association activities, and proper handling of ESG questionnaires on the intranet. To measure compliance culture, a Compliance Culture Survey is conducted every two years. After analyzing all survey results, key insights are incorporated into ongoing projects, such as "Future Formers," which aim to continuously enhance corporate culture and the compliance management system.

In view of the existing measures already implemented in connection with the material impacts, risks and opportunities as well as the departmental strategies in the areas of environment, social affairs and governance that are designed to address these and are considered effective, the Executive Board considers Jenoptik to be resilient in the short to medium term in terms of its business model and strategy. The resilience assessments were discussed with the responsible Executive Board member as part of the strategic roadmap for the respective specialist departments and business areas.

Whistleblower protection

Strategy and guidelines: For reporting crimes or serious violations of internal guidelines and the Jenoptik Integrity Code, Jenoptik has provided a secure whistleblowing channel in the form of a digital tool, a 24-hour hotline, and direct communication with the Compliance & Risk Management department for several years. By fostering a "speak-up" culture and promoting a positive approach to mistakes and feedback, we aim to empower individuals to report misconduct within the company, thereby mitigating potential harm to people, the environment, and Jenoptik itself at an early stage. Through an effective whistleblower protection, we seek to demonstrate to all potential whistleblowers that reporting wrongdoing within the Group or along the supply chain is an act of responsible conduct and that no disadvantages will be suffered as a result.

Jenoptik ensures that all employees are aware of and have access to the whistleblower system through global and regular information campaigns. Posters with corresponding QR codes are displayed at all Jenoptik Group locations, allowing access to the whistleblower and complaint system via personal devices and thereby ensuring accessibility for all employees, including those without computer workstations.

To assess, among other things, the acceptance and trust in Jenoptik's existing whistleblower system, a "Compliance Culture Survey" was conducted for the first time in the reporting year, with results showing an above-average level of acceptance of the system. Compliance surveys are conducted to promote continuous improvement and take into account the concerns of all stakeholders. The process for handling reports is audited annually by the Human Rights Officer, and any identified improvement potential must be implemented by the central Compliance & Risk Management department within a year, if applicable. As part of the Compliance Culture Surveys, a sample of individuals who had contact with the central Compliance & Risk Management department or used a reporting channel during the reporting year is selected. While there is currently no active stakeholder involvement in the specific improvement process, such engagement is planned for the future.

Actions: Jenoptik regularly conducts campaigns to increase awareness of the whistleblower system while consistently emphasizing whistleblower protection. Employees tasked with conducting internal investigations receive specialized training through professional seminars, ensuring they are appropriately qualified.

The publicly available process description for handling reports is published on Jenoptik's website. All employees involved in the processing are subject to increased and contractually secured confidentiality obligations, and are exempt from their regular reporting obligations under their employment contracts to ensure their independence during investigations. All cases, regardless of the reporting channel used, are recorded in a case management system, ensuring comprehensive documentation. This system also guarantees that all incoming complaints can be collectively analyzed. The initial step in the process involves an evaluation of the report by employees in the central Compliance & Risk Management department, with possible involvement of Jenoptik's Human Rights Officer. If necessary, further investigative steps follow, such as conducting interviews, reviewing documents, or carrying out site visits to assess the situation. Once the investigation is complete, the findings and final report are presented to the responsible management, along with recommendations for appropriate actions. The management is responsible for implementing the measures and ensuring their effectiveness in coordination with Human Resources and Compliance & Risk Management. Suitable actions may include compensation payments, salary increases, or improvements to working conditions.

To protect whistleblowers, Jenoptik enforces a strict prohibition of retaliation against individuals who report concerns, in full compliance with the German Whistleblower Protection Act. This prohibition is explicitly stated in the Jenoptik Integrity Code, regularly communicated, and integrated into the processing of reports and the implementation of actions. As the most effective means of protecting whistleblowers, the Compliance & Risk Management department provides ongoing support to whistleblowers, provided their identity is known, throughout the duration of the investigation and remains available to them beyond the conclusion of the process. Any labor law measures proposed by a manager or the HR department in connection with a compliance investigation must be reviewed in advance, with whistleblower protection taking precedence in cases of uncertainty. We consider it essential that individuals who disclose knowledge and information in the interest of corporate protection are safeguarded against any form of sanction.

In the reporting year, training on the topic of whistleblower protection was offered to all employees as part of the annual Compliance Days. From 2025, digital training on whistleblower protection will be rolled out globally via SAP SuccessFactors. We attach great importance to ensuring that all employees, regardless of their functional areas, are comprehensively trained in this area and do not see any need to differentiate between individual functions.

The effectiveness of the whistleblower system and the measures taken in response to potential human rights violations are reviewed annually by the Group's Human Rights Officer as part of the audit of the complaints procedure under the German Supply Chain Due Diligence Act (LkSG). At Jenoptik, both the complaints system under the LkSG and reports under the German Whistleblower Protection Act (HinSchG) are managed through a unified system and shared processing framework. The risk analysis and management tool used for human rights compliance also integrates mechanisms for implementing, tracking, and evaluating corrective actions in response to violations, enabling the initiation of further measures when necessary. Jenoptik recognizes its obligation to remedy violations within its own operations. The company conducts regular assessments of human rights risks within its business activities, with identified risks reported to the Executive Board annually. In coordination with local management, preventive measures are implemented regularly, and corrective actions are taken when violations are identified. Risks are continuously monitored, as is the effectiveness of the measures introduced. Employees have the opportunity to report violations through the whistleblower system.

Given Jenoptik's majority ownership in its global subsidiaries and the resulting controlling influence, corrective actions can be implemented swiftly by the relevant management to remedy violations and thus ensure that violations are stopped. Such measures may include wage increases in cases where remuneration at a specific location is found to be inappropriately low.

Supplier management

Strategy: As a technology company, Jenoptik relies on a wide range of raw materials. Given the increasing scarcity of resources, Jenoptik is committed to making sparing use of the materials it requires. Targeted supplier management measures such as weekly coordination and planning meetings with critical suppliers as well as support for suppliers in the procurement of critical components have helped mitigate supply bottlenecks. We comply with the applicable regulations, for example the requirements of the European chemicals regulation REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) and the European RoHS directive (Restriction of certain Hazardous Substances), and are fully involved on associated committees. Our comprehensive supplier management approach integrates not only economic and quality criteria but also ecological, social, and ethical considerations.

Taking responsibility throughout the entire value chain is a fundamental part of our corporate identity. Purchasing in the Jenoptik Group is globally positioned and responsible for all procurement activities and supplier management across the Group. Our global supplier network spans 52 countries and consists of approx. 30 percent companies with more than 1,000 employees, approx. 20 percent medium-sized companies (250 to 1,000 employees) and approx. 50 percent companies with fewer than 250 employees. More than half of our suppliers are based in Germany, both in absolute numbers and in terms of purchasing volume. The procured materials primarily fall within the categories of optics, mechanics, electronics, and services.

Actions: Supplier selection, evaluation, and auditing are key components of supplier and risk management. The procedures and responsibilities are defined in globally applicable process guidelines. When assessing our suppliers, we require not only a certified quality management system in accordance with ISO 9001 but also proof of an environmental management system that meets the international ISO 14001 standard. This standard mandates the establishment of a corporate environmental policy, environmental goals and an environmental program, and a corresponding management system to achieve these goals. For suppliers in the medical technology sector, certification according to ISO 13485 is relevant, while for those in the automotive industry, we place particular importance on certification in accordance with IATF 16949. The primary operational evaluation criteria, namely quality and delivery performance, are assessed at least annually for suppliers with high procurement volumes, with results transparently communicated to them, including a detailed description.

Compliance in the supply chain is guided by our requirement to always comply with statutes, internal regulations, and voluntary commitments. In order to further increase transparency in the supply chain, identify compliance violations in good time, and initiate suitable measures to minimize risks, we subject our supplier base to regular risk analyses. All suppliers with significant purchasing volumes or an elevated risk profile are surveyed on sustainability topics such as environmental protection, compliance management, human rights, child labor prevention, occupational health and safety, anti-corruption policies, and sustainability. In the event of violations, or where there is potential for improvement, the causes are determined in dialog with the suppliers and joint action plans for improvement are developed and implemented.

To increase customer satisfaction, review compliance with legal requirements, and ensure conformity with international standards, the Jenoptik Group conducts supplier audits. A risk-based list of suppliers to be reviewed annually is compiled and regularly updated. The results of these audits, which are usually carried out on-site at the supplier's premises, are recorded in a central database in audit reports with specific plans for corrective actions. The implementation of these measures is systematically verified and documented. For supplier development, we expect suppliers to formulate improvement plans and implement them within a clearly defined timeframe.

A Code of Conduct for our suppliers and other contractual business partners sets out our expectations regarding human rights, the prohibition of corruption and bribery, fair market and competition practices, environmental responsibility, and the responsible handling of substances, mixtures, products, and conflict minerals. Particularly in the areas of environmental and resource protection as well as human rights compliance, we align ourselves with international guidelines and standards such as the UN Global Compact. To obtain supplier consent and ensure commitment to implementing the principles outlined in the Code of Conduct, we have introduced an automated IT solution.

In the fiscal year 2024, purchasing teams and adjacent departments, including quality management, received training on various sustainability topics such as supply chain due diligence, the Carbon Border Adjustment Mechanism (CBAM), and the Supplier and Business Partner Code of Conduct. In addition, all employees are required to complete mandatory e-learning courses on business conduct, ethical guidelines, and anti-corruption as part of their onboarding process. Completion of these courses raises employee awareness and ensures that applicable standards and guidelines are embedded in daily business activities. These courses are regularly repeated to keep learning content fresh and relevant.

Parameters and targets: The objectives of procurement are to ensure production and service supply in line with demand while considering economic factors, to comply with existing external laws and regulations as well as internal processes and guidelines, to create transparency for suppliers and business partners, and to identify and consistently take into account the opportunities and risks arising from our sustainability-oriented supplier management. Our conduct aligns with ethical standards and is based on the principles of fair economic interaction with our business partners. Particular care is required in dealing with vulnerable suppliers who are exposed to significant economic, environmental, and/or social risks.

The "Corporate Social Responsibility Rate" (CSR rate) serves as a key figure for managing and increasing transparency in the supply chain. It indicates the percentage of suppliers of production materials with an annual purchasing volume in excess of 200,000 euros for which completed CSR self-assessments exist that are evaluated as non-critical. In the form of questionnaires, these cover the topics of environmental protection, compliance management, human rights and the prohibition of child labor, ensuring health and safety, as well as anti-corruption and sustainability in the supply chain. In 2024, the CSR rate was 61 percent (prior year: 49 percent). The target level for 2025 is set at 50 percent. This indicator has been included in the annual report since 2021 and has been validated through external auditing.

Corruption and bribery

Strategy and guidelines: The fight against corruption and bribery is of central importance to Jenoptik. Through effective prevention measures such as continuous training and an efficient business partner compliance process, proactive management is ensured by the central Compliance & Risk Management department. The risk situation concerning corruption, bribery, and competition-compliant behavior is regularly assessed in the respective corporate units through compliance risk analyses, with key factors including business structure (B2C, B2B, or B2G) and the markets in which each division operates. Due to their proximity to public officials, business-to-government relationships inherently pose a higher risk of corruption. We evaluate corruption risks in the regions and countries where our business units operate using Transparency International's Corruption Perception Index (CPI). The Executive Board, along with the Compliance & Risk Management and Human Resources departments, follows a clearly communicated zero-tolerance policy regarding incidents of corruption and bribery.

Jenoptik does not currently have a formal anti-corruption strategy aligned with the United Nations Convention against Corruption but has implemented preventive processes.

Actions: Currently, all employees in leadership roles and high-risk functional areas receive training on "Corruption & Bribery" to ensure awareness of these issues and that business decisions are made solely on a rational basis in the company's best interest. Specific work instructions regulate the handling of gifts and benefits, potential conflicts of interest, and matters related to corruption and bribery. Compliance with these processes is subject to random audits as part of the internal control system.

In the reporting year, training on corruption and bribery prevention was provided to all 577 employees in roles exposed to risks, which include the "Procurement & Supply Chain" and "Sales" areas. In addition, all employees from manager level upwards were also trained in corruption prevention, including Executive Board and Supervisory Board members who are employee representatives. All other Supervisory Board members will undergo subsequently anti-corruption training in 2025. In future, this training will take place at annual intervals for all of the aforementioned functions.

Jenoptik has implemented a digital process for obtaining compliance approvals regarding invitations, gifts, benefits, and conflicts of interest. For business situations that may present an increased risk of corruption, such as engaging a local consultant or sales partner in high-risk countries, the relevant departments are involved early in the process. Before entering into agreements with critical business partners and on a recurring basis throughout the business relationship, third-party due diligence is conducted by the Compliance & Risk Management department.

For reporting violations such as incidents of bribery or corrupt practices, Jenoptik maintains a whistleblower system, as described in the "Whistleblower protection" section above. All employees responsible for case management have been released from direct managerial authority to ensure a high level of independence.

Parameters: In the reporting year 2024, Jenoptik has no known cases of corruption or bribery, either internally or with its involvement. In this context, Jenoptik has not incurred any fines or penalties.

Additionally, internal targets have been set to ensure that there are no confirmed incidents of corruption or bribery and no obligation to pay fines in this regard. This can be confirmed for the fiscal year 2024.

Political influence and lobbying activities

The subjects of political influence and lobbying activities are of minor relevance to the Jenoptik Group. Only Jenoptik Robot GmbH, a company within the Smart Mobility Solutions division, which represents a relatively small share of total group revenue, is listed in the German lobby register. Contributions to political events are made exclusively by Jenoptik Traffic Solutions LLC in the US, another entity within the Smart Mobility Solutions division, in compliance with local regulations, and amounted to a mid-four-figure euro sum in the reporting year. From a group perspective, the materiality threshold was not reached.

Additional Information and Notes/Appendix

List of the data points from other disclosure requirements as per ESRS-2 IRO-2, Appendix B:

List of the data points from other EU legislation in general and thematic standards

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Disclosure requirement and associated data point	Chapters/page number
ESRS 2 GOV-1, § 21d: Gender diversity in the management and control bodies	Gen. information, p. 90/91
ESRS 2 GOV-1, § 21e: Percentage of independent board members	Gen. information, p. 90/91
ESRS 2 GOV-4, § 30: Statement on due diligence	Gen. information, p. 93/94
ESRS 2 SBM-1, § 40d (i): Involvement in activities related to fossil fuels	Gen. information, p. 96
ESRS 2 SBM-1, § 40d (ii): Involvement in activities related to the production of chemicals	Gen. information, p. 96
ESRS 2 SBM-1, § 40d (iii): Involvement in activities related to controversial weapons	Gen. information, p. 96
ESRS 2 SBM-1, § 40d (iv): Involvement in activities related to the cultivation and production of tobacco	Gen. information, p. 96
ESRS E1-1, § 14: Transition plan to reach net zero by 2050	Environment, p. 107f.
ESRS E1-1, § 16g: Companies excluded from Paris-aligned benchmarks	Environment, p. 110
ESRS E1-4, § 34: GHG emission reduction targets	Environment, p. 109f.
ESRS E1-5, § 38: Energy consumption from fossil sources disaggregated by source (only high-impact climate sectors)	Environment, p. 111
ESRS E1-5, § 37: Energy consumption and energy mix	Environment, p. 110f.
ESRS E1-5, §§ 40 to 43: Energy intensity related to activities in high climate impact sectors	Environment, p. 111
ESRS E1-6, § 44: Gross GHG emissions in the categories Scope 1, 2, and 3 as well as total GHG emissions	Environment, p. 112ff.
ESRS E1-6, §§ 53 to 55: Intensity of the gross GHG emissions	Environment, p. 111
ESRS E1-7, § 56: GHG removals and carbon credits	No information
ESRS E1-9, § 66: Exposure of the benchmark portfolio to climate-related physical risks	Phase-in
ESRS E1-9, § 66a and c: Breakdown of monetary amounts by acute and chronic physical risk, and location of significant assets at material physical risk	Phase-in
ESRS E1-9, § 67c: Breakdown of the carrying amount of its real estate assets by energy-efficiency classes	Phase-in
ESRS E1-9, § 69: Degree of exposure of the portfolio to climate-related opportunities	Phase-in
ESRS E2-4, § 28: Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	Not material
ESRS E3-1, § 9: Water and marine resources	Not material
ESRS E3-1, § 13: Dedicated policy	Not material
ESRS E3-1, § 14: Sustainable oceans and seas	Not material
ESRS E3-4, § 28c: Total water recycled and reused	Not material
ESRS E3-4, § 29: Total water consumption in m3 per net revenue on own operations	Not material
ESRS 2 – IRO-1 – E4, § 16a (i)	Gen. information, p. 102
ESRS 2 – IRO-1 – E4, § 16b	Gen. information, p. 102
ESRS 2 – IRO-1 – E4, § 16c	Gen. information, p. 102
ESRS E4-2, § 24b: Sustainable land/agriculture practices or policies	Not material
ESRS E4-2, § 24c: Sustainable ocean/sea practices or policies	Not material
ESRS E4-2, § 24d: Policies to address deforestation	Not material
ESRS E5-5, § 37d: Non-recycled waste material	Not material
ESRS E5-5, § 39: Hazardous waste and radioactive waste	Not material
ESRS 2 SBM3 – S1, § 14f: Risk of incidents of forced labor	Social, p. 126/128
ESRS 2 SBM3 – S1, § 14g: Risk of incidents of child labor	Social, p. 126/128
ESRS S1-1, § 20: Human rights policy commitments	Social, p. 126
ESRS S1-1, § 21: Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8	Social, p. 126
ESRS S1-1, § 22: Processes and measures for preventing trafficking in human beings	Social, p. 126
ESRS S1-1, § 23: Workplace accident prevention policy or management system	Social, p. 126
ESRS S1-3, § 32c: Concern handling mechanisms	Social, p. 127
ESRS S1-14, § 88b and c: Number of fatalities and number and rate of work-related accidents	Social, p. 139

Disclosure requirement and associated data point	Chapters/page number
ESRS S1-14, § 88e: Number of days lost to injuries, accidents, fatalities, or illness	Social, p. 139
ESRS S1-16, § 97a: Unadjusted gender pay gap	Social, p. 136
ESRS S1-16, § 97b: Excessive remuneration of board members	Social, p. 136
ESRS S1-17, § 103a: Incidents of discrimination	Social, p. 128
ESRS S1-17, § 104a: Non-respect of UN Guiding Principles on Business and Human Rights and OECD guidelines	Social, p. 126
ESRS 2 SBM3-S2, § 11b: Significant risk of child labor or forced labor in the value chain	Not material
ESRS S2-1, § 17: Human rights policy commitments	Not material
ESRS S2-1, § 18: Policies related to workers in the value chain	Not material
ESRS S2-1, § 19: Non-respect of UN Guiding Principles on Business and Human Rights principles and OECD guidelines	Not material
ESRS S2-1, § 19: Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8	Not material
ESRS S2-4, § 36: Human rights issues and incidents connected to its upstream and downstream value chain	Not material
ESRS S3-1, § 16: Human rights policy commitments	Not material
ESRS S3-1, § 17: Non-respect of UN Guiding Principles on Business and Human Rights principles and OECD guidelines	Not material
ESRS S3-4, § 36: Human rights issues and incidents	Not material
ESRS S4-1, § 16: Policies related to consumers and end-users	Not material
ESRS S4-1, § 17: Non-respect of UN Guiding Principles on Business and Human Rights	Not material
ESRS S4-4, § 35: Human rights issues and incidents	Not material
ESRS G1-1, § 10b: United Nations Convention against Corruption	Governance, p. 142
ESRS G1-1, § 10d: Protection of whistleblowers	Governance, p. 143
ESRS G1-4, § 24a: Fines for violation of anti-corruption and anti-bribery laws	Governance, p. 147
ESRS G1-4, § 24b: Standards of anti-corruption and anti-bribery	Governance, p. 146f.

Information and Notes Relating to Takeover Law

Explanatory Report in Accordance with § 176 (1) (1) of the German Stock Corporation Act (AktG) and Reporting on § 289a and § 315a of the German Commercial Code (HGB) in Accordance with the Takeover Directive Implementation Act

1. Composition of the share capital

As of the balance sheet date on December 31, 2024, the share capital totaled 148,819 thousand euros (prior year: 148,819 thousand euros). It is divided into 57,238,115 (prior year: 57,238,115) no-par value registered shares. Each share is therefore worth 2.60 euros of the nominal capital.

The same rights and obligations apply to all the shares of the company. Each share represents one vote at the Annual General Meeting and is the determining factor for the shareholders' proportion of company profits (§ 58 (4), § 60 AktG). The shareholders' rights also include the subscription right to shares in the event of increases in capital (§ 186 AktG), unless it has been excluded in accordance with the statutory provisions or corresponding authorizations. In addition, the shareholders are entitled to administrative rights, e.g., the right to participate in the Annual General Meeting and the authority to put forward questions and motions and to exercise their right to vote. The shareholders' additional rights and duties are defined in the German Stock Corporation Act, in particular in § 12, 53a et seq., § 118 et seq., and § 186. Under § 4 (3) of the Articles of Association, any claim by a shareholder to the securitization of their shares is excluded.

2. Restrictions relating to voting rights or the transfer of shares

In accordance with § 136 (1) AktG, legal restrictions affecting voting rights exist with respect to votes for annual approval regarding shares that are held directly or indirectly by members of the Executive and/or Supervisory Boards. Violations of reporting obligations as specified in § 33 (1) or (2) and § 38 (1) or § 39 (1) of the German Securities Trading Act (WpHG) may nullify voting rights, at least temporarily, in accordance with § 44 of this Act.

Pursuant to § 67 (2) AktG, rights and obligations arising from shares shall exist in relation to JENOPTIK AG only for and against those persons entered in the share register. To be recorded in the share register, shareholders must provide JENOPTIK AG with the information required by law (name or company name, address, registered office of the company, date of birth, email address, and number of shares they hold). Shareholders who do not comply with these disclosure obligations may not exercise their voting rights pursuant to § 67 (2) (2) and (3) AktG.

In connection with Article 19 (11) of the EU Market Abuse Regulation (EU 596/2014) and due to intra-group requirements, certain restraints of trade shall apply to members of the Executive and Supervisory Boards and to certain employees in connection with the publication of quarterly statements and reports, preliminary figures, and the Annual and Consolidated Financial Statements.

3. Direct or indirect investments in the capital exceeding 10 percent of the voting rights

Information on direct or indirect investments in capital that exceed 10 percent of the voting rights can be found in the Notes to the Annual Financial Statements, chapter 3, "Equity."

4. Holders of shares with special rights conferring controlling powers

There are no shares in JENOPTIK AG that entail special rights.

5. Form of controlling voting rights if employees own shares and do not directly exercise their control rights

There are no employee shareholdings and therefore no resultant control of voting rights.

6. Statutory regulations and provisions of the Articles of Association relating to the appointment and dismissal of Executive Board members and changes to the Articles of Association

The appointment and dismissal of Executive Board members is carried out exclusively in accordance with the statutory regulations of § 84 and § 85 AktG and § 31 of the Codetermination Act (MitbestG). In accordance with this, the Articles of Association stipulate in § 6 (2) that the appointment of members to the Executive Board, the revocation of their appointment and the conclusion, modification, and termination of contracts for services with members of the Executive Board shall be carried out by the Supervisory Board. In accordance with § 31 (2) MitbestG, a majority of at least two thirds of the members of the Supervisory Board is required for the appointment of Executive Board members. Revocation of appointment as a member of the Executive Board is only possible for serious due cause (§ 84 (4) AktG).

§ 6 (1)(1) of the Articles of Association stipulates that the Executive Board of JENOPTIK AG must comprise at least two members. In the absence of a required Executive Board member, in urgent cases the court must appoint the member on the application of a stakeholder (§ 85 (1)(1) AktG). The Supervisory Board can appoint a Chairman of or Spokesperson for the Executive Board (§ 84 (2) AktG, § 6 (2)(2) of the Articles of Association).

In accordance with § 119 (1)(5), § 179 (1)(1) AktG, changes to the content of the Articles of Association are passed by the Annual General Meeting. However, changes relating purely to the wording of the Articles of Association may be passed by the Supervisory Board in accordance with § 179 (1)(2) AktG in conjunction with § 13 (3) of the Articles of Association. Furthermore, the Supervisory Board is authorized to resolve upon amendments to the Articles of Association following the utilization of the Authorized Capital 2023 and of the Conditional Capital 2021. According to § 24 (1) of the Articles of Association, resolutions by the Annual General Meeting require a simple majority of the votes cast unless stipulated otherwise by law. In those cases in which the law requires a majority of the nominal capital represented for a resolution to be passed, a simple majority of the nominal capital represented is sufficient, unless a greater majority is specified by law.

7. Authority of the Executive Board to issue and buy back shares

Detailed information on the authority of the Executive Board to issue shares, i.e., on the Authorized Capital 2023 and the Conditional Capital 2021, as well as the authority of the Executive Board to buy back treasury shares, can be found in the Group Notes under item 5.10 “Equity.”

8. Key agreements in the event of a change of control resulting from a takeover bid

Clauses in contracts concluded by JENOPTIK AG, which apply in the event of a change in control within the ownership structure of JENOPTIK AG following a change of control, exist for the financing agreements described below with a total utilized volume of 376.1 million euros as of December 31, 2024 (prior year: 395.6 million euros).

The conditions for accepting a change in control are set out differently in each of the loan agreements. For the debenture bonds with a total utilized volume of 367.8 million euros (prior year: 377.9 million euros) a change in control gives the lenders the right to demand the repayment of the loan amount plus interest accumulated up to the repayment date within 25 banking days of receipt of the change of control notification. A change of control applies if one or more persons acting in concert, who are not attributable to the group of main shareholders existing on the date the contract is concluded, acquire more than 50 percent of the voting rights or nominal capital, directly or indirectly at any time, whereby the attribution of voting rights is carried out in accordance with the provisions of § 30 of the German Securities Acquisition and Takeover Act (WpÜG).

Under the revolving syndicated loan, every change in the current shareholder base of JENOPTIK AG, as a result of which at least 50 percent of the shares or voting rights are held by one or several persons acting in concert as described in § 2 (5) WpÜG, results in the possibility that lenders (i) may refuse to participate in further disbursements and (ii) may terminate loan commitments, in full or in part, declare outstanding disbursements and undrawn line commitments due in whole or in part, including accrued interest. The syndicated loan has a total volume of 400 million euros, of which 8.3 million euros had been utilized as of December 31, 2024 (prior year: 17.7 million euros).

9. Compensation agreements by the company with Executive Board members or employees in the event of a change of control

No right to give notice of termination in the event of a change of control, i.e., the acquisition of at least 30 percent of voting rights by a third party, has been agreed with the members of the Executive Board. In such cases, they also have no claim to any severance payment. If the premature termination of an Executive Board mandate is agreed with an Executive Board member due to a change of control, the amount of a severance payment is limited to a maximum of two years' annual remuneration in accordance with the respective recommendations of the German Corporate Governance Code, as amended on April 28, 2022. Under no circumstances, however, the severance payment may be higher than the remuneration due for the remaining term of the service contract.

Corporate Governance Statement (with Corporate Governance Report)

In this statement, The Executive and Supervisory Boards report on the corporate governance of the company in accordance with § 289 f, § 315 d HGB and Principle 23 of the German Corporate Governance Code (the Code).

The JENOPTIK AG Executive and Supervisory Boards affirm their commitment to responsible corporate governance and control, geared towards long-term value creation and encompassing all units within the Group. They see good corporate governance as the foundation for sustained corporate success and, at the same time, an important contribution to strengthening the trust in Jenoptik on the part of shareholders, business partners, employees, and the general public.

Corporate Governance

In December 2024, the Executive and Supervisory Boards jointly adopted the following Declaration of Conformity in accordance with § 161 AktG, which is permanently available to shareholders on the company's website at www.jenoptik.com under the category Investors/Corporate Governance. If, in the future, changes arise at Jenoptik which have an impact on a declared compliance, the Declaration of Conformity will be updated during the year.

Declaration of Conformity by the Executive Board and Supervisory Board of JENOPTIK AG in the Fiscal Year 2024

According to § 161 (1)(1) AktG, the Executive and Supervisory Boards of a listed company are required to issue a declaration once a year that the recommendations of the "Government Commission on the German Corporate Governance "("Code") as published by the Federal Ministry of Justice in the official section of the Federal Gazette (Bundesanzeiger) have been and are complied with, or to indicate which recommendations have not been or will not be applied and why not.

The Executive Board and the Supervisory Board of JENOPTIK AG support the recommendations of the Code in the version dated April 28, 2022, and state that, pursuant to § 161 (1)(1) AktG:

Since the last Declaration of Conformity as of December 12. 2023 the recommendations of the Code have been complied with with the exception of the recommendation stated below under 1. and will be complied with in the future with the exceptions under 1. and 2. which are declared as a precautionary measure.

1. In accordance with recommendation C.4 of the Code, a Supervisory Board member who is not a member of the Executive Board of a listed company shall not accept more than five Supervisory Board mandates at non-group listed companies or comparable functions, with an appointment as Chair of the Supervisory Board being counted twice.

   A deviation from this recommendation has been declared as a precautionary measure for the period since the last declaration of conformity and for the future. Our Supervisory Board member, Ms. Elke Eckstein, is a member of the following supervisory bodies: Saferoad Holding AS, Norway (not listed), KK Wind Solutions A/S, Denmark (not listed), BE Semiconductor Industries NV, Netherlands (stock-listed), U-Blox Holding AG, Switzerland (listed) as well as of Viacon Group AB, Sweden (not listed). Provided that the position at Jenoptik, which from Jenoptik's point of view is internal to the Group, is also counted in the addition of the seats, Ms. Eckstein holds a total of six Supervisory Board and comparable mandates at listed and not listed companies, so that a deviation from recommendation C.4 is declared as a precautionary measure.

   The Supervisory Board has ensured that Ms. Eckstein always has sufficient time to perform her duties at JENOPTIK AG.

2. In accordance with recommendation C.10 of the Code the Chair of the Supervisory Board, the Chair of the Audit Committee, as well as the Chair of the committee that addresses Executive Board remuneration, shall be independent from the company and the Executive Board. When assessing the independence of Supervisory Board members from the company and its Executive Board, shareholder representatives shall particularly take into consideration – in accordance with recommendation C.7 – whether the respective Supervisory Board member has been a member of the Supervisory Board for more than twelve years.

   As a precautionary measure, a deviation from this recommendation is declared for the future. Mr. Wierlacher has been a member of the Supervisory Board since June 6, 2012, and Chairman of the Supervisory Board of JENOPTIK AG since 2015. Mr. Wierlacher has already announced that he will not stand for re-election when his mandate expires in June 2026. At the time of his last reappointment in June 2022, Mr. Wierlacher had been a member of the Supervisory Board for 10 years only. The Supervisory Board does not believe that Mr. Wierlacher's now twelve years of service on the Supervisory Board constitute a material and not merely temporary conflict of interest, nor does it believe that Mr. Wierlacher's performance of his duties as Chairman of the Supervisory Board and Personnel Committee is impaired. On the contrary, the Supervisory Board is of the opinion that Mr. Wierlacher's many years of knowledge of the Jenoptik Group and its products and technologies make a significant contribution to promoting and supporting the work of the entire Supervisory Board.

December 11, 2024
JENOPTIK AG

For the Executive Board

Dr. Stefan Traeger

For the Supervisory Board

Matthias Wierlacher

Information on Methods of Corporate Governance

Code of conduct, compliance, opportunity and risk management

At Jenoptik, economic success and responsibility for our actions are inextricably linked. For us, respect, fairness, openness, and compliance with statutory provisions and intra-group regulations are essential factors for responsible dealing with all stakeholders. Jenoptik’s most important principles of conduct are summarized in an Integrity Code which is equally binding on all employees, managers, and the Executive Board of the Jenoptik Group. It sets out the fundamental principles and rules for our actions within the company as well as towards external partners and the public. This enables us to ensure a high level of integrity as well as ethical and legal standards within the Jenoptik Group. Should any employees have questions about the Jenoptik Integrity Code or if they suspect any violations of the law or regulations, they may confidentially approach their respective manager or the contact persons named in the Integrity Code. Employees may also report significant violations that require confidential treatment using a digital and anonymous whistleblowing system in several languages on our internal platforms as well as the Jenoptik website. It is operated independently by EQS Group AG. The data is stored on protected servers in Germany. Confidential processing of reports, which can also be submitted by telephone or email, is carried out exclusively by appropriately trained Jenoptik employees.

> For information on the Jenoptik Integrity Code, see www.jenoptik.com under the category Investors/Corporate Governance/Integrity Code

Requirements for our suppliers and sales partners are set out in the Jenoptik Group's Code of Conduct for Business Partners, which applies to all business partners worldwide. Jenoptik has also signed the Diversity Charter and is a signatory to the UN Global Compact.

Compliance with national and internationally recognized compliance requirements is an essential element of our risk prevention and the processes of the Jenoptik Compliance Management System (CMS). The Jenoptik values, the Jenoptik Integrity Code and numerous process descriptions form the basis of the CMS. Compliance with them is central to the trust of our business partners, shareholders, and the public in Jenoptik's performance and integrity. The CMS is continuously developed and adapted in line with changing conditions.

With the group guidelines and process descriptions for key business processes, the Jenoptik Group has a globally uniform framework. Central departments, divisions, and regions can reinforce this set of rules with more detailed regulations in accordance with their respective requirements. The guidelines are regularly reviewed, and extended or updated as necessary. This system of processes is designed to identify any possible deficits in the company at an early stage and to take appropriate actions to minimize or eliminate them.

On the Executive Board, Dr. Stefan Traeger is responsible for the central Compliance, Trade Compliance & Risk Management department. Global compliance activities are coordinated by the center of excellence in Germany and supported by local colleagues in the Americas and the Asia/Pacific region.

In order to familiarize employees with these topics and to improve employee awareness, regular online training courses and in-person events are held on compliance-related subjects, such as anti-corruption, anti-trust law, export control, IT security, and data protection. The aim of this is to create a company-wide uniform understanding of our compliance standards. Main training courses are offered for new employees as well as mandatory e-learning refresher courses for all employees. In addition, employees can contact the central Compliance & Risk Management department with any questions relating to compliance issues at Jenoptik as well as use a help desk on the intranet or a smartphone app.

For further information on compliance and supplier management, see the "Sustainability Statement" chapter

For Jenoptik, good corporate governance also includes continuous and systematic management of opportunities and risks. To this end, a revised Enterprise Risk Management System (ERM) was implemented throughout the entire organization in 2024. The goal is to support the implementation of the group strategy and to define actions that create an optimum balance between growth and return targets on the one side and the associated risks on the other.

For detailed information on risk management and the internal control system, see the Risk and Opportunity Report

Sustainability

Jenoptik's understanding of sustainability is based on the conviction that the economic goals of the company, and thus long-term profitable growth, can only be achieved by behaving responsibly in line with the environment and society. In the separate Sustainability Statement, which also contains the non-financial disclosures in accordance with the German Commercial Code (HGB) in a separate section, we provide detailed information on Jenoptik's sustainability management, e.g., in the environmental, social and governance areas.

For further information, see the Sustainability Statement

Composition and Procedures of the Executive Board, the Supervisory Board, and its committees

JENOPTIK AG is a stock corporation under German law with a dual management system, comprising the Executive Board and Supervisory Board. Tasks and powers of the Executive and Supervisory Boards as well as their composition and working methods are essentially determined by the German Stock Corporation Act, the Articles of Association of JENOPTIK AG, and the Rules of Procedure. The Executive Board runs the company on its own responsibility and in the interests of the company with the aim of sustainably increasing the company's value. It takes into account the concerns of all stakeholders, in particular shareholders and the Group's employees. The Supervisory Board advises and monitors the Executive Board in its leadership of the company and is involved in decisions of fundamental importance to the company.

Executive Board

The members of the Executive Board of JENOPTIK AG are appointed by the Supervisory Board. In 2024, the JENOPTIK AG Executive Board consisted of the following persons: Dr. Stefan Traeger, Dr. Prisca Havranek-Kosicek, Dr. Ralf Kuschnereit.

All members of the Executive Board share common responsibility for the overall management of the Group and decide on fundamental questions of business policy, the corporate strategy, in which environmental, social and governance objectives are given appropriate consideration alongside long-term economic goals, as well as planning with financial and sustainability-related targets. The Executive Board has not set up any committees. It is supported in the management of the company by the Executive Management Committee (EMC). At monthly meetings, the members of the EMC provide the Executive Board with information on all events relevant to the company and the economic situation of the divisions.

The Executive Board also ensures compliance with statutory provisions and internal regulations and requirements (compliance). It is responsible for the preparation of interim reports and statements, Consolidated and Annual Financial Statements, and for setting up the control and risk management system tailored to the company's risk situation and the compliance management system. The Executive Board ensures that strategic, operational, financial, and compliance-related risks and opportunities, as well as sustainability issues within these categories, are identified, presented transparently and comparably, systematically assessed, and managed at an early stage. The specific allocation of responsibilities and tasks within the Executive Board (including the responsibility for sustainability issues (environment, social, governance))) is regulated in an organizational chart as an appendix to the Executive Board's Rules of Procedure.

T66 Members of the the Executive Board

	Dr. Stefan Traeger Chairmen of the Executive Board	Dr. Prisca Havranek-Kosicek Member of the Executive Board	Dr. Ralf Kuschnereit Member of the Executive Board
Executive responsibilities (as of 1.1.2025)	▪ SBU Metrology & Production Solutions ▪ SBU Smart Mobility Solutions ▪ Prodomax ▪ Region Asia ▪ Human Resources/Labour Director (HR), Strategy & Business Development incl. Mergers & Acquisitions (M&A), Marketing & Communication, Legal, Compliance & Risk incl. Data Protection and Export Control Exportkontrolle	▪ Finance, Tax, Insurance, Treasury, Sustainability, Corporate Real Estate, Investor Relations, Internal Audit, IT incl. Information Security	▪ SBU Semiconductor & Advanced Manufacturing ▪ SBU Biophotonics ▪ Region North America ▪ Business System & Operational Excellence, Corporate Innovation & Digital Transformation, Purchasing, Quality, Environmental, Health and Occupational Safety, Intellectual Property (IP)
Further membership in supervisory boards and comparable supervisory bodies	▪ Aixtron SE (member, listed) ▪ JENOPTIK North America, Inc., USA (gi, chairman, CSB) ▪ JENOPTIK (Shanghai) Precision Instrument and Equipment Co., Ltd., China (gi; member, CSB) ▪ JENOPTIK (Shanghai) International Trading Co., Ltd., China (gi, member, CSB) ▪ JENOPTIK JAPAN Co. Ltd., Japan (gi, member, CSB) ▪ Prodomax Automation Ltd., Kanada (gi, member, CSB)	▪ JENOPTIK North America, Inc., USA (gi, member, CSB) ▪ Sulzer AG, Switzerland (member, CSB, listed)	▪ JENOPTIK JAPAN Co. Ltd., Japan (gi, member, CSB) ▪ JENOPTIK Optical Systems, LLC, USA (gi, chairman, CSB, until June 30, 2024) ▪ JENOPTIK North America, Inc. (gi, member, CSB, since June 2024) ▪ SwissOptic (Wuhan) Co., Ltd., China (gi, member until April 24, 2024, CSB)

Abbreviations: CSB - comparable supervisory bodies, gi - group-internal mandate

The members of the Executive Board work closely together in a collegial manner and continually inform one another of important measures and events within their assigned areas. Executive Board meetings take place at least once a month. The Supervisory Board has issued Rules of Procedure for the Executive Board. These define which significant business transactions require the approval of the Executive Board as a whole or of the Supervisory Board. In addition, the way the Executive Board is working internally, and the methods of reporting to and coordination with the Supervisory Board are regulated in greater detail.

The Chairman of the Executive Board coordinates the cooperation of the Executive Board with the Supervisory Board. Members of the Executive Board are required to disclose conflicts of interest to the Supervisory Board without delay and to inform the other members of the Executive Board of this.

For more information about the working methods and composition of the Executive Board, see the Rules of Procedure of the Executive Board at www.jenoptik.com/about-jenoptik/management/executive-board-and-executive-management-committee-emc

Supervisory Board

The Supervisory Board of JENOPTIK AG has equal representation in accordance with the German Codetermination Act and consists of twelve members, six of whom are elected by the shareholders at the Annual General Meeting and six of whom are nominated by the employees in accordance with the Codetermination Act. The Supervisory Board is composed in such a way that, as a whole, it is endowed with the knowledge, abilities, and professional experience necessary to carry out its tasks in an orderly manner. Each member ensures that they have sufficient time available in which to perform their duties. Six of its twelve members, three shareholder and three employee representatives, are female, currently exceeding the requirements of § 96 (2)(1) AktG. The concept of diversity pursued with respect to the composition of the Supervisory Board is described in section "2. Diversity policy for the Supervisory Board" of this statement. The shareholder representatives were elected individually at the 2022 or 2024 Annual General Meeting, three of them for a term of office until the end of the 2025 Annual General Meeting and three until the end of the 2026 Annual General Meeting.

> Further details on the composition of the Supervisory Board and its committees see § 11 of the Articles of Associations of JENOPTIK AG, the Report of the Supervisory Board and the 2024 Annual Financial Statements of JENOPTIK AG

The Chairman of the Supervisory Board is elected by the members of the Supervisory Board. He coordinates the work of the Supervisory Board, presides over its meetings, and represents the body externally. The Chairman maintains regular contact with the Executive Board, in particular with the Chairman of the Executive Board, who also between meetings informs the Supervisory Board Chairman immediately on important events that are of crucial importance to the position and development of the company. In the event of a tied vote by the Supervisory Board, a second round of voting is conducted in which the Board Chairman casts two votes, insofar as this is permitted by law. The Chairman of the Supervisory Board also chairs the Personnel, Mediation, Investment, and Nomination Committees, but not the Audit and ESG Committee or the Innovation Committee.

The Supervisory Board meets at least four times a year, but as a rule meets five times a year because of the Supervisory Board's strategy meeting which takes place in the fall. Taking into account the results of the audit as well as the recommendations of the Audit and ESG Committee, the Supervisory Board examines and approves the Annual and Consolidated Financial Statements, the Sustainability Statement with the additional non-financial disclosures, the Combined Management Report of JENOPTIK AG and the Group, and adopts the Annual Financial Statements. EY GmbH & Co. KG, Wirtschaftsprüfungsgesellschaft, Stuttgart, was appointed to audit the Annual and Consolidated Financial Statements for the fiscal year 2024. The Supervisory Board also decides on the Executive Board's proposal for the appropriation of accumulated profits, which is then submitted to the Annual General Meeting for resolution. It decides and regularly reviews the system for the remuneration of Executive Board members. Together with the Executive Board, the Supervisory Board is also responsible for preparing the Remuneration Report. It also deals with various sustainability issues, in particular the sustainability strategy. The Supervisory Board also meets regularly without the Executive Board.

At regular intervals, the Supervisory Board carries out a review of how effectively the Supervisory Board as a whole and its committees fulfill their duties. This is externally evaluated every three years. In the intervening period, it is discussed and reviewed internally on an annual basis. After the last external evaluation was carried out in 2023, the Supervisory Board carried out an internal self-assessment in the past fiscal year. As a result of the last external review, a formalized onboarding process for new Supervisory Board members was adopted as a first step. The implementation of this process is intended to ensure the smooth integration of new Supervisory Board members by providing them with the necessary information and tools to work effectively. As a further action, an Innovation Committee of the Supervisory Board was established to support the implementation of new ideas and technologies as well as digitization topics within the company. Overall, the most recent reviews of the cooperation within the Supervisory Board and its skills, have revealed a positive picture of the activities of the Supervisory Board and its committees, even in a benchmark of comparable companies, and confirmed the professional and trusting cooperation within the Supervisory Board.

All Supervisory Board members are to disclose any conflicts of interest to the Supervisory Board without delay. There were no conflicts of interest requiring disclosure with regard to the Supervisory Board members in the fiscal year 2024.

The Rules of Procedure for the Supervisory Board govern key aspects of cooperation within the Board and with the Executive Board.

See Rules of Procedure for the Supervisory Board at
www.jenoptik.com/about-jenoptik/management/supervisory-board

The Supervisory Board currently has six committees that, with the exception of the Nomination Committee, which is composed only of shareholder representatives, are made up of equal numbers of shareholder and employee representatives. The candidates' professional and personal expertise is taken into account in the formation of committees.

The committees prepare decisions for the Supervisory Board or, in individual cases, make decisions in place of the Supervisory Board insofar as this is permitted by law. The respective committee chairmen report to the Board on the content discussed and the resolutions and recommendations approved no later than at the next Supervisory Board meeting.

The Audit and ESG Committee meets at least four times a year. It monitors the accounting, the accounting processes, and auditing of the financial statements and deals with the effectiveness, appropriateness, and further development of the compliance, risk management, and internal control systems. After obtaining a declaration of independence from the auditor as well as verifying their qualifications, it prepares the Supervisory Board's recommendation to the Annual General Meeting for election of the auditor, grants the audit assignment to the elected auditor, and sets out the main points for the audit. It consults with the auditor on the assessment of the audit risk, audit strategy, and audit planning, and regularly assesses the quality of the audit. It also adopts and updates a catalog of previously approved permissible non-audit services for the auditor. On the basis of the auditor's reports, and following its own review, the Audit and ESG Committee submits proposals to the Supervisory Board for the adoption of the Annual Financial Statements of JENOPTIK AG and the approval of the Consolidated Financial Statements. The Chairman of the committee regularly discusses the progress of the audit with the auditor outside of meetings and reports on this. The committee also regularly discusses individual agenda items with the auditor without the Executive Board. Due to the ever-increasing importance of sustainability issues and the specialist expertise available in the Audit Committee in particular, the Supervisory Board assigned additional, exclusively preparatory ESG tasks to the committee in the past fiscal year to enable a more intensive and efficient discussion of sustainability-related issues. In addition to the non-financial KPIs and the preliminary review of the Sustainability Statement for the Supervisory Board, the Audit and ESG Committee will therefore in the future also deal with other, sustainability issues not related to accounting, provided that these do not concern ESG issues handled by other committees, e.g., the Personnel Committee. With this expansion of duties, the Audit Committee was renamed the Audit and ESG Committee. The Internal Audit department, the Legal department, the Compliance & Risk Management department, IT, and other Corporate Center departments report regularly to the Audit and ESG Committee.

T67 Committee memberships of the Supervisory Board members (as of December 31, 2024)

Members of the Personnel Committee	Members of the Mediation Committee	Members of the Nomination Committee	Members of the Audit and ESG Committee	Members of the Investment Committee	Members of the Innovation Committee (since March 25, 2024)
Matthias Wierlacher, Chairman	Matthias Wierlacher, Chairman	Matthias Wierlacher, Chairman	Thomas Spitzenpfeil, Chairman	Matthias Wierlacher, Chairman	Prof. Ursula Keller (Chairwoman since May 6, 2024)
Jakob Habermann, Deputy Chairmen	Evert Dudok	Evert Dudok	Daniela Mattheus, Deputy Chairwoman	Jakob Habermann, Deputy Chairman	Evert Dudok
Evert Dudok	Alexander Münkwitz	Elke Eckstein	Dörthe Knips	André Hillner	Elke Eckstein
Elke Eckstein	Jakob Habermann		Alexander Münkwitz	Ursula Keller	André Hillner
Dörthe Knips				Christina Süßenbach	Alexander Münkwitz
Franziska Wolf				Thomas Spitzenpfeil (since March 26, 2024)	Christina Süßenbach
				Elke Eckstein (up to March 25, 1024)	

Both Thomas Spitzenpfeil as Chairman of the Audit and ESG Committee and Daniela Mattheus as his deputy have expertise in accounting and auditing as defined by § 100 (5) AktG. It is the opinion of the Supervisory Board that both are independent members (detailed information on this can be found in "2. Diversity policy for the Supervisory Board"). They are no former members of the Executive Board of JENOPTIK AG.

Mr. Spitzenpfeil's expertise in the field of accounting is based on his professional career and his current activities as CFO of the Zentiva Group and member of the Advisory Committee of Joachim Goldbeck GmbH, in the application of accounting principles and internal control and risk management systems. His expertise in auditing consists of specialist knowledge and many years of experience in supporting the audits at various corporations, some of which are listed on the stock exchange, in positions of responsibility.

Due to her professional career at two major accounting firms, Ms. Mattheus has extensive expertise in the field of accounting and corporate governance. For many years, she headed the Audit Committee Institute e.V. at KPMG, subsequently becoming Corporate Governance Leader EMEIA in the Financial Accounting Advisory Service at Ernst & Young. She is also Honorary President of the Financial Expert Association e. V. Due to her extensive and many years of expertise as a member of supervisory boards and chair of audit committees at various German listed and non-listed corporations, she has extensive knowledge of auditing financial statements. She completed further training as a "Certified Sustainability Reporting Specialist", and is also actively involved in discussing current developments in the field of sustainability reporting and its auditing in specialist committees, contributing this additional expertise to the Audit and ESG Committee.

> For further information on the activities of Ms. Mattheus and Mr. Spitzenpfeil in these areas see resumes of both members at www.jenoptik.com/about-jenoptik/management/supervisory-board

The Personnel Committee meets at least once a year. It deals with the long-term succession planning for the members of the Executive Board and prepares their appointment by the Supervisory Board. The Personnel Committee regularly reviews the remuneration system for the Executive Board members, which is then approved by the Supervisory Board and submitted to the Annual General Meeting for approval in accordance with the statutory provisions. The Personnel Committee also prepares the conclusion and settlement of the target agreements for the short-term and long-term variable remuneration for the Executive Board members. If necessary, it may be supported by external, independent consultants.

The Nomination Committee proposes to the Supervisory Board suitable candidates for election to the Supervisory Board to the Annual General Meeting and meets only when required. Its proposals are developed taking into account the requirements and skills profile for the Supervisory Board as well as the Diversity Statement which is part of the Supervisory Board's Rules of Procedure. The committee also takes into account whether overall compliance with the gender ratio has been objected to in accordance with § 111 (5) and 96 (2) AktG (for detailed information, see "2. Diversity policy for the Supervisory Board").

The Investment Committee advises the Executive Board and supports the Supervisory Board on investment or divestment decisions requiring approval in accordance with the Executive Board's Rules of Procedure, in particular with the preparation and operational implementation of resolutions on the acquisition or sale of equity interests in companies or parts of companies.

Newly established in the past fiscal year, the Innovation Committee advises the Executive Board on issues relating to digitization and innovation for the medium and long-term development of the Jenoptik Group.

The Mediation Committee, which deals with matters relating to § 31 (3)(1) of the Codetermination Act, only meets when necessary.

> For further details on the activities of the Supervisory Board and its committees in the fiscal year 2024 (as well as on individual attendance at meetings) see the Supervisory Board Report in this Annual Report. The allocation of responsibilities of the individual committees can be found in the Rules of Procedure of the Supervisory Board at www.jenoptik.com under the category Corporate Governance/Supervisory Board

Remuneration of the Executive Board and Supervisory Board

The remuneration for the members of the Executive and Supervisory Boards is described in the Remuneration Report in this Annual Report. The last vote on the adjusted remuneration system for members of the Executive Board by the Annual General Meeting on June 7, 2023 resulted in approval with 94.21 percent of the votes cast. The resolution on the remuneration system for the members of the Supervisory Board was approved by 99.77 percent at the 2022 Annual General Meeting.

> The Remuneration Report of the Executive Board and Supervisory Board and the auditor's report on the content of this Remuneration Report as well as the applicable remuneration system as per § 87a(1) and (2)(1) AktG and the last remuneration resolution as per § 113 (3) AktG can be found at www.jenoptik.com in the Investors/Corporate Governance or Annual General Meeting sections

Specifications for Promoting the Participation of Women in Management Positions/Targets for the Proportion of Women

In accordance with § 11 1(5) and § 96 (2) AktG, the Supervisory Board at JENOPTIK AG must be comprised of at least 30 percent women and 30 percent men. With Elke Eckstein, Prof. Ursula Keller, and Daniela Mattheus on the shareholder side and Dörthe Knips, Christina Süßenbach, and Franziska Wolf on the employee side, a total of six women are currently in the Supervisory Board. This equates to 50 percent, so Jenoptik currently significantly exceeds the legally required gender quota on the Supervisory Board.

In accordance with § 111(5) AktG, the Supervisory Board of Jenoptik is also required to determine targets for the proportion of women on the Executive Board. In March 2023, the Supervisory Board resolved that the Executive Board of JENOPTIK AG should include at least one woman until March 31, 2028. With the Executive Board consisting of three people, this corresponds to a target of 33 percent. With the appointment of Dr. Prisca Havranek-Kosicek, this target has been achieved.

In accordance with § 76 (4) AktG, the Executive Board of JENOPTIK AG resolved a target of 25 percent for the proportion of women in the first management level below the Executive Board. This target figure is to be achieved by June 30, 2027. The first management level below the Executive Board of JENOPTIK AG includes all Executive/Senior Vice Presidents, Vice Presidents, and Directors employed at JENOPTIK AG. As of December 31, 2024, the proportion of women in the first management level below the Executive Board equated to 29.2 percent (prior year: 20.8 percent). A target for the second management level has not been set because JENOPTIK AG as a Corporate Center has flat management structures and therefore no continuous second management level.

At the end of 2024, women made up 47.7 percent of all employees at JENOPTIK AG (prior year: 50.9 percent). Jenoptik has also voluntarily set itself a further target figure, the diversity rate, which is calculated from the average percentage of managers with an international background as well as female managers throughout the Group. As of December 31, 2024, the diversity rate was 31.6 percent (prior year: 29.4 percent) and is set to rise to 33 percent by 2025.

> For further information on measures taken to increase diversity within the Jenoptik Group (such as the Jenoptik Diversity Council, internal and external recruiting campaigns, or various women's networks) see the Sustainability Statement

Description, Targets, and Implementation of Diversity Policy with Results Achieved

1. Diversity policy for the Executive Board including the results achieved in fiscal year 2024

The diversity policy for the Executive Board facilitates a long-term and orderly selection process for the appointment of new Executive Board members. The aim is to fill the Executive Board in such a way that it has the knowledge, skills, and professional experience that, when taking into account the statutory framework, are necessary for the proper performance of the Executive Board's duties, and essential for the activities of the Jenoptik Group.

The Supervisory Board makes decisions for the long-term succession planning of the Executive Board and is supported in this by the Personnel Committee. Both the Personnel Committee and the Supervisory Board itself regularly discuss the contract terms and renewal options for current Executive Board members and, where relevant, also discuss possible successors. It is based on the requirements and skills profile for the Executive Board which is continuously developed further. This is an integral element of the diversity policy and defines various criteria that must be fulfilled, such as education, professional background, and the personality requirements of the candidate. When necessary, the Personnel Committee and the Supervisory Board are supported by independent external experts.

During the fiscal year 2022, as part of the expansion of the Executive Board to three members from January 1, 2023, the Supervisory Board with the support of the Personnel Committee revised and updated the requirements profile for the Executive Board. When appointing members to the Executive Board, appropriate consideration is to be given to the international nature of the company and its dealing with other cultures. The diversity policy also takes into account the specifications of the Supervisory Board's Rules of Procedure with regard to the appointment of Executive Board members. For instance, the maximum age limit for the appointment of Executive Board members is 65 years at the time of the appointment. The initial appointment of Executive Board members shall be for a maximum of three years in accordance with the Code, unless the Supervisory Board agrees on a longer initial appointment period due to special circumstances in individual cases. The weighting of the individual criteria is based on the respective Executive Board seat to be filled and the associated areas of responsibility. The goal is to ensure that the Executive Board members as a whole complement each other as well as in the best possible way in terms of their skills, abilities, and experience.

The composition of the Executive Board as of December 31, 2024 fully complies with the requirements and skills profile. With the appointment of Dr. Ralf Kuschnereit as a member of the Executive Board as of January 1, 2023, the photonics and operational expertise on the Executive Board has been further strengthened. Together with Dr. Prisca Havranek-Kosicek, who was also appointed as Chief Financial Officer in the fiscal year 2023, a wide spectrum of knowledge and experience as well as educational and professional backgrounds is now covered in the Executive Board as a whole due to the different personalities, educational backgrounds, professional careers, and diverse international experience provided by each member of the Executive Board. In August 2024, the Supervisory Board decided to reappoint CEO Dr. Stefan Traeger as CEO for a further three years with effect from July 1, 2025, extending his contract, which runs until June 30, 2025, until June 30, 2028. This continuity in the management of the company provided by Dr. Stefan Traeger should create the basis for further realizing the organic growth potential as a focused and profitable photonics group.

The current term of office of Dr. Ralf Kuschnereit and Dr. Prisca Havranek-Kosicek is three years in accordance with the Code.

For more information on the résumés of the members of the Executive Board see
www.jenoptik.com/about-jenoptik/management/executive-board-and-executive-management-committee-emc

2. Diversity policy for the Supervisory Board

The diversity policy for the Supervisory Board is to ensure that the Supervisory Board is filled in such a way that, as a whole, the board has the necessary knowledge, skills, and professional experience to perform its duties. This ensures professional and qualified control by the Supervisory Board, in accordance with the requirements of the German Stock Corporation Act, the German Corporate Governance Code, the Articles of Association, and the Rules of Procedure of the Supervisory Board of JENOPTIK AG.

The diversity policy is implemented in the election of shareholder representatives. When searching for candidates for the Supervisory Board, the Nomination Committee of the Supervisory Board ensures that the objectives for the composition of the Jenoptik Supervisory Board ("Diversity Statement", see Annex 1 of the Rules of Procedure of the Supervisory Board), the requirements of the German Stock Corporation Act and the German Corporate Governance Code, and the requirements and skills profile of the Supervisory Board are met. In doing so, the Nomination Committee also takes into account the existing skills and abilities of the elected employee representatives and subsequently submits suitable candidate proposals for the election of shareholder representatives by the Annual General Meeting or for judicial replacement appointments in the event of a temporary shortfall on the Supervisory Board. When selecting the respective candidates, the Nomination Committee and the Supervisory Board ensure that they are able to devote the necessary time to performing their duties.

The requirements profile developed by the Supervisory Board defines various criteria with regard to diversity, functional, and structural expertise, as well as strategic and company-related skills. The criteria relate to the requirements of the Supervisory Board mandate at Jenoptik as a global photonics group in a challenging competitive environment. This requirements profile has been and will continue to be considered in elections to the Supervisory Board. It is being continuously developed. Due to the rapid progress in the use of artificial intelligence ("AI") and the increasing digitization in all areas of application, the requirements for the necessary knowledge of Supervisory Board members in the areas of digitization, digital transformation of the company, and integration of AI into the corporate business models have increased. This was taken into account in the past fiscal year by adjusting the requirements and skills profile, in which two separate areas of expertise ("Digitization, IT, AI, cybersecurity" and "Innovation") will be considered in the future when selecting suitable candidates for these areas.

It is the opinion of the Supervisory Board that its current composition fully meets the required abilities, experience, and skills are fulfilled in their entirety. The twelve members of the Supervisory Board bring a wide range of specific knowledge and expertise to the work of the Supervisory Board.

The table T68 from pages 165 on detail the qualification matrix of the JENOPTIK AG Supervisory Board. This is based on the revised requirements and skills profile of the Supervisory Board in the composition of the Supervisory Board on December 31, 2024. The diversity of the professional and educational backgrounds of the individual members of the Supervisory Board can be seen in the résumés published on our website at www.jenoptik.com/about-jenoptik/management/supervisory-board and updated annually in February.

In accordance with its Diversity Statement, the Supervisory Board currently includes at least three members with extensive international experience. Furthermore, the Supervisory Board should include at least four women. With three women on the shareholder side and three women on the employee side, the proportion of at least 30 percent required by the German Stock Corporation Act is exceeded with a current figure of 50 percent.

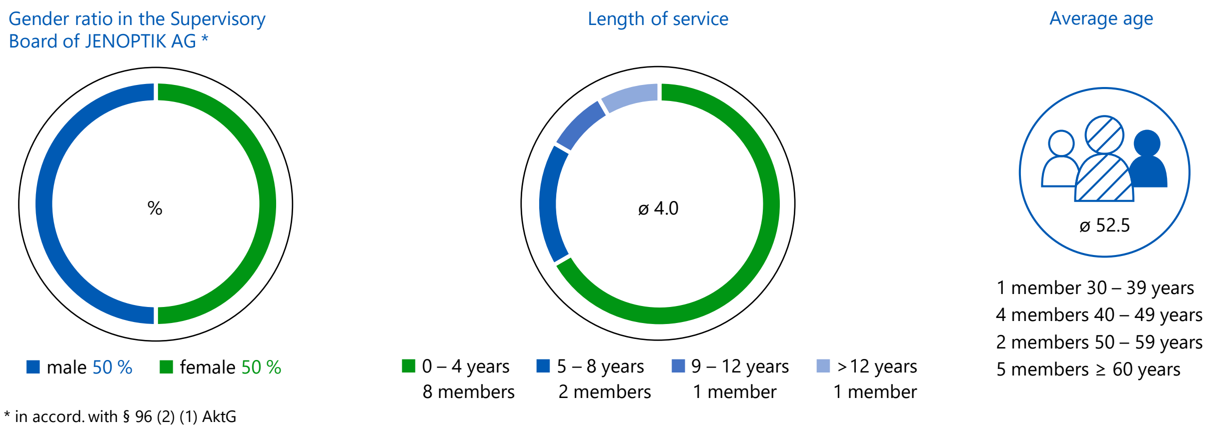
A period of twelve years was set as the standard length of service for members of the Jenoptik Supervisory Board. This limit was deliberately determined to be the standard length of service in order to be able to continue to take individual factors into account when electing members, which may, in exceptional cases, also justify a longer period of service for individual Supervisory Board members. In this way, stability in the composition may promote trusting cooperation within the Board. One member of the Supervisory Board, Mr. Wierlacher, currently exceeds this standard limit. Nevertheless, the Supervisory Board is convinced that Mr. Wierlacher continues to maintain the necessary critical distance from the Executive Board and the company. Mr. Wierlacher has also already announced that he will not stand for reelection when the duration of his current position expires in June 2026. If, in individual cases, there is a deviation from the regular limit of length of service, this shall be justified accordingly in the relevant recommendation for election to the Annual General Meeting. As can be seen in the following graphic G24, the average length of service for members of the Supervisory Board on December 31, 2024, was 4.0 years (prior year: 4.0 years).

No member of the Supervisory Board provides either an advisory or executive function with customers, suppliers, creditors, or other business partners of JENOPTIK AG that would lead to a significant and not merely temporary conflict of interest.

As a whole, the members are familiar with the photonics sector in which Jenoptik operates.

In accordance with the Rules of Procedure, all members were under the age of 70 not only at the time of their respective election, but also at the end of 2024 (see chart below).

G24 Composition of the Supervisory Board



Last updated: 31/12/2024

Five of the six shareholder representatives (83.3 percent) are independent in the opinion of the Supervisory Board. They are Elke Eckstein, Prof. Ursula Keller, Daniela Mattheus, Evert Dudok, and Thomas Spitzenpfeil.

Further information on the Executive Board and Supervisory Board, in particular on their working methods, including work in the committees, participation in meetings, and other positions held by members, can be found in the Supervisory Board Report and in the Notes to the Annual Financial Statements of JENOPTIK AG.

> The résumés of the Supervisory Board members including the positions they hold can be found at www.jenoptik.com/about-jenoptik/management/supervisory-board

In the opinion of the Supervisory Board, the members in the following composition as at December 31, 2024 have the following personal and professional qualifications contained in the skills profile:

T68 Qualification matrix

	Matthias Wierlacher	Evert Dudok	Elke Eckstein	André Hillner*	Prof. Dr. Ursula Keller	Dörthe Knips*
Length of service/initial appointment	2012	2015	2017	2022	2022	2017
Diversity						
Current appointment until	2026	2025	2025	2027	2026	2027
Year of birth	1963	1959	1964	1979	1959	1974
Gender	Male	Male	Female	Male	Female	Female
Nationality	Austrian	Dutch	German	German	Swiss	German
Governance-specific skills						
Independence[1]	n. a.	✓	✓	n. a.	✓	n. a.
Availability	✓	✓	✓	✓	✓	✓
Corporate governance experience	✓		✓			
(Supervisory or Executive Board) experience in listed companies	✓		✓			
CEO experience (in non-listed companies)	✓	✓	✓			
CFO experience (in non-listed companies)	✓					
Financial and business skills	✓	✓	✓			✓
Functional/structural skills						
Personnel expertise, worker participation and social matters	✓	✓	✓	✓		✓
Sales and marketing expertise		✓	✓			
Operational expertise		✓	✓	✓		✓
Strategic and company-related skills in the following areas						
Digitization, AI, Cybersecurity		✓	✓		✓	
Innovation		✓	✓	✓	✓	
Technology		✓	✓	✓	✓	
Strategy and growth/M+A/portfolio management	✓		✓			
Markets and internationality		✓	✓		✓	
Entrepreneurship/management	✓	✓	✓		✓	
Capital markets	✓					
Specific industry/sector experience			✓	✓		✓
ESG expertise			✓			

[1] According to the Supervisory Board's self-assessment for the shareholder representatives

✓ = Criterion is deemed to be met on the basis of a self-assessment by the Supervisory Board if there is good knowledge or experience in the dimension concerned. These can be acquired through existing qualifications or as part of the work as a member of the Supervisory Board (for example, many years of service on the Audit Committee)

* Employee representative

T68 Qualification matrix

	Jakob Habermann	Daniela Mattheus	Alexander Münkwitz*	Thomas Spitzenpfeil	Christina Süßenbach*	Franziska Wolf*
Length of service/initial appointment	2024	2023	2022	2022	2022	2022
Diversity						
Current appointment until	2027	2025	2027	2026	2027	2027
Year of birth	1986	1972	1978	1962	1980	1982
Gender	Male	Female	Male	Male	Female	Female
Nationality	German	German	German	German	German	German
Governance-specific skills						
Independence[1]		✓	n. a.	✓	n. a.	n. a.
Availability	✓	✓	✓	✓	✓	✓
Corporate governance experience		✓		✓		
(Supervisory or Executive Board) experience in listed companies		✓		✓		
CEO experience (in non-listed companies)						
CFO experience (in non-listed companies)				✓		
Financial and business skills		✓	✓	✓	✓	
Functional/structural skills						
Personnel expertise, worker participation and social matters	✓	✓	✓	✓	✓	✓
Sales and marketing expertise						
Operational expertise					✓	
Strategic and company-related skills in the following areas						
Digitization, AI, Cybersecurity		✓	✓	✓		
Innovation						
Technology						
Strategy and growth/M+A/portfolio management		✓		✓		
Markets and internationality						
Entrepreneurship/management		✓		✓		
Capital markets		✓		✓		
Specific industry/sector experience		✓	✓	✓	✓	
ESG expertise		✓		✓		

[1] According to the Supervisory Board's self-assessment for the shareholder representatives

✓ = Criterion is deemed to be met on the basis of a self-assessment by the Supervisory Board if there is good knowledge or experience in the dimension concerned. These can be acquired through existing qualifications or as part of the work as a member of the Supervisory Board (for example, many years of service on the Audit Committee)

* Employee representative

Further Information on Corporate Governance

Annual General Meeting

JENOPTIK AG shareholders exercise their rights at the Annual General Meeting that takes place at least once a year. Each share is accorded one vote; there are no special voting rights. The shares of JENOPTIK AG are registered shares and the holders of the shares are entered in the share register of JENOPTIK AG. Only shareholders entered in the share register have the right to vote at the Annual General Meeting. The use of electronic means of communication, in particular the Internet and the shareholder portal, makes it easier for shareholders to participate in the Annual General Meeting. They may either participate directly in the Annual General Meeting, or exercise their voting rights via a company-nominated proxy who is bound by the shareholder's instructions, via postal voting, or by authorizing a person of their choice. They also have the option of casting their vote by means of electronic communication. The shareholders are adequately supported by the company in this process. The documents and information legally required for the Annual General Meeting are available on our website at www.jenoptik.com/investors/annual-general-meeting. The speech by a representative of the Executive Board and, after the Annual General Meeting, the attendance and voting results are also published there.

The Annual General Meeting in the fiscal year 2024 was held in person. Shareholders who did not have the opportunity to be present on site were given the opportunity to cast their votes, in particular by means of electronic communication, e.g., via the Internet-based shareholder portal available on Jenoptik's website. They were also able to use the portal to follow the Annual General Meeting there in audio and video. In addition, the speech by a representative of the Executive Board was published in advance in text form on the website and broadcast live on the Internet.

By resolution of the Annual General Meeting on June 7, 2023, the Articles of Association were amended and the Executive Board was authorized to provide that the Annual General Meeting may in the future also be held as a virtual Annual General Meeting without the physical presence of shareholders or their proxies. This authorization is valid for two years from the date of entry in the commercial register.

Transparent information

As part of our investor relations work, we report comprehensively on the position and development of the company. We use the Internet in particular for this purpose and make information available at www.jenoptik.com in the Investors category.

For further informations on investor relations activities, see the chapter "The Jenoptik share"

Jenoptik immediately publishes major changes to its shareholder structure when it is informed that reportable voting rights tresholds have been reached, fallen below, or exceeded. All publications are available on the JENOPTIK AG website www.jenoptik.com/investors/share in the section on voting rights announcements. Further information can also be found in the Annual Financial Statement of JENOPTIK AG.

Directors' dealings

Reportable securities transactions by members of the Executive or Supervisory Boards as per Article 19 of the EU Market Abuse Regulation are published at www.jenoptik.com under the category Investors/Corporate Governance/Directors' Dealings. In the fiscal year 2024, we received a total of three notifications from Dr. Stefan Traeger, Dr. Prisca Havranek-Kosicek, and Dr. Ralf Kuschnereit.

For further information on the shares acquired by the members of the Executive Board in the fiscal year 2024, see table T76 in the Remuneration Report

Accounting and auditing

Jenoptik prepares the Consolidated Financial Statements as well as the Interim Consolidated Statement in accordance with the IFRS Accounting Standards and the additional requirements of commercial law according to § 315e(1) HGB, as they are to be used in the European Union. JENOPTIK AG’s Annual Financial Statements, which are decisive for the dividend payment, are compiled in accordance with the requirements of the German Commercial Code and the German Stock Corporation Act. The Consolidated Financial Statements and the Annual Financial Statements, including the Combined Management Report, are examined by the auditor. On June 18, 2024, the Annual General Meeting again elected EY as the auditor of the Consolidated Financial Statements and the Annual Financial Statements for the fiscal year 2024 on the recommendation of the Supervisory Board. EY was initially appointed in the fiscal year 2016 following an external tender. The position of responsible auditor for the auditing of the Consolidated Financial Statements and the Annual Financial Statements as well as the Combined Management Report was taken on for the first time by Martin von Michaelis. The auditor’s report for the past fiscal year 2024 was signed by Martin von Michaelis and Jonny Klimpke, by Steffen Maurer, and Martin von Michaelis in 2023 and by Steffen Mauer and Alexander Murrmann in 2022. In 2021, it was signed by Steffen Maurer and Uwe Pester, in 2019 and 2020 by Michael Blesch and Steffen Maurer, and from 2016 to 2018 by Michael Blesch and Uwe Pester. The statutory provisions regarding the rotation obligations have been fulfilled. At its meeting on November 8, 2023, the Audit Committee decided to launch a tendering process in accordance with the requirements of EU Regulation 537/2014 for the Annual and Consolidated Financial Statements of JENOPTIK AG for the fiscal years beginning in 2026 and is actively pursuing this. The audit of the Sustainability Statement, which fulfills the requirements for the summarized non-financial declaration according to the German Commercial Code (HGB) and, for the first time, the requirements of the CSRD, was conducted with so-called “limited assurance” by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (“PwC”). PwC has been auditing the Non-financial Report since 2017 (except for 2020) and the Sustainability Declaration since 2024. The Remuneration Report was formally audited by EY.

The Supervisory Board has agreed with the auditor that it shall inform the Supervisory Board chairman of all important events and findings that emerge during the audit. This includes occasions when inaccuracies are established during the audit in the Declaration of Conformity submitted by the Executive Board and Supervisory Board in accordance with § 161 AktG.

The Audit Committee reviewed the quality of the audit prior to submitting the election proposal to the Annual General Meeting. EY confirmed to the Supervisory Board in a declaration of independence that there were no business, financial, personal, or other links between the auditor, its bodies, and audit managers on the one side and the company and its board members on the other, that could give rise to doubts about the independence of the auditor. It also provided information on the extent to which non-audit services had been provided for Jenoptik in the previous fiscal year or which had been contractually agreed for the current year. In August 2024, the committee reviewed EY’s non-audit services provided in the past year and confirmed the catalog of approved, predefined non-audit services approved in the prior year.