


Annual Report 2024



	II	III	IV	V	VI
2	Li	Be	B	C	N
3	Na	Mg	Al	Si	P
4	K	Ca	Sc	Ti	V
5	Rb	Sr	Y	Zr	Nb
6	Cs	Ba	La	Hf	Ta

We are shaping the future.
With innovation and precision.

AIXTRON

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Note on this report:

For reasons of easier readability, we only use the grammatically masculine form in this annual report. It is representative of persons of all genders: male, female, diverse. From the 2024 financial year onwards, employees are stated as headcount in the annual report. In the previous year's report, the figure corresponded to full-time equivalents.

AIXTRON GROUP

2024 at a Glance

EUR **596.4** million

Order Intake

previous year: EUR 640.7 million

EUR **633.2** million

Revenues

previous year: EUR 629.9 million

41%

Gross Margin

previous year: 44%

EUR **131.2** million

EBIT

previous year: EUR 156.8 million

EUR **26.2** million

Net cash provided by operating activities

previous year: EUR -47.3 million

EUR **-72.4** million

Free Cash flow

previous year: EUR -109.7 million

EUR **0.94**

Earnings per Share

previous year: EUR 1.29

1,207

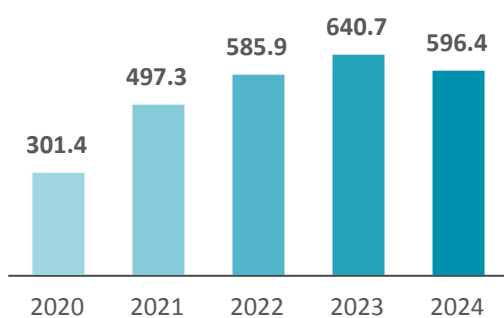
Employees at Year-End

previous year: 1,147

Key Figures 2024

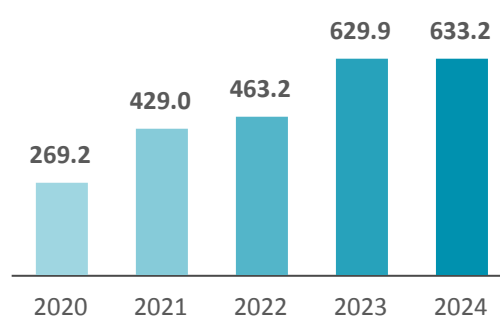
Order Intake

EUR million



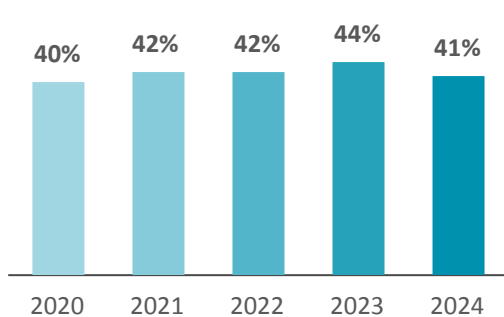
Revenues

EUR million



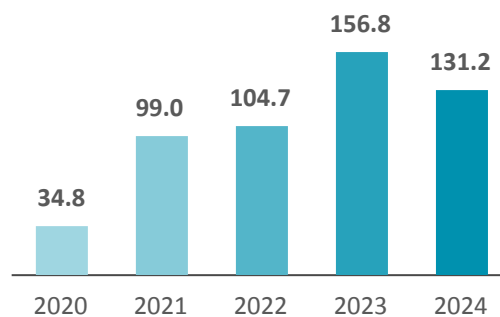
Gross Margin

% of revenues



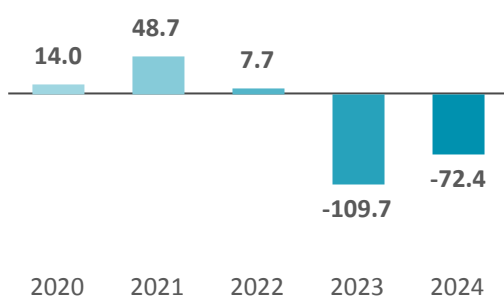
Operating Result (EBIT)

EUR million



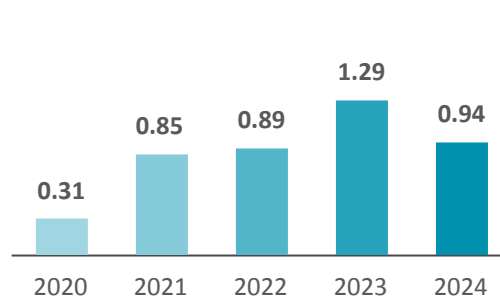
Free Cash Flow

EUR million



Earnings per Share

EUR



Company Profile

AIXTRON SE is a leading global provider of deposition equipment to the semiconductor industry. The company has locations in Europe, Asia and the United States and offers its customers highly complex, high-tech equipment for the production of high-performance compound semiconductor components for power and optoelectronics. These are used in numerous innovative industries and applications, such as lasers, LEDs, displays, optical and wireless data transmission, SiC and GaN power electronics and many other demanding high-tech areas. AIXTRON was founded in 1983 and is headquartered in Herzogenrath, Germany (City Region of Aachen).

For further information on AIXTRON (FSE: AIXA, ISIN DE000A0WMPJ6) please visit our website at: www.aixtron.com.

Our registered trademarks: AIXACT®, AIX-Multi-Ject®, AIXTRON®, Close Coupled Showerhead®, EXP®, EPISON®, Gas Foil Rotation®, Multi-Ject®, OVPD®, Planetary Reactor®, PVPD®, STExS®, TriJet®

Letter to Shareholders

Dear Shareholders, Ladies and Gentlemen

We achieved a good result in the 2024 financial year in a difficult market environment. We had to slightly adjust our growth targets, on which the annual forecast from February was based, due to the market conditions in July. Ultimately, we reached the lower end of our revenue forecast - both the adjusted and the original one: With revenues of EUR 633.2 million (+1% yoy) we achieved an operating result of EUR 131.2 million (-16% yoy). This means that AIXTRON's revenues have increased by a compound average of around 24% per year since 2020. Despite the slowdown in momentum in our end markets, we were able to record an order intake of EUR 596.4 million, which is only slightly below the previous year's level (-7%). We were able to maintain and further expand our technology leadership and competitive position in all end markets in 2024.

Strategy proves its worth in turbulent times - growth prospects intact

Our strategy of various uncorrelated end markets with our systems proved its worth in 2024. Optoelectronics applications contributed to stable revenue in 2024. We recorded strong growth in the LED segment, both in traditional LED technology and in systems for Micro LED applications. This compensated for the weaker demand for systems for silicon carbide (SiC) and gallium nitride (GaN) for power electronics. The current downward cycle in the market for power semiconductors was triggered by overcapacity in power electronics and, in particular, weaker-than-expected demand for electric cars. This led to the postponement of planned investments by our customers. In the after-sales area, we were able to increase sales thanks to the growing installed base.

For the 2025 financial year, we expect continued weakness in the power electronics sector in the short term. In the GaN and SiC segments, our customers are currently holding back on new system orders. We also anticipate a decline in demand in the LED segment, as we expect the market to normalize after a strong year. We therefore anticipate a slight decline in sales for 2025, in a range between EUR 530 million and EUR 600 million. We only expect positive momentum in 2025 from optoelectronics, where AI applications will lead to increasing data volumes and further expansion of optical data communication.

In the medium term, we continue to see very good growth prospects in the area of GaN and SiC power electronics. Demand for our systems for SiC deposition will be driven by further growth in electromobility and the increasing proportion of SiC inverters (instead of Si inverters) in both purely electric vehicles and plug-in hybrids. Demand for our GaN deposition systems is being driven by the ramp-up of GaN components in low and medium voltage classes. These include applications such as battery-powered devices, power supplies for IT applications, energy-efficient inverters for electric motors and, in the future, GaN-based power supplies for AI chips.

Particularly in this area, GaN power semiconductors offer enormous energy-saving potential. Our analyses show that AI has the potential to become the largest single application for GaN power semiconductors. The technology is also being further developed for applications in the field of Micro LEDs, although the time for a market ramp-up is not yet foreseeable.

Successful investments strengthen market position in all addressed markets

Our G10 system family, which we launched on the market in 2022-2023, has sustainably strengthened our market position in all of these applications. In the 2024 financial year, the G10 series already contributed around 50% to system sales. This is due to the increase in performance combined with the increased productivity of the systems, which led to most customers switching to this generation of systems quickly. With the G10-SiC in particular, we were able to acquire new customers in the past financial year and further expand our market share.

We are also actively preparing the next generation of technology: the compound semiconductors we address have traditionally been produced on smaller wafers of 150 mm or 200 mm due to the limited market size. Given the rapidly growing market potential, the industry is now preparing to switch to 300 mm wafers. After an intensive development phase, we at AIXTRON successfully placed our pilot system for 300 mm GaN wafers with several leading customers in 2024.

In addition, we built our new innovation center in Herzogenrath in 2023 and 2024 to fully exploit the potential of 300 mm GaN technology. This will expand our existing cleanroom space by 1,000 m² (class ISO 6). The construction project was completed in record time, with a construction period of just 13 months from the ground-breaking ceremony to switching on the first installed 300 mm deposition systems. The innovation center provides space and infrastructure for the development of our next product generations, for the development of new technologies and for collaboration with customers and partners.

In 2024, we acquired a production facility near Turin, Italy. This investment will increase our capacities in order to better cover expected peaks in demand in the medium term when the end markets pick up again.

Share price performance and capital allocation

Dear shareholders, the performance of AIXTRON's share price last year, which fell by around 60%, was disappointing for all of us. This negative development was mainly due to an increasing amount of negative news from the semiconductor sector and the continuing market weakness in the power electronics segment.

We would like to let you participate in the company's success again with a dividend proposal of EUR 0.15 per share entitled to dividends. The proposal is lower than in the previous year because we initially want to use the expected cash increase in 2025 to rebuild a strong cash position: We have an intensive phase of growth and investment behind us, in which the innovation center alone incurred expenses of EUR 100 million and the build-up of inventories tied up a further EUR 150 million (in the period from 2022 to 2024). We are currently working on a targeted reduction of inventories and operational measures to cope with the next growth spurt in our currently addressed markets with significantly less inventory build-up.

Our top priority for the use of freed-up cash will continue to be the implementation of our strategy. We will apply our core competencies and abilities to markets with high growth, differentiation and margin potential in order to thereby increase the value of the company in the long term.

Strong and highly motivated team as a success factor

We owe the successes of the past financial year to the tireless efforts and high motivation of our employees. They form the foundation of our success. Thanks to their tireless commitment, their belief in our strategy and vision and their creativity and performance, we were able to secure and further expand our position as a global market leader. The number of colleagues increased by around 60 to 1,207 at the end of the year.

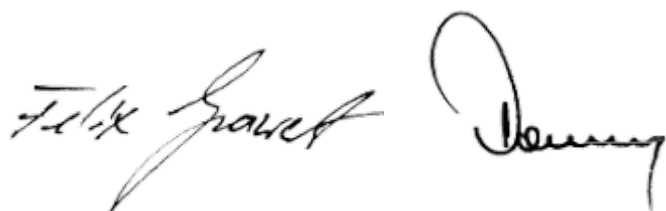
In the many projects in 2024, we were always advised and supported by our Supervisory Board in a spirit of trust. A big thank you for this. Our thanks also go to our customers, suppliers and business partners.



Our Executive Board Members Dr. Felix Grawert and Dr. Christian Danninger (from left to right).

Finally, we would like to thank you, our shareholders, for the trust you have placed in us, even in difficult times on the capital market. Together, we will lead AIXTRON into a successful and innovative future. As the technology leader in the compound semiconductor market, we will benefit disproportionately from the megatrends of digitalization, data, AI and clean energy, which will support our long-term growth path.

Herzogenrath, February 2025

The image shows two handwritten signatures in black ink. The signature on the left is 'Felix Grawert' and the signature on the right is 'Christian Danninger'.

Dr. Felix Grawert
Chairman

Dr. Christian Danninger
Member

Supervisory Board Report

Fiscal year 2024 was another successful year for AIXTRON despite difficult conditions. We were able to maintain our order intake, revenues and profits at a high level compared to the previous year despite a challenging environment. This is due in particular to the further establishment of our new product generation, the G10 product family. With this product portfolio, we are in a position to defend and further expand our strong market position in the markets we address. The Supervisory Board supports the implementation of the corporate strategy pursued by the Executive Board.

The markets for compound semiconductors in the field of power electronics, particularly electromobility, were significantly weaker than expected this year. Nevertheless, we were able to benefit from the positive developments in other areas with our leading technologies. The LED and Micro LED business in particular recorded strong growth this year. Through targeted investment in research and development, we are continuing to lay the foundations for our future success - both in the short and long term. The completion of our new innovation center and the successes in the area of 300 mm technology are important milestones on this path to a successful future.

The areas of environmental, social and societal aspects as well as responsible corporate governance (environmental, social, governance; ESG) remain the focus of our company. The aim is both to meet regulatory requirements and to drive forward further improvements in all aspects of sustainability.

Throughout the year under review, the Supervisory Board fully performed its duties in accordance with the law, the articles of association and the rules of procedure, and the company provided appropriate support for the training and development measures for Supervisory Board members.

Cooperation between the Supervisory Board and the Executive Board

The Supervisory Board constantly monitored and advised the Executive Board in its management of the company, enabling it to satisfy itself of the legal compliance, appropriateness and efficiency of the company's management.

The Supervisory Board was directly involved at an early stage in all decisions of fundamental importance to the Company. The Executive Board informed the Supervisory Board regularly, promptly and comprehensively about the course of business, market developments, corporate planning and the strategic development of the AIXTRON Group. In addition, the Supervisory Board frequently discussed the risk situation, risk management and compliance within the Company with the Executive Board. Based on the Executive Board's reporting, events relevant to the Company's business development were discussed in detail. The Supervisory Board approved the respective resolutions proposed by the Executive Board after careful examination and consultation.

The Supervisory Board has not made use of the opportunity to inspect the company's books and records (Section 111 (2) of the German Stock Corporation Act (AktG)).

Cooperation with the Executive Board was consistently characterized by responsible and goal-oriented action. The Executive Board fulfilled its reporting obligations to the Supervisory Board in full, both verbally and in writing.

The Executive Board and AIXTRON are supporting the members of the Supervisory Board in their own training and further education measures to an appropriate extent. In addition, the Company provides the members with up-to-date, topic-related information material to keep them up to date on current market trends in the semiconductor industry and important capital market issues. New Supervisory Board members are introduced to all important topics and processes in an onboarding program, in particular with extensive background information on the technologies and markets in which AIXTRON operates (recommendation D.11 German Corporate Governance Code (DCGK) 2022).

As Chairman of the Supervisory Board, I was also in regular contact with the Executive Board outside of Supervisory Board meetings. In addition to the current business situation and important business transactions, we primarily discussed the strategic direction of the company.

Meetings of the Supervisory Board 2024

The Supervisory Board held five ordinary meetings in 2024. All meetings were held in person. Prof. Denk was excused from one meeting. With this exception, all Supervisory Board members attended the meetings in 2024.

In preparation for the meetings, all Supervisory Board members received detailed quarterly reports on the Company's situation as well as other information such as internal control reports, meeting minutes, company presentations, analyst reports, consensus estimates, press reports and AIXTRON's financial reports or financial announcements. These were made available via an encrypted digital platform specially set up for the Supervisory Board. Based on current financial figures as well as updated forecast reports and development plans (orders, sales, competition, market share), the Supervisory Board was able to gain a comprehensive picture of the business situation before and during the meetings. Deviations in business performance from the defined budget plans were explained and justified in detail.

In addition, the Supervisory Board dealt extensively with the construction of the innovation center, the progress of the development of new technologies and system generations and their customer acceptance. These are the key to the Company's economically and ecologically sustainable growth resulting from the expected growth in the target markets addressed by AIXTRON. In addition, the Supervisory Board was comprehensively informed about the operational measures to adapt to the significantly weaker than originally expected market development in 2024.

The meeting on **February 26, 2024** focused on the annual and consolidated financial statements as well as the combined management report for the 2023 financial year and the corresponding discussions and resolutions. The Supervisory Board also discussed and approved the submitted corporate governance declaration and the report of the Supervisory Board. The non-financial report of AIXTRON SE and the Group (Sustainability Report) to be prepared by AIXTRON for fiscal year 2023 was discussed in detail, reviewed and approved. The non-financial Group report of AIXTRON SE was subjected to an external, independent audit with limited assurance by the auditor. In addition, the

Supervisory Board discussed and the submitted draft agenda and the resolution on the appropriation of profits for the 2024 Annual General Meeting, which was to be held as an in-person event. As part of the annual efficiency review, the Supervisory Board's activities were assessed using a comprehensive questionnaire and found to be effective. The Executive Board also presented the status of various strategic projects.

At the meeting on **May 14, 2024**, the Executive Board explained the current business development for the current year and the planned course of the 2024 Annual General Meeting, which was held in presence. The Executive Board provided a detailed overview of current business development and the outlook for 2024 as a whole. In addition, reports were given on ongoing development projects, particularly in the field of power electronics, the status of the 300 mm development program, the construction of the innovation center, progress on various strategic projects and various improvements in the company's operational areas.

The Supervisory Board committees were reappointed at the meeting on **May 15, 2024**. Prof. Dr. Weber was re-elected Chairwoman of the Audit Committee. Mr. Kim Schindelhauer was re-elected as Chairman of the Capital Market Committee and Mr. Frits van Hout was re-elected as Chairman of the Remuneration Committee. Following his election to the Supervisory Board, Mr. Alexander Everke was elected Chairman of the Nomination Committee.

At the meeting on **September 16, 2024**, the Executive Board reported on business development in the first half of 2024 and the outlook for the full year 2024. The Supervisory Board received a comprehensive overview of the market and competitive situation, an update on the technology roadmaps, particularly in the field of optoelectronics, and current strategic projects. The current and future strategic direction of AIXTRON SE was discussed and examined in detail. The Supervisory Board was also informed in detail about developments in the company's operations. Furthermore, the Supervisory Board passed a resolution to extend the appointment and employment contract of the Chairman of the Executive Board, Dr. Grawert.

The Supervisory Board held its last ordinary meeting of the year on **December 9, 2024**. The Executive Board provided the Supervisory Board with comprehensive information on business development in 2024 as a whole and on potential business opportunities in the coming years. It discussed and approved the budget for 2025 presented by the Executive Board, which includes detailed revenue, earnings, financial and investment planning as well as the planned personnel development of the AIXTRON Group. The Supervisory Board also discussed and approved the draft agenda for the Annual General Meeting 2025. The Annual General Meeting 2025 is to be held as an in-person event on May 15, 2025. The Supervisory Board discussed and confirmed the appropriateness of the Executive Board's remuneration. It also defined the Executive Board's targets for the coming years as part of the remuneration system. The rules of procedure for the Executive Board, the Supervisory Board and the Audit Committee were reviewed and adopted once again.

Committees

The Supervisory Board has formed four committees: an Audit Committee, a Capital Market Committee, a Nomination Committee and a Remuneration Committee. The committees prepare resolutions and topics to be discussed by the full Supervisory Board.

In particular, the **Audit Committee** monitors accounting, the accounting process, corporate governance & compliance, the appropriateness and effectiveness of the internal control system, the risk management system, the internal audit system, the audit of the financial statements and the quality of the audit. The Chairwoman of the Audit Committee, Prof. Dr. Anna Weber, has expertise in the areas of accounting and auditing (Section 107 (4), Section 100 (5) AktG). Accounting and auditing also include sustainability reporting and its audit. As a further member of the Audit Committee, Mr. Kim Schindelhauer also has expertise in the area of accounting.

In the year under review, the Supervisory Board again commissioned KPMG AG Wirtschaftsprüfungsgesellschaft to audit the annual and consolidated financial statements and the combined management report of AIXTRON SE as of December 31, 2024. The Audit Committee recommended that the Supervisory Board propose to the Annual General Meeting that KPMG AG Wirtschaftsprüfungsgesellschaft be elected as auditor for fiscal year 2024. The Annual General Meeting on May 15, 2024 approved this proposal by a large majority. KPMG was also commissioned to audit the content of the integrated non-financial Group report for the 2024 financial year.

The Audit Committee consists of three members and met seven times in 2024 (in February, April, May, July, September, October and December). The meetings in February, May, September and December were held in person. The remaining meetings were held as video conferences. In addition to Prof. Dr. Weber, all acting members of the Audit Committee attended the meetings in 2024. All resolutions were passed unanimously. The Audit Committee held discussions with the auditors and accounting representatives on the quarterly financial statements as at March 31, 2024 and September 30, 2024 and the half-year financial statements as at June 30, 2024 and discussed the publication of the corresponding figures.

In addition to the regular accounting and business development topics, the Audit Committee also dealt with the following key issues:

- Submission of a recommendation to the Supervisory Board for its proposal to the Annual General Meeting on the election of the auditor for the 2024 financial year
- Preparatory audit of the annual and consolidated financial statements for the 2023 financial year and the non-financial reporting
- Declaration and ongoing monitoring of the auditor's independence
- Assessment of the quality of the audit
- Current and future regulatory requirements for financial and non-financial reporting
- Implementation of the requirements of the Corporate Sustainability Reporting Directive (CSRD)
- Implementation of the EU Taxonomy Regulation

- Risk management, risk report and overall risk situation in accordance with auditing standard IDW PS 340 n.F.
- Adequacy and effectiveness of the internal control system (ICS), the risk management system (RMS) and the internal audit system
- Compliance Management System (CMS) and its further development
- Status of internal audits 2024 and any measures as well as audit planning for the following year
- Data protection and information security
- Implementation of an Information Security Management System (ISMS) in accordance with ISO 27001
- Tax audits, in particular at AIXTRON SE

The **Capital Market Committee** evaluates activities with potential capital market relevance. It is made up of three members and is chaired by me, Kim Schindelhauer. There were no meetings held in 2024.

The **Nomination Committee** consisted of three members in the 2024 financial year. It was chaired by Mr. Kim Schindelhauer until the constituent meeting of the Supervisory Board following the 2025 Annual General Meeting, after which Mr. Alexander Everke took over as Chairman. The committee proposes suitable candidates to the full Supervisory Board for the appointment of new board members, taking into account the targets for the composition of the board. There were a total of two meetings in 2024 (in January and November). Both meetings were held as video conferences. All incumbent members took part in all meetings. In cooperation with the Remuneration Committee, the Nomination Committee dealt with the extension of the appointment and service contract for the Executive Board member Dr. Grawert. The committee recommended to the Supervisory Board that the appointment and service contract be extended.

The **Remuneration Committee** primarily deals with the remuneration of the members of the Executive Board, in particular their variable short-term and long-term remuneration components, and is chaired by Mr. Frits van Hout and consists of four members. In 2024, the committee finalized the revision of the Executive Board remuneration system, which was approved by a large majority at the Annual General Meeting on May 15, 2024. The committee also revised the Supervisory Board remuneration, which was also approved by a large majority at the 2024 Annual General Meeting. There were a total of two meetings in 2024 (in September and December). Both meetings were held in person.

Corporate governance and declaration of conformity

The Supervisory Board continuously monitors the development of corporate governance standards and prepares a corporate governance report together with the Executive Board. The Supervisory Board will continue to support the Executive Board in fully complying with the recommendations of the German Corporate Governance Code.

The current [declaration of conformity](#) in accordance with Section 161 AktG dated February 2025 certifies full compliance with the recommendations of the German Corporate Governance Code.

No conflicts of interest were reported by members of the Supervisory Board or Executive Board in the financial year.

Audit, annual financial statements and non-financial report

The Supervisory Board commissioned KPMG AG Wirtschaftsprüfungsgesellschaft, Essen, to audit the annual financial statements and the consolidated financial statements as well as the combined management report of AIXTRON SE for fiscal year 2024 in accordance with the resolution of the Annual General Meeting on May 15, 2024. The audit was conducted by the audit team of the lead auditor Dr. Kathryn Ackermann.

The audits also included the measures taken by the Executive Board to identify risks at an early stage that could threaten the success and continued existence of the company. It was also agreed that the auditor would inform the Supervisory Board and make a note in the audit report if, during the audit of the financial statements, it discovers facts that indicate an inaccuracy in the declaration of compliance by the Executive Board and Supervisory Board in accordance with Section 161 AktG. As in previous years, there were no such findings for the 2024 financial year.

The annual financial statements and the combined management report of AIXTRON SE and the Group as of December 31, 2024 were prepared in accordance with the provisions of the German Commercial Code (HGB), the consolidated financial statements as of December 31, 2024 were prepared in accordance with Section 315e HGB on the basis of the International Financial Reporting Standards (IFRS). The independent auditing firm KPMG AG Wirtschaftsprüfungsgesellschaft audited the annual financial statements prepared by AIXTRON SE as well as the consolidated financial statements and the combined management report for fiscal year 2024 and reviewed the integrated non-financial Group statement. The financial statements, including the combined management report, were issued with an unqualified audit opinion. The auditors found that the combined management report of the company and the Group accurately presents the current business and future development of the company and the Group. The non-financial Group statement received a limited assurance report.

The financial statement documents (annual financial statements of AIXTRON SE and consolidated financial statements as of December 31, 2024 as well as the combined management report of AIXTRON SE and the Group), the proposal for the appropriation of profits, the integrated non-financial Group statement and the auditor's reports were submitted to the Audit Committee and the Supervisory Board in good time. These documents were carefully reviewed by the Supervisory Board. At the meeting of the Audit Committee and the full Supervisory Board on February 26, 2025, the annual financial statements of AIXTRON SE and the consolidated financial statements as well as the combined management report and the non-financial Group statement were discussed in detail, taking into account the auditor's reports. The auditor, who attended both meetings, reported on the key findings of his audit, which also covered the accounting-related internal control system and the risk management system, and was available to the Audit Committee and the Supervisory Board for any additional questions and information.

The auditor responsible for the non-financial Group statement also attended both meetings and reported on the key findings of his audit.

Based on the final results of our own audit, there were no objections to the annual and consolidated financial statements, the combined management report or the non-financial Group statement. The combined management report is consistent with our own assessment of the position and business performance of the company and the Group. We concurred with the auditor's findings, with which we fully agree in terms of content, and approved the annual financial statements and the consolidated financial statements prepared by the Executive Board as well as the combined management report and the non-financial Group statement for fiscal year 2024 by resolution dated February 26, 2025. The annual financial statements of AIXTRON SE are thus adopted.

Note of thanks from the Supervisory Board

On behalf of all members, the Supervisory Board would like to thank the members of the Executive Board and all employees of the AIXTRON Group for their extraordinary commitment in this challenging fiscal year 2024. The entire Supervisory Board would also like to thank the employee representatives for their constructive cooperation with the Company's executive bodies in this successful and demanding year.

Herzogenrath, February 2025



Kim Schindelhauer

Chairman of the Supervisory Board

THE AIXTRON SHARE

The AIXTRON share is listed in the Prime Standard of the Frankfurt Stock Exchange and in the two selection indices MDAX and TecDAX. In Deutsche Börse's MDAX ranking, which comprises a total of 50 stocks, it was in 34th place as of December 31, 2024 (2023: 9th place). Among the 30 TecDAX members, the share was in 12th place (2023: 8th place).

Key data on the stock listing

ISIN:	DE000A0WMPJ6
WKN:	A0WMPJ
Reuters:	AIXGn.DE
Bloomberg:	AIXA GR
OTC USA:	AIXNY
Market segment:	Regulated market/Prime Standard
Index:	MDAX, TecDAX
Trading venues:	Xetra, Frankfurt, German Regional exchanges, Tradegate, Chi-X
Genus:	No-par value registered ordinary shares

Key figures on the share

	2024	2023
Number of shares (31.12.)	113,456,120	113,411,020
Number of shares (annual average)	113,400,000	112,465,961
Share price 31.12. in EUR*	15.22	38.66
Share price high in EUR*	37.03	39.49
Share price low in EUR*	12.76	25.08
Market capitalization (31.12.) in EUR million*	1,726	4,384
Earnings per share in EUR	0.94	1.29
Dividend in EUR**	0.15	0.40
Dividend yield	1.0%	1.0%

* XETRA, ** proposal for 2024

AIXTRON share: unsatisfactory share price performance

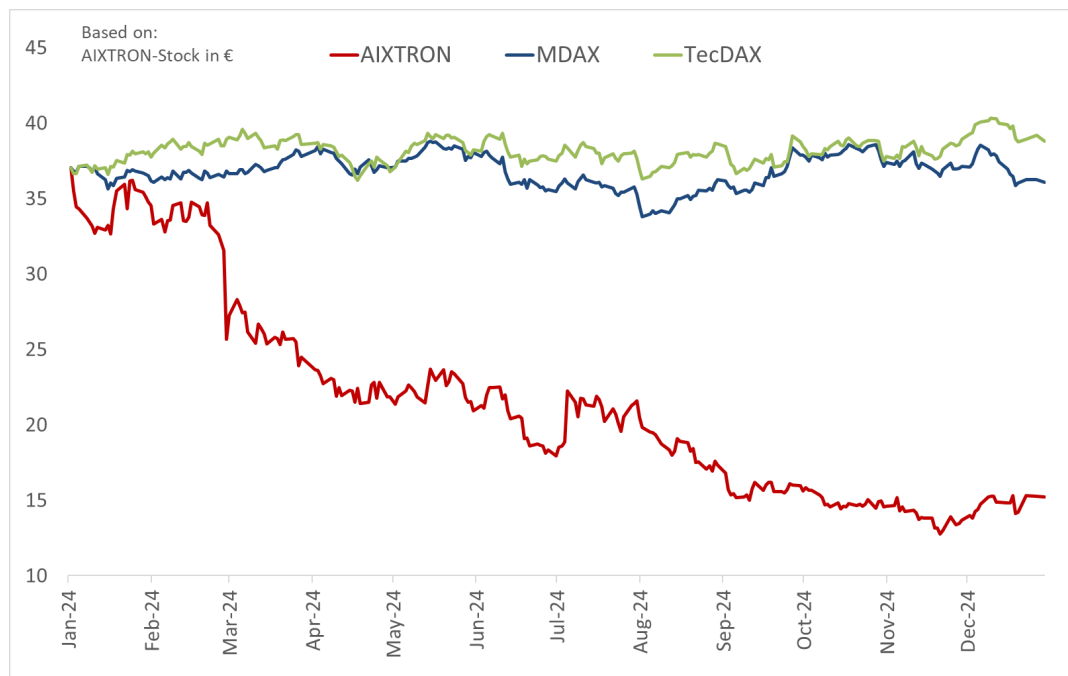
The closing price of EUR 37.03 (Xetra) on the first trading day of the year was also the share's highest price in 2024. After a subdued start to the trading year, the announcement of the discontinuation of ams-OSRAM's Micro LED project on February 29, 2024 caused the share price to plummet by almost 20%. After a brief recovery, the share remained under continuous pressure until the beginning of July as news from the semiconductor sector became increasingly gloomy. On July 01, 2024, the share closed at an interim low of EUR 17.96. The adjustment of the forecast on July 04 led to a short-term recovery until the publication of the half-year figures on July 25, 2024 due to the removal of uncertainty. Driven by further negative news from the semiconductor sector and continuous downgrades of estimates, price targets and analyst recommendations, the share continued to consolidate in the following months.

The indicative outlook for 2025 provided with the publication of the results for the third quarter of 2024 led to a further wave of estimate reductions for 2025 by analysts. This triggered another sell-off, causing the share price to fall to an annual low of EUR 12.76 in November (Xetra closing price 21.11.2024).

The share recovered somewhat towards the end of the 2024 stock market year, closing at EUR 15.22 on the XETRA exchange on December 30, 2024 (down 60.6%). Market capitalization at the end of the year was EUR 1,726 million (year-end 2023: EUR 4,384 million).

In contrast, the benchmark indices MDAX and TecDAX performed significantly better. The MDAX closed 5.7% lower than in the previous year at 25,589 points, while the TecDAX rose slightly by 2.4% to 3,417 points in 2024 as a whole.

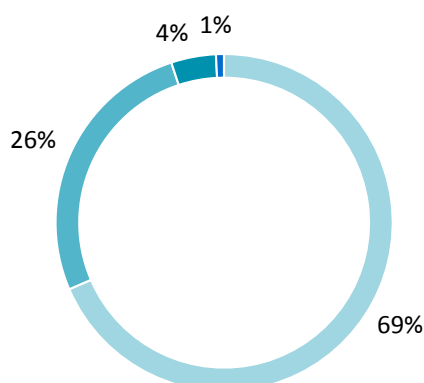
AIXTRON Share Price Development during 2024



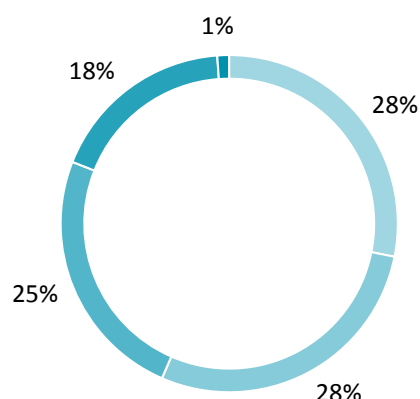
As of December 31, 2024, around 26% of AIXTRON shares were held by private individuals (2023: 16%), most of whom are based in Germany. Around 69% of the outstanding AIXTRON shares were held by institutional investors (2023: 83%). The majority of institutional investors are based in North America (28%), closely followed by Continental Europe (excluding Germany) (also around 28%) and the UK and Ireland (25%). The remaining investors come from Germany and the rest of the world.

According to the voting rights notifications received, the following shareholders were above the 3% threshold at the end of 2024: Goldman Sachs with 4.9%, Morgan Stanley with 4.7%, UBS with 3.9% and Blackrock, Inc. with 3.8%. According to the Deutsche Börse definition, 99% of AIXTRON's shares were in free float and around 1% of AIXTRON's shares were held by the company itself.

All voting rights notifications made in 2024 and thereafter in accordance with Sections 33 et seq. German Securities Trading Act (WpHG) can be found on our [Website](#). Information on notifiable shareholdings that currently exceed or fall below a certain threshold can be found in the notes to this report.

Shareholder Structure

■ Institutional Investors (69%)
■ Retail Investors (26%)
■ Unidentified Shareholders (4%)
■ AIXTRON Treasury (1%)

Regional Split of Free Float

■ Continental Europe (28%)
■ North America (28%)
■ UK & Ireland (25%)
■ Germany (18%)
■ Rest of World (1%)

Research coverage further expanded

During fiscal year 2024, a total of 18 international banks and brokerage houses (2023: 15) regularly published equity research reports on AIXTRON and the development of the semiconductor industry. Hauck Aufhäuser, Kepler Chevreux and Van Lanshot Kempen initiated coverage in 2024. Of the eighteen financial analysts covering our shares at the end of 2024, 8 issued a buy recommendation and 10 recommended holding AIXTRON shares. The average price target at the end of December 2024 was EUR 20.17 (2023: EUR 38.77).

At the end of the year, the AIXTRON share was covered by the following financial analysts (the current status can found on our [Website](#)):

Broker	Analyst	Location
Bank of America	Didier Scemama	London
Barclays	Simon Coles	London
Berenberg	Gustav Froberg	London
BNP Paribas	Martin Jungfleisch	Frankfurt
Citi	Andrew Gardiner	London
Deutsche Bank	Michael Kuhn	Frankfurt
DZ Bank	Armin Kremser	Frankfurt
Hauck Aufhäuser	Tim Wunderlich	Hamburg
Jefferies	Olivia Honychurch	London
Kepler Chevreux	Ruben Devos	Brussels
Morgan Stanley	Nigel van Putten	London
mwb research	Oliver Wojahn	Hamburg
Nomura	Donnie Teng	Hong Kong
Oddo BHF	Martin Marandon-Carlhian	Paris
Stifel	Jürgen Wagner	Frankfurt
The Analyst Research	Emiljana Krali	London
Van Lanshot Kempen	Nikos Kolokotronis	Amsterdam
Warburg Research	Malte Schaumann	Hamburg

Investor relations activities remain at a high level

We are committed to transparency and openness in an ongoing dialog with our shareholders and capital market participants. Our investor relations work is aimed at strengthening confidence in our company in the long term and achieving a fair valuation on the capital market. To this end, we provide our shareholders and the capital market with accurate, timely and relevant information about both the AIXTRON Group's business and our market environment. In addition, AIXTRON is committed to complying with the principles of good corporate governance.

In one-on-one or group meetings at investor roadshows and conferences, our management and Investor Relations team answered questions from investors and financial analysts about the AIXTRON Group's business strategy and development as well as industry and market trends. At 450 meetings (2023: 440) with 560 financial market players (2023: 520), the exchange continued at a high level in fiscal year 2024.

Dividend for 2023 significantly increased

The Annual General Meeting of AIXTRON SE took place on May 15, 2024. Around 61% of the share capital was represented. The Executive Board explained the results for fiscal year 2023 and the first quarter of 2024 as well as the operational highlights and technologies of the AIXTRON Group. Together with the Chairman of the Supervisory Board, he also answered shareholders' questions in detail. For fiscal year 2023, AIXTRON

increased the dividend payment to shareholders to EUR 0.40 per entitled share (2022: EUR 0.31 per share). This corresponded to a payout of EUR 45.0 million.

Dividend proposal for 2024 of EUR 0.15 per share

At the Annual General Meeting on May 15, 2025, the Executive Board and Supervisory Board of AIXTRON SE will propose a dividend of EUR 0.15 per share entitled to dividends (2024: EUR 0.40 per share). The total dividend of EUR 16.9 million (2024: EUR 45.0 million) corresponds to a payout ratio of around 16% of AIXTRON's consolidated net income (2024: around 31%), based on the number of shares outstanding as of December 31, 2024.

The proposal is lower than in the previous year because the expected cash and cash equivalents in 2025 are to be used initially to rebuild a strong cash position. AIXTRON has come through an intensive phase of growth and investment, during which the innovation center alone incurred expenses of EUR 100 million and the build-up of inventories tied up a further EUR 150 million (in the period from 2022 to 2024). The Company is currently working on a targeted reduction of inventories and operational measures to cope with the next growth spurt in the markets currently addressed with significantly less inventory build-up.

AIXTRON's top priority for the use of freed-up liquid funds will continue to be the implementation of its strategy: AIXTRON will apply its core competencies and capabilities to markets with high growth, differentiation and margin potential in order to sustainably increase the value of the company.

CORPORATE GOVERNANCE

Declaration of Corporate Governance

AIXTRON is committed to a transparent, responsible and sustainable value-creating corporate governance. Through appropriate management and supervision of the Company, we – the Executive Board and the Supervisory Board – aim to merit the trust placed in us by our shareholders, the financial markets, our customers, business partners, employees, and the general public. We are convinced that this approach to corporate governance, as well as the responsible actions of our employees, are a crucial basis for the success of our Company.

The Declaration of Corporate Governance in accordance with Sections 289f, 315d of the German Commercial Code (“Handelsgesetzbuch”, HGB), as well as the current Declaration of Conformity in accordance with Section 161 of the German Stock Corporation Act (“Aktiengesetz”, AktG) as adopted by the Executive Board and the Supervisory Board in February 2025, are permanently available on our website at [Investors/Corporate Governance](#).

Declaration of Conformity

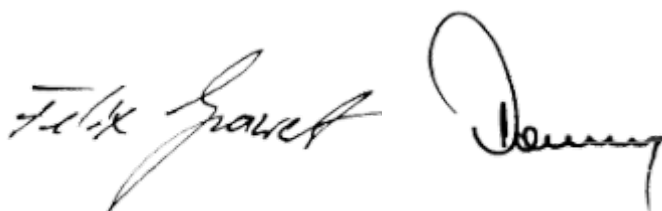
The German Corporate Governance Code ("Deutsche Corporate Governance Kodex", DCGK) was last updated in 2022. The version dated April 28, 2022 became the basis of the Declaration of Conformity ("GCGC") upon publication in the Federal Gazette on June 27, 2022. The Executive Board and Supervisory Board of AIXTRON SE declare that AIXTRON SE has complied and will continue to comply with the recommendations of the GCGC.

At the Annual General Meeting on May 15, 2024, the Supervisory Board remuneration was adjusted so that the increased time required for the chairmanship and deputy chairmanship of the Supervisory Board as well as the chairmanship and membership of committees in accordance with G.17 GCGC is now also appropriately taken into account. There is therefore no longer any deviation from the recommendations of the GCGC.

Herzogenrath, February 26, 2025

AIXTRON SE

The Executive Board of AIXTRON SE



Dr. Felix Grawert
Chairman

Dr. Christian Danninger
Member

For the Supervisory Board of AIXTRON SE



Kim Schindelhauer
Chairman of the Supervisory Board

Information on Corporate Governance Practices

AIXTRON SE has a **Code of Ethics** that applies to the entire Group and is primarily directed at members of the Executive Board, senior management and selected financial employees. The Code is intended to promote honest and ethical behavior, including dealing with conflicts of interest, timely disclosure of complete, accurate and understandable quarterly and annual reports, compliance with applicable laws, rules and regulations, prompt internal reporting of violations of the Code of Ethics where appropriate, and responsibility for compliance with the Code. It is published on the AIXTRON website under [Code of Ethics](#).

A compliance **code of conduct** also applies to the Executive Board, Supervisory Board, senior management team and all employees, which obliges them to behave responsibly and in accordance with the law. This code covers the following areas, among others: Responsibility and respect towards people and the environment, compliance with legal framework conditions, lawful and ethical conduct of each individual employee, loyalty to the company, fair and respectful treatment of employees, rejection of any form of discrimination, responsible handling of corporate risks, environmentally conscious behavior, safety in all areas of work, professional work, reliability and fairness in all business relationships, compliance with guidelines regarding granting/accepting benefits, handling insider information and handling company property. The full text of the Compliance Code of Conduct is available on the AIXTRON website under [Code of Conduct](#).

In addition, AIXTRON has a **Compliance Manual**, which is binding for all members of the Executive Board, the Supervisory Board, the Senior Management Team and all employees and expands on the principles of the Compliance Code of Conduct. The Compliance Manual contains detailed explanations of the compliance organization at AIXTRON, legal, regulatory and internal company requirements and the resulting conduct requirements for the Executive Board, Supervisory Board, members of the Senior Management Team and employees. The Compliance Manual is regularly adapted to new and/or amended legal, regulatory and internal company requirements. The Compliance Manual was restructured and published in 2024. The main aim was to further increase the comprehensibility of the requirements. Communicating the content is a key component of the company-wide compliance training program. Participation in compliance training courses is mandatory for members of the senior management team and all other company employees across the Group. This is managed and monitored by our Compliance department.

In addition, all members of the senior management team and selected employees confirm in writing on a quarterly basis that the compliance requirements have been adhered to in their area of responsibility. When the compliance manual is updated, these individuals also declare that they have taken note of the updated version, followed the content, communicated it within their area of responsibility and monitored its implementation. In addition, management principles have been defined for the company's managers, which contain behavioral requirements for managers in their dealings with their employees.

AIXTRON's corporate governance system is based on the risks and opportunities that arise for the Company. The main aspects of the **risk management system (RMS)** and the **internal control system (ICS)** are presented in the combined management report. These systems comply with legal requirements and international standards, such as the German

Stock Corporation Act, the German Corporate Governance Code and the IDW PS 340 audit standard as amended, which was issued by the Institute of Public Auditors in Germany. The Senior Vice President & Chief Compliance Officer of the AIXTRON Group is responsible for the introduction and maintenance of these systems and regularly informs the Chief Financial Officer and the full Executive Board about the effectiveness of the corporate governance management systems in place. He also reports regularly to the Audit Committee of the Supervisory Board of AIXTRON SE or to its chairperson. For fiscal year 2024, the RMS and the ICS were reviewed by external experts (Deloitte) with regard to the core elements, the framework and selected risks and controls on the basis of the IDW PS 981 and PS 982 auditing standards, and there were no indications that would contradict their appropriateness and effectiveness. In the spirit of continuous improvement, the RMS and ICS are constantly being further developed. Based on the information available to the Executive Board of AIXTRON SE, it is not aware of any circumstances that speak against the appropriateness and effectiveness of the RMS or the ICS.

AIXTRON has also established a **whistleblower mechanism** in accordance with the requirements of the German Whistleblower Protection Act (HinSchG). Reports of violations of legal, regulatory or internal company requirements can be sent confidentially by e-mail to the Chairman of the Supervisory Board of AIXTRON SE. Depending on the type and scope of the report, the Chairman of the Supervisory Board decides together with the Compliance department whether other persons or departments should be involved. In the event of proven violations or grievances, the persons or bodies involved develop proposals for solutions in order to remedy these as quickly as possible and, if necessary, impose sanctions and improve the management and monitoring processes. Any information received will be treated discreetly, confidentially and anonymously by the persons or bodies involved.

In addition, AIXTRON has a **compliance program for the protection of human rights and the environment** in the AIXTRON business area and supply chain, which is based on the German Supply Chain Duty of Care Act (LkSG), in order to be prepared for a possible future mandatory application of the LkSG. In particular, this includes a **policy statement on human rights and environmental strategy**, a **code of conduct for suppliers** and a **complaints procedure** for reporting human rights and environmental risks and violations. These documents are available on the AIXTRON website under [Supplier Management](#).

Working methods of the Executive Board and Supervisory Board and composition and working methods of the committees

AIXTRON SE is a European Company (Societas Europaea) and, in addition to German stock corporation law, is subject to the primarily applicable European SE regulations and the German SE Implementation Act. The Company has a dual management and control structure with an Executive Board and a Supervisory Board.

The Executive Board is responsible for managing the company's business and informs the Supervisory Board regularly, promptly and comprehensively about all issues relating to strategy, planning, business development, the risk situation, risk management and compliance that are relevant to the company.

The Supervisory Board appoints the members of the Executive Board and monitors and advises the Executive Board in its management of the Company. The Executive Board requires the prior approval of the Supervisory Board for certain transactions and measures prescribed by law, the Articles of Association of AIXTRON SE or the Rules of Procedure for the Executive Board. The Executive Board must also inform the Supervisory Board about the conclusion, amendment and termination of important contracts that do not require the approval of the Supervisory Board. Furthermore, the Executive Board must inform the Supervisory Board of all significant events, even if they do not require the approval of the Supervisory Board.

In 2024, the Executive Board and Supervisory Board worked closely together in the interests of the Company and all stakeholders. Their common goal is to secure and further expand AIXTRON's leading market positions in the long term in order to benefit sustainably from growing end markets.

The Executive Board of AIXTRON SE has not established any committees.

With the approval of the Supervisory Board, the Executive Board has set up an **Executive Committee (EC)** to support the Executive Board in managing the company. The EC is made up of experienced managers from the organization and the Executive Board and consists of six people as at the end of December 2024. It is responsible for managing the product portfolio and technology and product development as well as the operating business and current projects.

The Supervisory Board of AIXTRON SE has formed four committees: an Audit Committee, a Capital Market Committee, a Nomination Committee and a Remuneration Committee. The Supervisory Board may also form further committees from among its members.

The **Audit Committee** has a chairwoman and two other members. The Chairwoman, Prof. Dr. Anna Weber, is an independent member and has expertise in the areas of accounting and auditing (Section 107 (4), Section 100 (5) AktG). Accounting and auditing also include sustainability reporting and its audit. Another member, Mr. Kim Schindelhauer, also has expertise in the field of accounting. The members know the sector in which AIXTRON operates well, which is due in particular to their many years of experience. The Audit Committee deals in particular with the audit of accounting, the monitoring of the accounting process, corporate governance & compliance, the effectiveness of the internal control system, the risk management system and the internal audit system. It also deals with the audit of the financial statements, the assessment of the quality of the audit and the audit of the non-financial Group statement to be prepared by the company. It discusses the assessment of the audit risk, the audit strategy and planning and the audit results with the auditor. The Chairperson is in regular contact with the auditor about the progress of the audit and informs the Audit Committee accordingly. In accordance with D.10 GCGC, the Audit Committee regularly consults with the auditor without the Executive Board. It also submits a reasoned recommendation for the choice of auditor to the full Supervisory Board. By resolution of the Annual General Meeting on May 15, 2024, the Supervisory Board appointed KPMG AG Wirtschaftsprüfungsgesellschaft, Essen, as auditor. The Audit Committee monitors the independence of the auditor and the additional services provided by the auditor. Finally, it deals with the issuing of the audit mandate to the auditor, the determination of key audit areas and the fee agreement. The Chairwoman, Prof. Dr. Anna Weber, regularly reports to the Supervisory Board on the work of the Audit Committee.

For the purpose of evaluating, supporting and implementing projects with capital market relevance, there is a **Capital Market Committee** consisting of three members, the Chairman of the Supervisory Board and two other members of the Supervisory Board.

The **Nomination Committee** has three members, including Mr. Alexander Everke as Chairman since the constituent meeting of the committee after the Annual General Meeting in May 2024; until the constituent meeting of the committee on the day of the Annual General Meeting 2024, Mr. Kim Schindelhauer was the Chairman. The committee makes election proposals to the full Supervisory Board in the event of new appointments to executive bodies and deals with succession planning for positions on the Supervisory Board.

The **Remuneration Committee** has four members, including Mr. Frits van Hout as Chairman. It primarily deals with the application of the remuneration system in accordance with the requirements of ARUG II and the GCGC.

The working methods of the Executive Board, Supervisory Board and committees in the 2024 financial year are described in the [Report of the Supervisory Board](#) in this annual report. The composition of the committees can be found in the section on the [Supervisory Board and its composition](#).

Executive Board and its Composition

In accordance with Section 8 of the Articles of Association of AIXTRON SE, the Executive Board consists of two or more persons. The number of Executive Board members is determined by the Supervisory Board. It also decides whether a chairman, deputy members or a Deputy Chairman should be appointed. At the time of reporting, the Executive Board consists of two persons:

Executive Board

(as of December 31, 2024)

Name	Position	Since	End of Term
Dr. Felix Grawert	Chairman	August 14, 2017	August 13, 2030
Dr. Christian Danninger	Member	May 01, 2021	April 30, 2029

Irrespective of the statutory overall responsibility of the Executive Board and the duty of its members to work closely together in a spirit of trust, the areas of responsibility of the individual Executive Board members are allocated as follows in accordance with the current **schedule of responsibilities** dated December 9, 2024:

The **Chairman of the Executive Board, Dr. Grawert**, coordinates the work of the Executive Board and is also responsible for strategic planning, marketing, sales, customer service, innovation, research and development, and operations (procurement, production and logistics, quality management, facility management) within the AIXTRON Group.

Executive Board member Dr. Danninger is responsible for Finance and Reporting, Human Resources, Investor Relations & Communication, ESG (Environment, Social and Governance), Corporate Governance, Compliance & Risk Management as well as Information Security, Information Technology and Legal.

With the approval of the Supervisory Board, the Executive Board has adopted rules of procedure that are regularly reviewed to ensure that they are appropriate and up to date. Among other things, it contains a list of matters of fundamental or significant importance on which the Executive Board must formally decide. This concerns, for example, decisions on the company's strategies, corporate plans and budgets; significant changes to the corporate and Group structure; the inclusion or discontinuation of business areas of the company; the acquisition and sale of land or land rights; the conclusion, amendment and termination of corporate or significant license agreements; the awarding of major external consulting and research contracts; fundamental issues relating to human resources and personnel policy; determination of the principles for representation in business organizations and associations; appointments to the management and supervisory bodies of subsidiaries and associated companies; important publications and information to the public outside the regular publicity; initiation of lawsuits and legal disputes; granting of collateral and assumption of guarantees.

The rules of procedure for the Executive Board and the Articles of Association each contain a list of significant transactions and measures that also require the prior approval of the Supervisory Board. The transactions and measures requiring approval under the articles of association or rules of procedure include, for example, decisions on the establishment or sale of business premises, the acquisition or sale of land, the establishment or discontinuation of business areas or the granting or taking out of loans.

Meetings of the Executive Board are held at least twice a month in accordance with the rules of procedure or when the interests of the company so require. They are convened and chaired by the Chairman of the Executive Board. Any member of the Executive Board can request an additional meeting on a specific topic at any time. If the Chairman of the Executive Board is unable to attend, the meeting shall be chaired by the member of the Executive Board designated by the Chairman of the Executive Board or the oldest member of the Executive Board in terms of age. The Executive Board is quorate if all members have been invited and more than half of its members participate in the resolution, whereby Executive Board members who are connected by telephone or video conference are deemed to be present. The Executive Board decides by a simple majority of the votes cast, unless otherwise stipulated by law, the articles of association or the rules of procedure. In the event of a tie, the Chairman of the Executive Board has the casting vote. If two members of the Executive Board are tied, the Chairman of the Supervisory Board must be consulted and asked to mediate in the event of a tie.

Each member of the Executive Board shall immediately report any conflicts of interest to the Supervisory Board and inform the other members of the Executive Board. Members of the Executive Board may only exercise sideline activities, in particular Supervisory Board mandates outside the company, with the approval of the Supervisory Board.

Long-term succession planning for the Executive Board and age limit for the Executive Board

AIXTRON is a global company operating in a very dynamic and technologically demanding market environment. It is therefore of strategic importance for AIXTRON to have a competent Executive Board and to fill it with suitable candidates. Following the generational change in the Executive Board in recent years, the Supervisory Board is also pursuing long-term succession planning. In doing so, the Nomination Committee is guided by the requirements and skills profile that has been drawn up, which is regularly reviewed and adjusted. In the course of succession planning, the Supervisory Board and Executive

Board will also consider potential internal candidates for the Executive Board. The age limit for the Executive Board is 65 and is set out in the rules of procedure for the Executive Board.

Supervisory Board and its composition

The Supervisory Board of AIXTRON SE consists of six members in accordance with Article 11 of the Articles of Association. In accordance with the Articles of Association, their term of office ends with the General Meeting that resolves on the discharge for the fourth fiscal year after taking office, whereby the fiscal year of appointment does not count. The Annual General Meeting may determine a shorter term of office.

The Supervisory Board elects a Chairman and a Deputy Chairman from among its members. The Chairman of the Supervisory Board convenes and chairs the meetings of the Supervisory Board. If he is unable to attend, his deputy takes over this task.

The Supervisory Board has adopted [Rules of Procedure](#). They define the tasks, rights and duties of the Supervisory Board, the organization of meetings and resolutions and the formation of committees. The Supervisory Board's rules of procedure were last amended in December 2024. The Audit Committee has its own rules of procedure, which were determined by the Supervisory Board.

The Chairman of the Supervisory Board is generally prepared to hold discussions with investors on topics specific to the Supervisory Board, provided these take place within an appropriate framework and the topics fall within the sole competence of the Supervisory Board. There were no discussions with the Chairman of the Supervisory Board in the past financial year.

The composition of the Supervisory Board, which is determined by the Articles of Association and the Annual General Meeting, was as follows as of December 31, 2024:

Composition of the Supervisory Board

(as of December 31, 2024)

Name	Position	Member since	End of term
Kim Schindelhauer ¹⁾²⁾³⁾⁴⁾⁵⁾	Chairman of the Supervisory Board, Chairman of the Capital Market Committee	2002	AGM 2026
Frits van Hout ⁴⁾	Deputy Chairman of the Supervisory Board, Chairman of the Remuneration Committee	2019	AGM 2028
Alexander Everke ¹⁾²⁾³⁾⁴⁾	Chairman of the nomination Committee	2024	AGM 2028
Karen Florschütz ⁴⁾		2024	AGM 2028
Dr. Stefan Traeger ²⁾³⁾		2022	AGM 2025
Prof. Dr. Anna Weber ¹⁾	Chairwoman of the Audit Committee	2019	AGM 2028

¹⁾ Member of the Audit Committee

²⁾ Member of the Capital Market Committee

³⁾ Member of the Nomination Committee

⁴⁾ Member of the Remuneration Committee

⁵⁾ Former AIXTRON Executive Board member

Composition of Committees

(as of December 31, 2024)

Audit Committee	Capital Market Committee	Nomination Committee	Remuneration Committee
Prof. Dr. Anna Weber (Chairwoman)	Kim Schindelhauer (Chairman)	Alexander Everke (Chairman)	Frits van Hout (Chairman)
Alexander Everke	Alexander Everke	Kim Schindelhauer	Alexander Everke
Kim Schindelhauer	Dr. Stefan Traeger	Dr. Stefan Traeger	Karen Florschütz
			Kim Schindelhauer

Independence of Supervisory Board members and cooperation between the Supervisory Board and the Executive Board

In its opinion, the Supervisory Board should have a sufficient number of independent members (recommendation C.6 GCGC). The Supervisory Board has therefore set itself the goal of ensuring that more than half of its members are independent (recommendation C.7 GCGC). The Chairman of the Supervisory Board should be independent of the company and the Executive Board (recommendation C.10 GCGC). AIXTRON considers Mr. Schindelhauer to be independent despite his long membership of the Supervisory Board. During his time as Chairman of the Supervisory Board, Mr. Schindelhauer has always maintained the necessary professional distance from the company and the Executive Board and has fulfilled his supervisory and advisory duties with an appropriately critical attitude (recommendation C.8 DCGK).

As all members of the Supervisory Board, which consists exclusively of elected shareholder representatives, are considered independent, this recommendation is also complied with.

Mr. Schindelhauer is a former member of the Supervisory Board, although his term of office as a member of the Executive Board dates back more than two years (see also C.7 GCGC). The Supervisory Board therefore complies with recommendation C.11 of the GCGC, which states that it should not include more than two former members of the Executive Board.

The Supervisory Board must have at least one member with expertise in the field of auditing and at least one other member with knowledge in the field of accounting. These requirements are met by the two members Prof. Dr. Weber and Mr. Schindelhauer.

In the run-up to the Supervisory Board meeting in December 2024, the Supervisory Board members completed an extensive self-assessment questionnaire. After evaluating the questionnaire, the Supervisory Board determined that it performs its duties effectively in accordance with recommendation D.12 GCGC.

Further mandates of the members of the Executive Board and Supervisory Board are listed in the notes to the consolidated financial statements under [Note 35](#) Supervisory Board and Executive Board.

The company did not conclude or conduct any material transactions with related parties in the 2024 financial year.

The Audit Committee is chaired by Prof. Dr. Weber, an independent and knowledgeable member of the Supervisory Board in accordance with recommendation D.3 GCGC. She is not the Chairwoman of the Supervisory Board. The Audit Committee includes Prof. Dr. Weber and Mr. Schindelhauer, one member with expertise in the field of auditing and another member with knowledge in the field of accounting.

The Supervisory Board regularly holds four ordinary meetings and the Audit Committee seven ordinary meetings per calendar year. Extraordinary meetings of the Supervisory Board and the Audit Committee as well as meetings of the Nomination, Remuneration and Capital Market Committees are convened as required.

The Executive Board reports regularly to the Supervisory Board and its committees on the company's situation. It regularly attends meetings of the Supervisory Board at the invitation of the Chairman of the Supervisory Board or the committee chairmen. It provides written and verbal information on the agenda items and draft resolutions and answers the questions of the Supervisory Board members. Between meetings, all Supervisory Board members receive detailed quarterly reports on the company's situation from the Executive Board. He also keeps the Chairman of the Supervisory Board and the Chairwoman of the Audit Committee up to date on important developments and decisions in telephone calls and personal meetings. In accordance with recommendation D.6 GCGC, meetings are also held without the Executive Board.

The resolutions of the Supervisory Board and its committees are generally passed at meetings. In exceptional cases, Supervisory Board members may also participate in a meeting by telephone or video conference. The Supervisory Board and its committees are quorate if two thirds of its members participate in the vote. Voting may also take place in writing, by fax, by telephone or by e-mail, or by a combination of these means of communication if no Supervisory Board member objects. Resolutions are passed by a simple majority of the votes cast. In the event of a tie, the Chairman of the meeting has the casting vote.

Every Supervisory Board member must disclose conflicts of interest to the Supervisory Board, particularly those that may arise as a result of a consultancy or board function with customers, suppliers, lenders or other third parties. If a Supervisory Board member has a material and permanent conflict of interest, he or she must resign from office.

Self-assessment of the Supervisory Board

The Supervisory Board assessed itself in fiscal year 2024. It used a questionnaire with AIXTRON-specific criteria for this purpose. The results were discussed in the Supervisory Board and showed a trusting and open cooperation both within the Supervisory Board and with the Executive Board. The work of the Supervisory Board and its committees was professional, constructive and effective. There was no fundamental need for improvement.

Information on the equal participation of men and women in accordance with Section 76 (4) and Section 111 (5) AktG

According to Sections 76 (4) and 111 (5) AktG, listed or co-determined companies must set targets for the proportion of women on the Supervisory Board, Executive Board and the two management levels below the Executive Board. The GCGC also requires this in principle 3 and principle 9 sentence 2 for the Executive Board and in recommendation C.1 sentence 2 for the Supervisory Board.

AIXTRON aims to increase both the proportion of women and the internationality of its employees and managers. The company is primarily committed to the professional and social qualifications of all employees.

The **Supervisory Board** of AIXTRON SE has set the following **targets for the proportion of women** to be achieved by **December 31, 2025**:

Level	Target as of 31.12.2025	Women's quota as of 31.12.2024	Determined by
Supervisory Board	33%	33%	Supervisory Board
Executive Board	0%	0%	Supervisory Board

The Supervisory Board consists of six members. It includes two women, meaning that the proportion of female Supervisory Board members was around 33% as of December 31, 2024. The composition of the Executive Board corresponds to the target set for the Executive Board.

The **Executive Board** of AIXTRON SE sets the targets for the **proportion of women to be determined** in accordance with Section 76 (4) AktG at 10% for the first level below the Executive Board and 20% for the second level below the Executive Board. These targets are to be achieved by **December 31, 2025**.

Level	Target as of 31.12.2025	Women's quota as of 31.12.2024	Determined by
1st tier management	10%	4%	Executive Board
2nd tier management	20%	23%	Executive Board

Based on the current composition of the Executive Board, no changes to the composition are initially planned until the end of 2025, meaning that the target for the proportion of women on the Executive Board until December 31, 2025 has been set at 0%. The proportion of women at all management levels is to increase in the long term. To this end, the Executive Board has launched various measures to support female talent at AIXTRON, such as coaching and mentoring programs for selected female managers. In addition, regular women's network meetings were held in 2024 to discuss strategic topics. In the interests of equal participation of women in management positions, the Supervisory Board and Executive Board of AIXTRON SE place a special focus on women as part of the candidate evaluation process.

Diversity concept for the Executive Board and Supervisory Board; targets for the composition of the Supervisory Board and status of implementation

Executive Board

In accordance with the DCGK, AIXTRON has set itself targets for appropriate diversity in corporate governance (Recommendation B. 1 and Recommendation C. 1).

When making proposals to the Nomination Committee for the appointment of Executive Board members, the Supervisory Board takes into account their personal and professional suitability, international experience and leadership quality, the specified age limit for Executive Board members and diversity with regard to aspects such as age, gender and educational and professional background. The Executive Board should consist of members with different and complementary skills profiles, a balanced age structure and different personalities. In addition to the aforementioned characteristics, Board members should have a wide range of knowledge and experience as well as educational and professional backgrounds, both individually and as a team. International experience is desirable in view of the company's international orientation. The Supervisory Board observes the diversity concept when searching for suitable candidates for open Executive Board positions and also considers female candidates.

Supervisory Board

The Supervisory Board has set the target for the proportion of women on the Supervisory Board at 33% by December 31, 2025. Currently, two out of six Supervisory Board members are women, namely Karen Florschütz and Prof. Dr. Anna Weber, which corresponds to a share of around 33%.

The targets for the composition of the Supervisory Board are presented in detail below:

- When proposing candidates for election to the Supervisory Board, the Nomination Committee ensures that the Supervisory Board always includes members who, individually and collectively as a team, have the knowledge, skills and professional experience required to properly perform their duties. In addition, the members should be independent. In this way, the Nomination Committee contributes to increasing the efficiency and transparency of the selection process. As a rule, Supervisory Board members should be elected for the longest term permitted by the Articles of Association.
- AIXTRON is strongly focused on exports. In particular, experience in the electronics and semiconductor markets relevant to AIXTRON is a great advantage.
- As a rule, an age limit of 75 years should be appropriate for Supervisory Board members when they retire. New Supervisory Board members should be available to the company for at least two terms of office.
- The aim is for Supervisory Board members to have the most diverse training, qualifications, expertise and international experience possible in order to have the knowledge, skills and professional experience required to properly perform their duties. Company and product-oriented coverage with an understanding of the

business model, industry-specific characteristics and processes in the various corporate areas of business administration, accounting, auditing, corporate development, capital market, technology, special machine production, markets/sales, semiconductor market, etc. are advantageous.

- It is in the interests of the company to utilize the potential of well-qualified and motivated individuals of different nationalities and genders. The Supervisory Board supports the appropriate participation of women and men on the Supervisory Board, which is reflected in the current proportion of women on the Supervisory Board of around 33%.
- The Supervisory Board should include what it considers to be a sufficient number of independent members, whereby a Supervisory Board member is not to be considered independent in particular if he or she has a business or personal relationship with the company, its executive bodies, a controlling shareholder or a company affiliated with the latter that could give rise to a significant and not merely temporary conflict of interest.
- More than half of the Supervisory Board should be made up of independent members.
- The Supervisory Board should not include more than two former members of the Executive Board.
- The members of the Supervisory Board should not perform any executive or advisory functions for major competitors of the company.
- At least one member of the Supervisory Board must have expertise in the area of accounting and at least one other member of the Supervisory Board must have expertise in the area of auditing. These two members are then also members of the Audit Committee.
- Due to the increased demands on the professionalization of Supervisory Boards and in order to ensure a high level of efficiency in Supervisory Board activities as in previous years, new Supervisory Board members should not hold more than five mandates in other listed companies or other companies with comparable requirements, with one Supervisory Board chairmanship counting twice.

In addition to the objectives for its composition, the Supervisory Board has also drawn up a competence profile for the entire Board. In view of AIXTRON's business activities and the markets that the Company serves, the Supervisory Board should have expertise in the areas of technology, finance/accounting, capital markets, strategy and corporate governance as well as in the sustainability issues relevant to AIXTRON SE. In addition, an established network of contacts and many years of experience in the respective disciplines are an advantage.

The Supervisory Board fulfills the requirement for diversity within the Supervisory Board (recommendation C.1 sentence 2 GCGC) through, among other things, the diverse expertise of the individual Supervisory Board members (in areas such as finance, capital markets, M&A and technology and markets).

The Executive Board and Supervisory Board of AIXTRON SE are convinced that the composition of the Supervisory Board fully meets its own objectives and competence profile as well as the requirement of the DCGK for appropriate diversity and an appropriate number of independent Supervisory Board members.

As Chairwoman of the Audit Committee of AIXTRON SE, Prof. Dr. Anna Weber has expertise in the field of accounting and auditing. She is an auditor and a member of the Supervisory Board and Chairwoman of the Audit Committee of another listed company. She is also a professor of general business administration specializing in external accounting. The Chairman of the Supervisory Board, Mr. Kim Schindelhauer, also has expertise in the field of accounting. He was active at AIXTRON as Chairman of the Executive Board, Chief Financial Officer and Commercial Director as well as in various management positions in the finance department of other international groups (recommendation D.3 GCGC).

In the following skills matrix (recommendation C.1 GCGC), the Supervisory Board clearly presents the status of implementation of the skills profile aimed at for the entire Board:

	Kim Schindelhauer	Frits van Hout	Alexander Everke	Karen Florschütz	Dr. Stefan Traeger	Prof. Dr. Anna Weber
Membership duration						
Member since	2002	2019	2024	2024	2022	2019
General suitability						
Independence ¹⁾	+	+	+	+	+	+
No overboarding	+	+	+	+	+	+
Diversity						
Year of birth	1953	1960	1963	1969	1967	1984
Gender	m	m	m	w	m	w
Nationality	German	Dutch	German	German	German	German
International experience	+	+	+	+	+	+
Educational background	Business Administration	Physics	Engineering (university) & Industrial Engineering (university of applied sciences)	Economics / BSc. Engineering, MBA	Physics and Business Administration (MBA)	Business Administration, Tax consultant, Auditor
Professional knowledge ²⁾						
Company management ³⁾	+	+	+	+	+	
Strategy	+	+	+	+	+	
Sales & marketing	+	+	+	+	+	
Operations & Supply Chain	+	+	+	+	+	
Digitalization of business models related to capital goods		+		+	+	
Personnel / HR	+	+	+	+	+	+
Capital market / IR	+	+	+	+	+	
Accounting (including audit of sustainability reporting)	+					+
Audit of financial statements (incl. audit of sustainability reporting)	+					+
Legal / Compliance / Corporate Governance	+		+	+	+	+
Sustainability / ESG	+		+	+	+	+
Geopolitics	+	+	+	+	+	
Entrepreneurship & Value Creation	+	+	+	+	+	
Knowledge of technologies ²⁾						
Semiconductor (equipment) industry	+	+	+	+	+	
Compound semiconductors	+	+	+			
Knowledge of customer industry ²⁾						
Power electronics			+	+		
Optoelectronics	+		+		+	
Display industry	+	+	+			

¹⁾ In accordance with the German Corporate Governance Code

²⁾ Criterion met (+), based on self-assessment by Supervisory Board member

³⁾ Experience as Executive Board member of capital market-oriented companies of similar complexity or comparable experience

Information on the remuneration of the Executive Board and Supervisory Board and the remuneration system for the Executive Board

Detailed information on the remuneration structure and remuneration of the individual members of the Executive Board and the remuneration of Supervisory Board members can be found in the company's [Remuneration Report](#).

The remuneration system in accordance with Section 87a (1) and (2) sentence 1 AktG, which was approved by the 2024 Annual General Meeting with an approval rate of 91.2% in accordance with Section 113 (3) AktG, can be viewed on the company's website under [Executive Board Remuneration Policy](#). A remuneration report for the last financial year prepared in accordance with Section 162 AktG together with a report by the auditor in accordance with Section 162 AktG is available on the company's website under [Executive Board Remuneration Report](#).

Shareholders and Annual General Meeting

The Annual General Meeting took place on May 15, 2024, in presence. The invitation to the Annual General Meeting was published in the Federal Gazette in due time in accordance with the statutory requirements and contained, among other things, the agenda with the resolutions proposed by the management and the Supervisory Board as well as the conditions for attending the Annual General Meeting and exercising voting rights. All reports and documents required by law were available on the AIXTRON website under [Annual General Meeting](#) from the time the Annual General Meeting was convened. After the Annual General Meeting, AIXTRON published the attendance and voting results on the website.

There were nine items on the agenda. All proposed resolutions were adopted with clear majorities. At the time of voting, around 61% of AIXTRON's share capital was represented at the Annual General Meeting.

Transparency

AIXTRON provides its stakeholders, such as customers, suppliers, shareholders, shareholder associations, potential investors, financial analysts and the media, with up-to-date and regular information on the Group's business performance. The Internet is the main communication medium used for this purpose.

Reporting on the situation and results of AIXTRON SE and the AIXTRON Group is carried out in German and/or English:

- the annual report with consolidated financial statements, combined management report and report of the Supervisory Board,
- the annual financial statements of AIXTRON SE together with the combined management report,
- the non-financial Group statement (sustainability report),
- Interim financial reports,
- Quarterly conference calls for the press and analysts and their recordings,

- Company presentations,
- Publication of insider information, company and press releases.

The date of the Annual General Meeting and the publication dates of the financial reports can be found in the Company's [financial calendar](#) on the AIXTRON website. The above-mentioned reports, speech transcripts, presentations, webcasts and announcements are also freely accessible there.

Accounting and auditing

The quarterly statements as of March 31 and September 30, the half-year financial report as of June 30 and the consolidated financial statements as of December 31, 2024 have been prepared in accordance with International Financial Reporting Standards (IFRS). The annual financial statements of AIXTRON SE for fiscal year 2024 and the combined management report comply with the provisions of the German Commercial Code (HGB) and the German Stock Corporation Act (AktG).

The consolidated financial statements and the annual financial statements of AIXTRON SE were audited by the auditor and approved or adopted by the Supervisory Board. The auditor is required to inform the Chairman of the Supervisory Board or the Chairman of the Audit Committee of any grounds for exclusion or exemption or any inaccuracies in the Declaration of Conformity that arise during the audit. There were no such information obligations in the reporting year.

Remuneration Report

The remuneration report describes the main features of the remuneration system of AIXTRON SE and explains the amount and structure of the remuneration of the Executive Board and the remuneration of the Supervisory Board for fiscal year 2024 in accordance with the Articles of Association. The remuneration of the individual members of the Executive Board and Supervisory Board is disclosed individually. The remuneration report for the previous fiscal year 2023 was approved by the Annual General Meeting on May 15, 2024.

This report complies with the requirements of the Act Implementing the Second Shareholders' Rights Directive (ARUG II) pursuant to Section 162 of the German Stock Corporation Act (AktG). For reasons of easier readability, we only use the grammatically masculine form here. It is representative of persons of all genders: male, female, diverse.

Principles of the Remuneration System

At the 2024 Annual General Meeting, the remuneration system that will be applied for the first time for the 2024 financial year, taking into account transitional arrangements, was approved. This remuneration system continues the previous system, which was approved by the 2020 Annual General Meeting, with minor adjustments. The remuneration system for the Executive Board of AIXTRON SE complies with the requirements of the German Stock Corporation Act (in the version dated January 15, 2024) and is in line with the content-related requirements of ARUG II and is based on the recommendations of the German Corporate Governance Code (DCGK) in the version dated April 28, 2022.

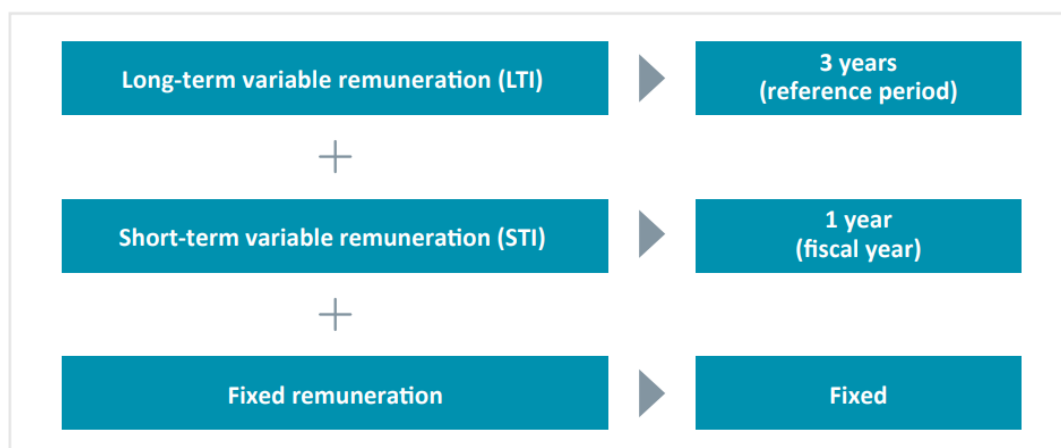
A detailed description of the Executive Board remuneration system approved by the Annual General Meeting on May 15, 2024 can be found on the AIXTRON SE website under [Executive Board remuneration system](#). The newly approved remuneration system will apply in fiscal year 2024 for the contracts of Executive Board members Dr. Felix Grawert and Dr. Christian Danninger for the period from January 01, 2024 to December 31, 2024, taking into account transitional provisions. The previous remuneration system was applied in the 2023 financial year for the contracts of the Executive Board members Dr. Felix Grawert and Dr. Christian Danninger for the period from January 01, 2023 to December 31, 2023 and for Dr. Jochen Linck for the period from January 01, 2023 to September 30, 2023. The structure of the remuneration of the Executive Board at AIXTRON SE is designed to provide incentives for ecologically and economically sustainable development of the Company as well as for long-term commitment by Executive Board members.

Based on the remuneration system, the Supervisory Board determines the specific remuneration of the individual members of the Executive Board. To the extent permitted by law, the Supervisory Board aims to offer the members of the Executive Board a remuneration scheme that is customary in the market and at the same time competitive in order to be able to attract outstanding personalities to AIXTRON SE and retain them in the long term.

On the basis of the remuneration system, the Supervisory Board sets a target for the total remuneration for each Executive Board member for the upcoming fiscal year, which consists of three components:

- **fixed remuneration**
- **short-term performance-related variable remuneration** (short-term incentive, **STI**)
- **long-term performance-related variable remuneration** (long-term incentive, **LTI**)

Remuneration Structure



The **fixed remuneration** comprises a fixed, non-performance-related basic remuneration that is paid monthly (13 times a year) as a salary. Other components of the fixed remuneration include fringe benefits such as a company car, allowances for private pensions and the assumption of costs for other insurance policies.

The **variable remuneration** is directly linked to the strategy and performance of the AIXTRON Group and consists of the short-term STI and the long-term LTI. The amount of the two variable remuneration elements depends on the achievement of financial and non-financial performance indicators. In the interests of the shareholders, the Company does not publish the details of individual market-related KPIs that could allow competitors to draw conclusions about the strategic intentions of the company. The weighting and KPI value of each target are determined by the Supervisory Board before the beginning of each financial year and the result is determined solely by the actual KPI achievement without discretionary adjustments.

Short-term performance-related variable remuneration

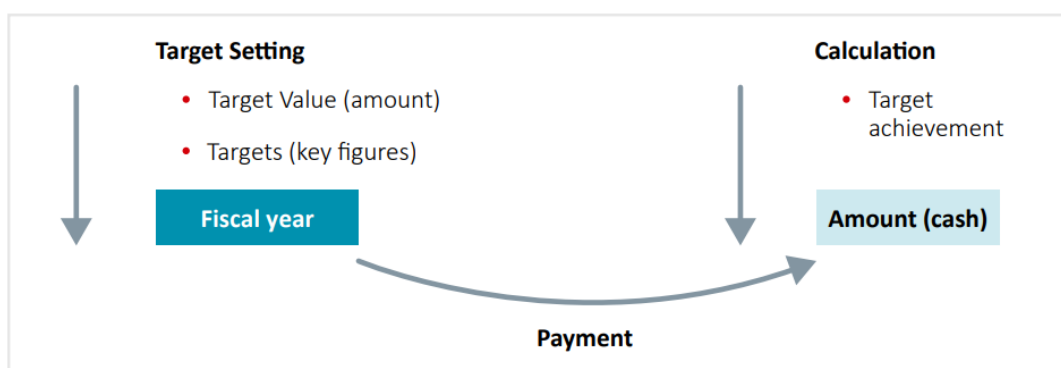
The short-term performance-related remuneration, also known as the **Short Term Incentive (STI)**, is based on the AIXTRON Group's performance in the fiscal year and is granted entirely in cash.

The STI is measured according to the key figures of consolidated net income, the market position of the AIXTRON Group, and financial and operational targets. The relative weighting is 70% for consolidated net income, 15% each for market position and 15% for financial and operating targets. The financial targets from which the Supervisory Board can choose before the start of a fiscal year include, among others: Profitability, capital

efficiency, growth and liquidity. The operational targets from which the Supervisory Board can choose before the start of a financial year include, among others: Innovation, development of business areas and markets, business development, implementation of portfolio measures, implementation of operational measures such as efficiency improvements or cost reductions and implementation of the corporate strategy. The Supervisory Board is free to define further financially and operationally significant targets and include them in the specific list of criteria for a financial year.

Corresponding targets are also applied to employees in senior management in order to achieve consistency in the company's target system.

Short-term incentive (STI)



The **targets are set** prior to the start of a fiscal year: The Supervisory Board establishes the STI's target value and the targets based on the aforementioned indicators. In the event of 100% target achievement, the target STI of the Executive Board members varies from 0.88% to 1.40% of the consolidated net income in the newly approved compensation system and from 1.10% to 1.75% of the consolidated net income in the previous compensation system, in accordance with the budget approved by the Supervisory Board for the financial year. The transitional agreements for the application of the range from the new remuneration system was determined individually for each member of the Board of Management at the time of the extension of their contracts and, in the event of a change during the year, was taken into account on a pro rata basis.

STI target achievement is determined after the expiry of the fiscal year. This is capped at a maximum of 250% target achievement. No STI is paid if the consolidated net income for the year is negative, i.e. in years in which the Company posts a loss. STI is paid out in cash after the Supervisory Board has approved the consolidated financial statements.

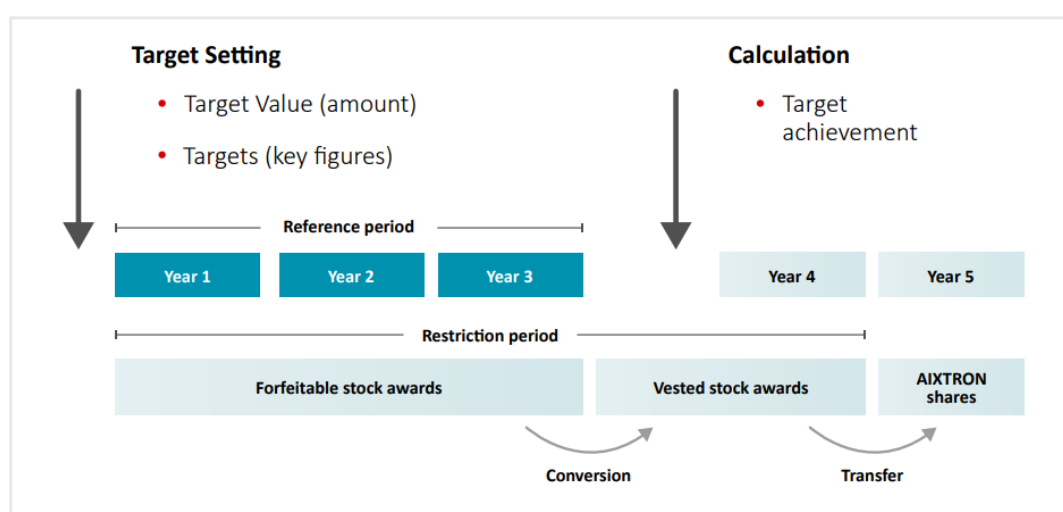
Long-term Performance-Related Variable Remuneration

The amount of long-term performance-related remuneration, also referred to as the **long-term incentive (LTI)**, is geared to the performance of the AIXTRON Group over a **3-year reference period** and is granted entirely in AIXTRON shares. Executive Board members may first dispose of these shares following a four-year holding period calculated from the start of the reference period.

Before the start of a financial year, the Supervisory Board determines the **long-term targets** for each Executive Board member for the forthcoming reference period. Each Executive Board member receives forfeitable stock awards in the amount of the **target**

LTI, which varies from 1.12% to 1.80% of the consolidated net income for the year in the newly approved remuneration system and from 1.40% to 2.25% in the previous remuneration system, in accordance with the budget approved by the Supervisory Board for the financial year. The transitional agreements for the application of the range from the new remuneration system was determined individually for each member of the Executive Board on the contract extension date and taken into account pro rata temporis in the event of a change during the year. The number of forfeitable stock awards is calculated based on the average of the closing prices on all stock market trading days in the final quarter of the previous year. If the consolidated net income for the year is budgeted to be zero or negative, and if a return to profitability is expected during the reference period, the Supervisory Board may within reasonable limits specify a LTI value for the fiscal year.

Long-term variable remuneration (LTI)



The **target achievement of the LTI** is measured against the key figures of consolidated net income for the year and total shareholder return (TSR), as well as sustainability targets.

In this regard, the relative weighting amounts to 50% for consolidated net income for the year, 40% for TSR, and 10% for sustainability targets. From the 2025 financial year, the relative weighting is 35% for consolidated net income, 50% for TSR and 15% for sustainability targets.

For the **first key figure of the LTI**, the **consolidated net income**, the Supervisory Board sets a target value on the aggregate consolidated net incomes that are to be achieved during the reference period. After the reference period ends, the ratio of the actual value to the target value is calculated. If the two values are identical, target achievement amounts to 100%. Target achievement is capped at a maximum of 250%. If the ratio is zero or negative, target achievement amounts to 0%. A linear interpolation takes place between the values of 0% and 250%.

The **second key figure of the LTI**, the **TSR**, denotes the **total shareholder return** over the reference period and is calculated as the ratio of the change in the stock price, plus paid dividends, at the end of the reference period to the value at the start of the reference period. For the LTI tranches in fiscal years 2024, 2023 and before, the TSR of the AIXTRON share is measured against the weighted TSR of a peer group consisting of shares from the six semiconductor equipment manufacturers Veeco Instruments, Applied Materials,

Tokyo Electron, Lam Research, ASML and ASMI and weighted proportionally to their market capitalization. In the newly approved remuneration system, an expanded composition of the peer group to twelve semiconductor equipment manufacturers and their equal weighting was resolved for the LTI tranches from the 2025 financial year. From 2025, the peer group will comprise the following semiconductor equipment manufacturers: Applied Materials, ASMI, ASML, Axcelis, BE Semiconductor, KLA, Lam Research, Lasertec, PVA TePla, SUESS MicroTec, Tokyo Electron and Veeco Instruments.

The share price development is determined as the difference between the average closing prices on all stock exchange trading days in the last quarter before the start of the reference period and in the final quarter of the reference period. After the reference period ends, the ratio of the development in the TSR for AIXTRON shares to the development in the TSR for the comparative group is calculated. The target achievement over the reference period corresponds to the ratio of the TSR performance of the AIXTRON share to the TSR performance of the peer group. Target achievement is capped at a maximum of 250% and amounts to 0% if the ratio is less than 50%. If during the period under consideration the enterprises in the comparative group experience extraordinary changes (such as mergers, changes in business activities, etc.), the Supervisory Board may take this appropriately into consideration with regard to the composition of the comparative group. In such case, the Supervisory Board will report on this in the annual remuneration report.

The **third key figure of the LTI** is calculated by reference to **sustainability targets** set by the Supervisory Board at the beginning of each reference period. These targets refer to the areas of environment, social affairs, and corporate governance. Target achievement corresponds to the ratio of the actual values achieved to the target values. It is capped at 250%. Before the start of each financial year, the Supervisory Board sets two to three sustainability targets to be achieved by the end of the reference period. The sustainability targets from which the Supervisory Board can choose before the start of the financial year for the respective member of the Executive Board include: efficient use of energy and raw materials, reduction of emissions, employee satisfaction and development, customer satisfaction, innovation performance, succession planning and compliance.

At the end of the three-year reference period, the Supervisory Board determines whether the LTI target has been achieved. Depending on target achievement, the forfeitable stock awards are then converted into vested share awards or partially forfeited. The maximum number of vested share awards under the LTI is limited to 250% of the vested shares awarded at the beginning of the reference period.

Following expiry of the four-year restriction period, the shares are transferred to the Executive Board member, with due compliance with the maximum remuneration limits set out below. The Executive Board member is not entitled to receive dividends during the restriction period.

The restriction period for the transfer of shares under the LTI can irrevocably extended once by the Executive Board member by up to 36 months for the LTI tranches that end with the four-year vesting period from December 31, 2024.

Remuneration limits

The remuneration system is intended to provide appropriate rewards for successful Executive Board work and to ensure that the Executive Board and shareholders all benefit from the Company's positive development. In order to avoid taking inappropriate risks and to maintain an appropriate relationship to the situation of the AIXTRON Group, Executive Board remuneration is capped by setting a **maximum remuneration** and a **maximum remuneration cap**.

The **maximum remuneration (expense cap)** is the total remuneration owed to the Executive Board for a fiscal year. In the newly approved remuneration system, it may not exceed EUR 8,500 thousand for two Executive Board members or EUR 12,500 thousand for three or more Executive Board members. The maximum remuneration under the new system applies pro rata temporis with effect from May 01, 2024. Under the previous remuneration system, the maximum total remuneration was EUR 6,500 thousand for two Executive Board members and EUR 10,000 thousand for three or more Executive Board members. The expense cap is applied pro rata temporis in the event of changes to the Executive Board during the year. In total, this also results in the **expenditure cap**, i.e. the maximum expense for the Company.

In addition, there is a maximum **remuneration limit (allocation cap)** for the total of fixed remuneration, STI and LTI. The actual inflow of each individual member of the Executive Board for a financial year is limited to four times the target total remuneration. This is the **inflow cap**. If the remuneration cap is exceeded, part of the previously defined share awards are forfeited in order to ensure compliance.

The **fixed remuneration** will generally be between 20% and 40% of the **target total remuneration**, while the **variable remuneration** will be between 60% and 80%. A larger proportion is allocated to long-term remuneration in order to incentivize long-term and sustainable action. Intra-Group mandates, for example at subsidiaries, are not remunerated additionally.

Further provisions

To ensure that the interests of the Executive Board are aligned with those of shareholders, the Company has a stock ownership policy. After a four-year build-up phase, each Executive Board member is obliged to hold 100% of their basic remuneration in AIXTRON shares for the duration of their membership of the Executive Board. The value of vested stock awards is set off against the respective target shareholding value. Executive Board members may sell shares only if they exceed the respective target value.

Furthermore, a **sanctioning mechanism**, i.e. claw-back policy, applies for **breaches of duty or compliance**. Based on this mechanism, in the event of such breaches the Supervisory Board may reduce variable remuneration components not yet paid out, allow stock awards to lapse, or even claw these back. These possibilities may be exercised even when the Executive Board member is no longer in office and is no longer employed by the Company.

In justified exceptional circumstances, such as severe economic crises, the effects of which render the original Company targets invalid, the Supervisory Board may resolve a temporary divergence from the remuneration system if such divergence is in the interests

of AIXTRON SE. As a general rule, the targets and target values do not change during the periods relevant for the respective target achievement, even if developments in the overall market are unfavorable.

Compensation comparison

The appropriateness of the remuneration components is reviewed annually by the Supervisory Board. The remuneration system is presented to the Annual General Meeting for approval in the event of any material changes to the system and at least every four years.

For the external comparison, the remuneration data of the semiconductor equipment manufacturers Veeco Instruments, Applied Materials, Tokyo Electron, Lam Research, ASML, ASMI and the TecDAX companies, whose market capitalization is between 50% and 200% of the market capitalization of AIXTRON SE, were used up to fiscal year 2024.

In accordance with the newly approved remuneration system, the remuneration data of three groups of companies will be used for the external comparison from the 2025 financial year:

- the semiconductor equipment manufacturers Applied Materials, ASMI, ASML, Axcelis, BE Semiconductor, KLA, Lam Research, Lasertec, PVA TePla, SUESS MicroTec, Tokyo Electron and Veeco Instruments,
- the ten companies in the PHLX Semiconductor Index (SOX) whose market capitalization is closest to that of AIXTRON SE,
- the ten TecDAX companies whose market capitalization is closest to that of AIXTRON SE.

For the internal comparison, the ten non-tariff-paid managers with the greatest management responsibility and decision-making authority were defined as the top management circle until the 2024 financial year. In accordance with the newly approved remuneration system, the members of the Executive Committee and managers with comparable seniority, management responsibility and decision-making authority will be used as the top management group from the 2025 financial year onwards.

Regulations upon termination of employment

In the event of the termination of a Executive Board contract, any outstanding variable remuneration components attributable to the period up to the termination of the contract are granted in accordance with the originally agreed targets and comparison parameters and in accordance with the due dates or holding periods specified in the contract. If an Executive Board contract ends during a fiscal year, STI and LTI are granted on a prorated basis relative to the length of service in this fiscal year.

The foregoing does not apply to cases in which the employment contract is terminated without notice for cause inherent in the Executive Board member for which he or she is responsible. In such case, variable remuneration will not be paid for the year in which termination becomes effective.

In the event of **premature termination of the Executive Board mandate** due to the revocation of the appointment, the Executive Board member receives a severance payment in the amount of the remuneration expected to be owed by the Company for the remaining term of the employment contract, up to a maximum of two years' remuneration (severance cap).

When agreeing employment contracts with Executive Board members, the Supervisory Board may stipulate that, in the event of the contract being terminated due to a **“change-of-control” event**, severance will be paid in the aforementioned maximum amount. A change-of-control event in the foregoing sense exists where a third party, or a group of third parties who combine their shareholding by contract in order to act as a single third party, directly or indirectly holds more than 50% of the Company's share capital.

Benefits in excess of this severance payment are not permitted.

In the event of a premature termination of the Executive Board mandate due to a mutually agreed termination of the employment contract, the total value of the benefits promised by the Company to the Executive Board member as part of such an agreement should not exceed the amount of the remuneration expected to be owed by the Company for the original remaining term of the employment contract, but no more than the value of two years' remuneration.

Remuneration of Executive Board Members in Fiscal Year 2024

In the 2024 financial year, the newly approved remuneration system was applied to the contracts of the Executive Board members Dr. Felix Grawert and Dr. Christian Danninger for the period from January 01 to December 31, taking into account the transitional agreements described above. The previous remuneration system was applied in the 2023 financial year for the contracts of Executive Board members Dr. Felix Grawert and Dr. Christian Danninger for the period from January 01, 2023 to December 31, 2023 and for Dr. Jochen Linck for the period from January 01 to September 30, 2023. The structure of Executive Board remuneration at AIXTRON SE is designed to provide incentives for both the economically and ecologically sustainable development of the Company and the long-term commitment of Executive Board members.

The following sections list the specific Executive Board remuneration for the reporting year and contain detailed information and background information on the total remuneration of the Executive Board, the target setting and target achievement of the variable remuneration as well as individualized information on the remuneration of the individual Executive Board members. The stated target remuneration takes into account the departure of Executive Board members during the course of the year.

Total remuneration

The maximum remuneration (expense cap) is the total remuneration owed to the Executive Board for a financial year. In the newly approved remuneration system, it may not exceed EUR 8,500 thousand for two Executive Board members or EUR 12,500 thousand for three or more Executive Board members. The maximum remuneration under the new system applies pro rata temporis with effect from May 01, 2024. Under the previous remuneration system, the maximum total remuneration was EUR 6,500 thousand for two Executive Board members and EUR 10,000 thousand for three or more Executive Board members. For the 2024 financial year, the maximum remuneration (expense cap) for two Executive Board members may not exceed EUR 7,838 thousand due to the pro rata temporis consideration of the new maximum remuneration limits. For the 2023 financial year, the maximum remuneration (expense cap) was EUR 9,125 thousand due to the departure of a member of the Executive Board during the year.

Total Executive Board remuneration for the 2024 financial year amounted to EUR 7,838 thousand (2023: EUR 9,125 thousand). In the 2024 and 2023 financial years, the expense cap was applied, which limits the total remuneration of the Executive Board to the aforementioned values.

The non-performance-related fixed remuneration of the Executive Board for the 2024 financial year, consisting of basic remuneration, pension contributions and benefits in kind, totaled EUR 820 thousand (2023: EUR 1,032 thousand).

Basic remuneration

The basic remuneration in the 2024 financial year amounted to

- EUR 400 thousand for Dr. Felix Grawert,
- EUR 342 thousand for Dr. Christian Danninger.

Pension commitment

The members of the Executive Board in office during the reporting year do not have individual pension commitments, meaning that no pension provisions are recognized. Instead, pension allowances for the members of the Executive Board are paid out with their salary or paid into an insurance policy with a provident fund commitment. The pension allowances are part of the non-performance-related fixed remuneration of the Executive Board. In the 2024 financial year, they amounted to

- EUR 30 thousand for Dr. Felix Grawert,
- EUR 34 thousand for Dr. Christian Danninger.

Short-term variable remuneration (STI)

Target dimension "Consolidated Profit for the Year"

At its meeting on December 11, 2023, the Supervisory Board set a target value of EUR 156,675 thousand for the consolidated net income for 2024 (70% of total target). The actual figure of EUR 106,283 thousand results in a target achievement of 68% (2023: 102%), which reflects the weaker than expected business performance over the course of the year.

Target dimension "Market position"

For the target dimension "market position" (15% of total target), the Supervisory Board has set targets for individual market segments for the 2024 financial year, which are weighted 33% for existing markets, 33% for new growth markets and 33% for future markets (2023: 50% each for existing markets and new growth markets). A good sales performance in both the existing and growth markets led to a target achievement of 156% (2023: 112%) for the existing markets and 150% (2023: 107%) for the new markets. The target achievement for the future markets was 175% in the 2024 financial year.

Target dimension "Financial and Operational Targets"

For the target dimension "Financial and operational targets" (15% of total target), performance criteria were defined in the area of operational improvements and product-related improvements. Target achievement in the past financial year was 136% and 0% respectively (2023: 175% for operational improvements and 91% for product-related improvements). The failure to meet the target for product-related improvements is attributable to a failure to meet the sales target for an innovation topic due to weak demand in the area of electromobility.

In the 2024 financial year, the expense cap will apply to both short-term and long-term remuneration, which limits the total remuneration for the Executive Board.

The total short-term variable remuneration (STI) is as follows

- for Dr. Felix Grawert in the amount of EUR 1,692 thousand in cash (reduced by 26.4% due to the expense cap),
- for Dr. Christian Danninger in the amount of EUR 921 thousand in cash (reduced by 26.4% due to the expense cap)

Long-term variable remuneration (LTI)

The target achievement of the 2024 LTI tranche is calculated on the basis of the results achieved in the period from January 01, 2024 to December 31, 2026. The performance criteria apply to them

- Consolidated net income for the financial years 2024, 2025 and 2026 (50% of total target)
- Development of total shareholder return (TSR) from Q4/2023 to Q4/2026 (40% of total target)
- Sustainability targets (10% of total target):
 - Decarbonization targets in accordance with the criteria of the Science Based Target Initiative (SBTi) and achievement of "Target Approved" status by the end of 2026.
 - Diversity and employee retention measured at the end of 2026 in relation to defined employee groups.

The share price of AIXTRON SE relevant for the LTI target remuneration for 2024 is EUR 32.102. It corresponds to the average of the XETRA closing prices on all stock exchange trading days in Q4/2023. The degree of fulfillment of the performance criteria will be determined by the Supervisory Board after the end of fiscal year 2026. The forfeitable share awards will then be converted into non-forfeitable share awards depending on target achievement. After the expiry of a 4-year restriction period ending on December 31, 2027, for the fiscal year 2024, one share of the Company will be transferred for each vested share award. This is to take place in the week following the publication of the annual report. The restriction period for the transfer of shares under the LTI can be irrevocably extended once by the Executive Board member by up to 36 months for the LTI tranches that end with the four-year restriction period from December 31, 2024.

For the long-term variable remuneration (LTI) 2024, the Supervisory Board granted 168,992 forfeitable stock awards on the grant date, which must be measured at fair value on the grant date in accordance with IFRS 2 (LTI 2024: 11.12.2023). The 2024 tranche was therefore measured at a weighted average fair value of EUR 39.76 per share commitment, resulting in a target LTI of EUR 6,719 thousand (not taking into account the remuneration limits in accordance with the remuneration system).

Taking into account the preliminary estimate of target achievement and the expense cap, which limits the total remuneration of the Executive Board, the total expense for long-term variable remuneration (LTI expense) amounts to EUR 4,406 thousand.

This results in the following expenses for the long-term variable remuneration (LTI expenses):

- for Dr. Felix Grawert of EUR 2,863 thousand (reduced by 26.4% due to the expense cap)
- for Dr. Christian Danninger of EUR 1,543 thousand (reduced by 26.4% due to the expense cap).

The LTI expense recognized in the financial year is based on the fair value in accordance with IFRS 2 on the grant date. This LTI expense does not correspond to the value of the preliminary share awards based on the share price on the balance sheet date.

The remuneration report should provide a transparent overview of how the compensation of the Executive Board is determined and recognized. Due to market fluctuations, the value of the preliminary stock awards as of the balance sheet date may differ significantly from the expenses recognized in accordance with IFRS 2 (LTI expenses). This issue does not arise for the STI, which is granted entirely in cash.

For this purpose, the difference between the share-based payment expense (LTI expense) recognized in accordance with IFRS 2 and the value of the preliminary stock awards as at the balance sheet date is presented.

Name, position	Title of plan	Restriction Period	Long-term variable remuneration (LTI)				
			Pre-liminary stock awards	Weighted average of the fair value according to IFRS 2 on the grant date	Share price on the balance sheet date of December 31	Expense under IFRS 2	Value of preliminary stock awards at the balance sheet date
			(1)	(2)	(3)	(1) x (2)	(1) x (3)
Dr. Felix Grawert Chairman of the Executive Board	LTI Tranche 2023-2025*	2023-2026	65,705	34.47	38.66	2,266	2,540
	LTI Tranche 2024-2026*	2024-2027	71,999	39.76	15.22	2,863	1,096
Dr. Christian Danninger Board member	LTI Tranche 2023-2025*	2023-2026	40,883	34.47	38.66	1,410	1,581
	LTI Tranche 2024-2026*	2024-2027	38,802	39.76	15.22	1,543	591

* The number of shares may still change due to the target achievement at the end of the reference period.

For the LTI tranche 2024-2026, there are large differences between the value of the preliminary stock awards at the reporting date price and the expense in accordance with IFRS 2. The reason for this is the sharp fall in the share price in the 2024 financial year.

This results in the following values for the provisional share commitments at the balance sheet date price:

- for Dr. Felix Grawert of EUR 1,096 thousand (expenses in accordance with IFRS 2: EUR 2,863 thousand)
- for Dr. Christian Danninger of EUR 591 thousand (expenses in accordance with IFRS 2: EUR 1,543 thousand)

**Tabular Overview of Performance Criteria Applied to Executive Board
Remuneration pursuant to Sec. 162 (1) Sentence 2 No. 1 Stock Corporation Act
(AktG)**

Comp- onent	Description of performance measures	Portion	Information on the performance targets			
				a) Minimum target	a) Target achievement	a) Measured performance
				b) Corresponding remuneration	b) Corresponding remuneration	b) Corresponding remuneration
STI 2024	Consolidated net income 2024	70%	% kEUR	a) 0 b) 0	a) 100 b) 2,964	a) 68 b) 2,016
	Market position	15%	% kEUR	a) 0 b) 0	a) 100 b) 635	a) 160 b) 1,018
	Existing markets	33%	% kEUR	a) 0 b) 0	a) 100 b) 212	a) 156 b) 330
	New markets	33%	% kEUR	a) 0 b) 0	a) 100 b) 212	a) 150 b) 318
	Future markets	33%	% kEUR	a) 0 b) 0	a) 100 b) 212	a) 175 b) 371
	Financial and operational targets	15%	% kEUR	a) 0 b) 0	a) 100 b) 635	a) 81 b) 517
	Operational improvements	60%	% kEUR	a) 0 b) 0	a) 100 b) 381	a) 136 b) 517
	Product related improvements	40%	% kEUR	a) 0 b) 0	a) 100 b) 254	a) 0 b) 0
LTI 2024	Consolidated net income 2024-2026	50%	% kEUR	a) 0 b) 0	a) 100 b) 2,897	a) will be calculated at the end of b) 2026
	Total Shareholder Return 2024-2026	40%	% kEUR	a) 0 b) 0	a) 100 b) 3,242	a) will be calculated at the end of b) 2026
	Sustainability targets 2024-2026	10%	% kEUR	a) 0 b) 0	a) 100 b) 579	a) will be calculated at the end of b) 2026
	Decarbonization targets in line with the criteria of the Science Based Target Initiative (SBTi) and achieving "Target Approved" status by the end of 2026	50%	% kEUR	a) 0 b) 0	a) 100 b) 290	a) will be calculated at the end of b) 2026
	Diversity and employee retention, each measured at the end of 2026, based on defined employee groups	50%	% kEUR	a) 0 b) 0	a) 100 b) 290	a) will be calculated at the end of b) 2026

Determination of Target Achievement Tranche 2022:

The reference period for the 2022 LTI tranche expired on December 31, 2024. The originally agreed targets were largely achieved or even exceeded. The achievement of objectives for the Executive Board is shown in detail in the following table:

Comp-onent	Description of performance measures	Portion	Information on the performance targets			
				a) Minimum target b) Corresponding remuneration	a) Target achievement b) Corresponding remuneration	a) Measured performance b) Corresponding remuneration
LTI 2022	Consolidated net income 2022-2024	50%	% kEUR	a) 0 b) 0	a) 100 b) 1,792	a) 122 b) 2,191
	Total Shareholder Return 2022-2024	40%	% kEUR	a) 0 b) 0	a) 100 b) 1,752	a) 67 b) 1,173
	Sustainability targets 2022-2024	10%	% kEUR	a) 0 b) 0	a) 100 b) 358	a) 172 b) 616
	EU taxonomy-aligned revenues, OpEx and CapEx	50%	% kEUR	a) 0 b) 0	a) 100 b) 179	a) 250 b) 448
	Management and personnel development	50%	% kEUR	a) 0 b) 0	a) 100 b) 179	a) 94 b) 168

* Valued at the fair value in accordance with IFRS 2 on the grant date; differs from the value at the balance sheet date

A target of EUR 288 million was set in 2021 for the **group's net income** in the years 2022-2024. This financial goal was achieved by 122% with a total consolidated net income of EUR 352 million. At the end of this fiscal year, the '**Total Shareholder Return**' (TSR) performance of the AIXTRON share was -23% compared to the TSR performance of the peer group 15%, corresponding to a target achievement of 67%. For the non-financial targets, the **taxonomy-aligned revenue, capital expenditure (CapEx) and operating expenditure (OpEx) shares** of the taxonomy-eligible revenue, CapEx and OpEx were measured. The share is 100% for sales, 98% for CapEx and 95% for OpEx. This corresponds to a total target achievement of 250%. As part of the sustainability target for the **development of managers and personnel**, succession planning and requirement profiles were assessed on the basis of defined target quotas. Target achievement was determined by the HR department at 94%.

Deviation from Remuneration System

The new remuneration system approved by the Annual General Meeting in May 2024 was applied from the 2024 financial year, taking into account transitional agreements. This remuneration system continues the previous system, which was approved by the 2020 Annual General Meeting, with minor adjustments. There were no deviations from the remuneration system in 2024, apart from the transitional agreements to the newly approved remuneration system.

Benefits Granted and Payments Made in Fiscal Year 2024

The following tables show the remuneration granted and due to the active members of the Executive Board in the 2024 and 2023 financial years in accordance with Section 162

para. 1 sentence 1 AktG. The "Remuneration granted and due" section of the tables therefore contains all amounts that actually received to the individual members of the Executive Board in the reporting period ("**remuneration granted**") and all remuneration that is legally due but not yet received in the reporting period ("**remuneration due**"). In addition, the individual minimum and maximum possible remuneration values for the 2024 financial year are shown here.

Furthermore, the tables show the fixed remuneration and the one-year variable remuneration as an inflow for the respective fiscal year. For subscription rights and other share-based remuneration, the time and value of the inflow is the relevant time and value under German tax law.

In addition to the remuneration amounts, the relative share of all fixed and variable remuneration components in the total remuneration must also be disclosed in accordance with Section 162 para. 1 sentence 2 no. 1 AktG. The relative shares shown at the end of each table relate to the remuneration components granted and due in the respective financial year in accordance with Section 162 para. 1 sentence 1 AktG.

In total, the expense for Executive Board remuneration ("remuneration granted and due") for the 2024 financial year amounts to EUR 7,838 thousand (2023 financial year: EUR 9,125 thousand). In the 2024 and 2023 financial years, the expense cap is applied, which limits the total compensation of the Executive Board to the above-mentioned values.

The remuneration report should provide a transparent overview of how the compensation of the Executive Board is determined and recognized. Due to market fluctuations, the value of the preliminary stock awards as of the balance sheet date may differ significantly from the expenses recognized in accordance with IFRS 2 (LTI expenses).

For this purpose, the difference between the share-based payment expense (LTI expense) recognized in accordance with IFRS 2 and the value of the preliminary stock awards as at the balance sheet date is presented.

For the LTI tranche 2024-2026, there are large differences between the value of the preliminary stock awards at the reporting date price and the expense in accordance with IFRS 2. The reason for this is the sharp fall in the share price in the 2024 financial year.

This results in the following values for the provisional share commitments as at the balance sheet date:

- for Dr. Felix Grawert of EUR 1,096 thousand (expenses in accordance with IFRS 2: EUR 2,863 thousand)
- for Dr. Christian Danninger of EUR 591 thousand (expenses in accordance with IFRS 2: EUR 1,543 thousand)

Remuneration Granted and due pursuant to Section 162 (1) sentence 1 AktG and Payments Made per Executive Board Member in Fiscal Year 2024

Dr. Felix Grawert

Chairman of the Executive Board
Member of the Executive Board since
August 14, 2017

in EUR thousands		Remuneration granted and due						Allocation	
		Value of the preliminary stock awards at balance sheet date		Expense in accordance with IFRS 2 (fair value at grant date)					
		2023	2024	2023	2024	2024* (Target achievement)	2024** (Maximum remuneration)	2023	2024
Non-performance related remuneration	Fixed remuneration	430	430	430	430	430	430	430	430
	Fringe benefits	6	6	6	9	9	9	6	9
	Total	436	436	436	439	439	439	436	439
Performance related remuneration	Short-term variable remuneration	1,576	1,692	1,576	1,692	2,742		1,576	1,692
	STI 2023	1,576	0	1,576	0	0		1,576	0
	STI 2024	0	1,692	0	1,692	2,742		0	1,692
	Long-term variable remuneration	2,540	1,096	2,266	2,863	4,366		1,350	1,321
	Share-based portion of one-year variable remuneration 2019 under old system (restriction period 2019-2022)	0	0	0	0	0		1,350	0
	Share-based portion of one-year variable remuneration 2020 under old system (restriction period 2020-2023)	0	0	0	0	0		0	404
	LTI tranche 2020-2022 (vesting period 2020-2023)	0	0	0	0	0		0	917
	LTI tranche 2021-2023 (vesting period 2021-2027)***	0	0	0	0	0		0	0
	LTI tranche 2022-2024 (vesting period 2022-2025)	0	0	0	0	0		0	0
	LTI tranche 2023-2025 (restriction period 2023-2026)	2,540	0	2,266	0	0		0	0
	LTI tranche 2024-2026 (restriction period 2024-2027)	0	1,096	0	2,863	4,366		0	0
	Total	4,116	2,788	3,842	4,555	7,108	4,555	2,926	3,013
Total non-performance and performance-related remuneration		4,552	3,224	4,278	4,994	7,547	4,994	3,362	3,452
Pension allowance		0	0	0	0	0	0	0	0
Total remuneration		4,552	3,224	4,278	4,994	7,547	4,994	3,362	3,452
Thereof as a percentage	Portion of fixed remuneration	10%	14%	10%	9%	6%	9%	13%	13%
	Portion of variable remuneration	90%	86%	90%	91%	94%	91%	87%	87%

* Theoretical target remuneration without taking into account remuneration limits in accordance with remuneration system

** Maximum remuneration taking into account the remuneration limits in accordance with the remuneration system

*** The restriction period was extended from 2025 to 2027 by the member of the Executive Board

Dr. Christian Danninger

Member of the Executive Board
Member of the Executive Board since
Mai 1, 2021

in EUR thousands		Remuneration granted and due						Allocation	
		Value of the preliminary stock awards at balance sheet date		Expense in accordance with IFRS 2 (fair value at grant date)					
		2023	2024	2023	2024	2024* (Target achievement)	2024** (Maximum remuneration)	2023	2024
Non-performance related remuneration	Fixed remuneration	330	376	330	376	376	376	330	376
	Fringe benefits	14	5	14	5	5	5	14	5
	Total	344	381	344	381	381	381	344	381
Performance related remuneration	Short-term variable remuneration	991	921	991	921	1,493		991	921
	STI 2023	991	0	991	0	0		991	0
	STI 2024	0	921	0	921	1,493		0	921
	Long-term variable remuneration	1,581	591	1,410	1,543	2,353		0	0
	LTI tranche 2021-2023 (vesting period 2021-2027)***	0	0	0	0	0		0	0
	LTI tranche 2022-2024 (vesting period 2022-2025)	0	0	0	0	0		0	0
	LTI tranche 2023-2025 (restriction period 2023-2026)	1,581	0	1,410	0	0		0	0
	LTI tranche 2024-2026 (restriction period 2024-2027)	0	591	0	1,543	2,353		0	0
	Total	2,571	1,512	2,400	2,464	3,846	2,464	991	921
	Total non-performance and performance-related remuneration	2,915	1,892	2,744	2,845	4,226	2,845	1,335	1,302
Pension allowance		0	0	0	0	0	0	0	0
Total remuneration		2,915	1,892	2,744	2,845	4,226	2,845	1,335	1,302
Thereof as a percentage	Portion of fixed remuneration	12%	20%	13%	13%	9%	13%	26%	29%
	Portion of variable remuneration	88%	80%	87%	87%	91%	87%	74%	71%

* Theoretical target remuneration without taking into account remuneration limits in accordance with remuneration system

** Maximum remuneration taking into account the remuneration limits in accordance with the remuneration system

*** The restriction period was extended from 2025 to 2027 by the member of the Executive Board

Dr. Jochen Linck Member of the Executive Board Member of the Executive Board from Oct 01, 2020 until September 30, 2023		Remuneration granted and due						Allocation	
		Value of the preliminary stock awards at balance sheet date		Expense in accordance with IFRS 2 (fair value at grant date)					
		2023	2024	2023	2024	2024* (Target achievement)	2024* (Maximum remuneration)		
in EUR thousands		2023	2024	2023	2024			2023	2024
Non-performance related remuneration	Fixed remuneration	248	0	248	0	0	0	248	0
	Fringe benefits	4	0	4	0	0	0	4	0
	Total	252	0	252	0	0	0	252	0
Performance related remuneration	Short-term variable remuneration	764	0	764	0	0		764	0
	STI 2023	764	0	764	0	0		764	0
	STI 2024			0	0	0		0	0
	Long-term variable remuneration	1,218	0	1,087	0	0	0	0	378
	LTI tranche 2020-2022 (vesting period 2020-2023)	0	0	0	0	0		0	378
	LTI tranche 2021-2023 (vesting period 2021-2027)	0	0	0	0	0		0	0
	LTI tranche 2022-2024 (vesting period 2022-2025)	0	0	0	0	0		0	0
	LTI tranche 2023-2025 (restriction period 2023-2026)**	1,218	0	1,087	0	0		0	0
	Total	1,982	0	1,851	0	0	0	764	378
	Total non-performance and performance-related remuneration		2,234	0	2,103	0	0	0	1,016
Pension allowance		0	0	0	0	0	0	0	0
Total remuneration		2,234	0	2,103	0	0	0	1,016	378
Thereof as a percentage	Portion of fixed remuneration	11%	0%	12%	0%	0%	0%	25%	0%
	Portion of variable remuneration	89%	0%	88%	0%	0%	0%	75%	100%

* Theoretical target or maximum compensation according to the remuneration system applicable to Dr. Jochen Linck

** LTI tranche for the period from January 01 to September 30, 2023

Dr. Bernd Schulte Member of the Executive Board Member of the Executive Board until March 31, 2021		Remuneration granted and due						Allocation	
		Value of the preliminary stock awards at balance sheet date		Expense in accordance with IFRS 2 (fair value at grant date)					
		2023	2024	2023	2024	2024* (Minimum)	2024* (Maximum)		
in EUR thousands		2023	2024	2023	2024	2024* (Minimum)	2024* (Maximum)	2023	2024
Non-performance related remuneration	Fixed remuneration	0	0	0	0	0	0	0	0
	Fringe benefits	0	0	0	0	0	0	0	0
	Total	0	0	0	0	0	0	0	0
Performance related remuneration	Short-term variable remuneration	0	0	0	0	0	0	0	0
	Long-term variable remuneration	0	0	0	0	0	0	1,202	585
	Share-based portion of one-year variable remuneration 2019 under old system (restriction period 2019-2022)	0	0	0	0	0	0	1,202	0
	Share-based portion of one-year variable remuneration 2020 under old system (restriction period 2020-2023)	0	0	0	0	0	0	0	585
	Total	0	0	0	0	0	0	1,202	585
	Total non-performance and performance-related remuneration	0	0	0	0	0	0	1,202	585
Pension allowance		0	0	0	0	0	0	0	0
Total remuneration		0	0	0	0	0	0	1,202	585
Thereof as a percentage	Portion of fixed remuneration	0%	0%	0%	0%	0%	0%	0%	0%
	Portion of variable remuneration	0%	0%	0%	0%	0%	0%	100%	100%

* Theoretical minimum and maximum remuneration according to that for Dr. Bernd Schulte valid remuneration system

Shares Granted and Awarded to the Executive Board under the LTI in Accordance with Section 162 (1) Sentence 2 No. 3 AktG

Name, position	Description of plan	Restriction period	Development of granted or awarded shares		
			Awarded shares January 01	a) Granted (+) or forfeited (-) shares b) Awarded shares (-)	Awarded shares December 31
Dr. Felix Grawert Chairman of the Executive Board	Variable remuneration 2020 old system*	2020-2024	18,072	b) -18,072	0
	LTI tranche 2020-2022**	2020-2023	33,941	b) -33,941	0
	LTI tranche 2021-2023	2021-2027****	165,852		165,852
	LTI tranche 2022-2024	2022-2025	114,070	a) -8,708	105,362
	LTI tranche 2023-2025***	2023-2026	65,705		65,705
	LTI tranche 2024-2026***	2024-2027	0	a) 71,999	71,999
					408,918

* Prorated from January 01 to August 13, 2020

** Prorated from August 14 to December 31, 2020

*** The number of shares can change due to the actual target achievement at the end of the reference period

****The restriction period was extended by the member of the Management Board from 2024 to 2027

Name, position	Description of plan	Restriction period	Development of granted or awarded shares		
			Awarded shares January 01	a) Granted (+) or forfeited (-) shares b) Awarded shares (-)	Awarded shares December 31
Dr. Christian Danninger Member of the Executive Board	LTI tranche 2021-2023*	2021-2027**	69,269		69,269
	LTI tranche 2022-2024	2022-2025	70,977	a) -5,418	65,559
	LTI tranche 2023-2025***	2023-2026	40,883		40,883
	LTI tranche 2024-2026***	2024-2027	0	a) 38,802	38,802
					214,512

* Prorated from May 01 bis December 31, 2021

** The restriction period was extended by the member of the Management Board from 2024 to 2027

***The number of shares can change due to the actual target achievement at the end of the reference period

Name, position	Description of plan	Restriction period	Development of granted or awarded shares		
			Awarded shares January 01	a) Granted (+) or forfeited (-) shares b) Awarded shares (-)	Awarded shares December 31
Dr. Jochen Linck (Member of the Executive Board until September 30, 2023)	LTI tranche 2020-2022*	2020-2023	13,977	b) -13,977	0
	LTI tranche 2021-2023	2021-2024	103,197		103,197
	LTI tranche 2022-2024	2022-2025	70,977	a) -5,418	65,559
	LTI tranche 2023-2025**/**	2023-2026	31,518		31,518
					200,274

* Prorated from October 1 to December 31, 2020

** The number of shares can change due to the actual target achievement at the end of the reference period.

*** Prorated for the period from January 01 to September 30, 2023

Name, position	Description of plan	Restriction period	Development of granted or awarded shares		
			Awarded shares January 01	a) Granted (+) or forfeited (-) shares b) Awarded shares (-)	Awarded shares December 31
Dr. Bernd Schulte (Member of the Executive Board until March 31, 2021)	Variable remuneration 2020	2020-2024	26,153	b) -26,153	0
	Variable remuneration 2021	2021-2025	10,800		10,800
					10,800

Benefits in connection with the termination of activity on the Executive Board

Apart from the provisions regarding the termination of an Executive Board member's contract, there are no other contractually agreed benefits that would apply if an Executive Board member were to leave the Company, such as retirement benefits, the further use of a company car or office, or the continued payment of other benefits.

Comparative Presentation of the Annual Change in the Remuneration of the Members of the Executive Board with the Development of Earnings and the Average Remuneration of the Employees of AIXTRON SE

The following table shows a comparison of the percentage change in the remuneration of the members of the Executive Board with the earnings development of AIXTRON SE and the AIXTRON Group as well as with the average remuneration of the employees on a full-time equivalent basis compared to the previous year. The remuneration of the members of the Executive Board included in the table reflects the remuneration granted and due to the respective Executive Board members in the reporting year and thus corresponds to the value stated in the preceding remuneration tables in the column "Remuneration granted and due" for the fiscal years 2024 and 2023 within the meaning of Section 162 (1) sentence 1 AktG. Where members of the Executive Board were only remunerated on a pro rata basis in individual fiscal years, for example due to joining or leaving the Company during the year, the remuneration for this fiscal year was extrapolated to a full year to ensure comparability.

The development of earnings is generally presented on the basis of the development of the annual result of AIXTRON SE in accordance with Section 275 (3) No. 16 HGB (German Commercial Code). As the remuneration of the members of the Executive Board is also significantly dependent on the business success of the AIXTRON Group, the development of revenues, EBIT and net income for the year is also stated for the Group.

The comparison with the development of the average remuneration of employees is based on the average remuneration of the workforce of the Group parent company AIXTRON SE in Germany. Since the employee and remuneration structures in the subsidiaries are manifold, in particular in the case of employees abroad, it is appropriate for the comparison of the development of the average remuneration to be based only on the total workforce of AIXTRON SE. This comparison group was also used in the examination of the appropriateness of the remuneration of the members of the Executive Board. In this context, the remuneration of all employees of AIXTRON SE, including the leadership team and excluding student assistants, was taken into account. In order to ensure comparability, the remuneration of part-time employees was extrapolated to full-time equivalents.

Remuneration reporting is intended to provide a transparent presentation of how the remuneration for the Executive Board is determined and recognized. Due to market fluctuations, the value of the preliminary stock awards as of the balance sheet date may differ significantly from the expenses recognized in accordance with IFRS 2 (LTI expenses).

For this purpose, the difference between the share-based payment expense (LTI expense) recognized in accordance with IFRS 2 and the value of the provisional share awards as at the balance sheet date is presented.

Comparison of Annual Changes in Executive Board Remuneration pursuant to Section 162 (1) no. 2 of the German Stock Corporation Act (AktG)

	31.12.24 versus 31.12.23	31.12.23 versus 31.12.22	31.12.22 versus 31.12.21	31.12.21 versus 31.12.20
Annual change (in %)				
Executive Board remuneration				
Value at the respective balance-sheet date (forfeitable stock awards)				
Dr. Felix Grawert	-29%	-11%	44%	152%
Dr. Christian Danninger*	-35%	-11%	42%	n.a.
Fair value as of the grant date (forfeitable stock awards, expense according to IFRS 2)				
Dr. Felix Grawert	17%	-2%	18%	166%
Dr. Christian Danninger*	4%	-2%	13%	n.a.
Earnings development of AIXTRON SE and the Group				
Group revenues	1%	8%	8%	59%
Group EBIT	-16%	6%	6%	184%
Group net income	-27%	6%	6%	175%
AIXTRON SE income	-6%	6%	6%	275%
Average remuneration of AIXTRON employees**				
Employees of AIXTRON SE	0%	7%	3%	9%

* Executive Board member since May 01, 2021, amount for 2021 calculated on an annualized basis

** Based on full-time equivalents; gradual build-up over an observation period of five financial years

For the LTI tranche 2024-2026, there are large differences between the value of the preliminary stock awards at the reporting date price and the expense in accordance with IFRS 2. The reason for this is the sharp fall in the share price in the 2024 financial year.

Taking into account the value of the preliminary stock awards as at the balance sheet date, the remuneration of the Executive Board developed as follows in the 2024 financial year

- for Dr. Felix Grawert -29% (expense in accordance with IFRS 2: 17%)
- for Dr. Christian Danninger -35% (expense in accordance with IFRS 2: 4%)

Stock option programs

The remuneration system described does not include any share options. Therefore, Dr. Felix Grawert and Dr. Christian Danninger do not hold any share options.

Information on the claw-back rule

There was no clawback of variable remuneration components for members of the Executive Board (clawback clause) in the 2024 financial year.

Outlook on the application of the remuneration system for 2025

Short-term variable remuneration (STI)

In December 2024, the Supervisory Board set the following target dimensions and performance criteria for short-term variable remuneration (STI) for the current 2025 financial year:

- Target dimension "Consolidated net income" (70% of total): The Supervisory Board has set a target value for consolidated net income for 2025 as part of internal forecast.
- Target dimension "Market position" target dimension (15% of total): For the "Market position" target dimension, the Supervisory Board has set targets for key markets for 2025.
- Target dimension "Financial and operational targets" (15% of total): Performance criteria were defined for the target dimension "Financial and operational targets" in the area of operational performance and product-related performance.

Long-term variable remuneration (LTI)

The Supervisory Board has defined the following performance criteria for the reference period of the long-term variable remuneration (LTI) beginning in the 2025 financial year:

- Consolidated net income for the financial years 2025, 2026 and 2027 (35% of total)
- Development of total shareholder return (TSR) from Q4/2024 to Q4/2027 (50% of total)
- Sustainability targets (15% of total):
 - Reduction of standardized energy consumption of current AIXTRON systems for power electronics by the end of 2027
 - Promotion of diversity, further training and skills development for employees and managers, measured at the end of 2027
 - Continuous improvement of environmental management and occupational health and safety by the end of 2027

The target achievement of the LTI remuneration 2025 is calculated on the basis of the results achieved in the period from January 01, 2025 to December 31, 2027. The share price of AIXTRON SE relevant for the LTI grant is EUR 14.523. It corresponds to the average of the XETRA closing prices on all stock exchange trading days in the fourth quarter of 2024. The degree of fulfillment of the performance criteria will be determined by the Supervisory Board after the end of fiscal year 2027. The forfeitable stock awards will then be converted into non-forfeitable stock awards depending on target achievement. At the end of a 4-year restriction period, which ends on December 31, 2028 for the 2025 financial year, one share in the Company will be transferred for each vested share award. This is to take place in the week following the publication of the annual report.

Remuneration of Supervisory Board Members

The remuneration of the Supervisory Board is regulated in Section 17 of the Articles of Association of AIXTRON SE. At the Annual General Meeting in May 2024, the amendment to the remuneration of the Supervisory Board and the corresponding revision of Section 17 of the Articles of Association as well as the approval of the amended remuneration system for the Supervisory Board were approved. The amendments apply for the first time pro rata temporis for the 2024 financial year from the date of the Annual General Meeting.

In the previous remuneration system, the activities in the Supervisory Board Committees were only taken into account when determining remuneration with regard to the chairmanship of the Audit Committee, but not beyond that. The previous remuneration system was adjusted to take account of the increased importance of Committee work and the associated increased time commitment in accordance with recommendation G.17 of the German Corporate Governance Code. As part of the adjustment, the remuneration for members of the Audit Committee in particular was increased due to the particular importance of this Committee. No other changes were made to the remuneration of the Supervisory Board.

Accordingly, the annual fixed remuneration for the individual member of the Supervisory Board remains unchanged at EUR 60,000, for the Chairman three times this amount and for the Deputy Chairman one and a half times the remuneration of an ordinary member of the Supervisory Board. The members of the Audit Committee receive additional annual remuneration of EUR 20,000, with the Chairman of the Audit Committee receiving twice this amount (2023: EUR 20,000 only for the Chairman of the Audit Committee). The members of other Supervisory Board Committees each receive an additional annual remuneration of EUR 10,000 for their Committee activity, whereby the chairperson of a Committee receives twice this amount and provided that the respective Committee has met at least once in the financial year to fulfill its duties (2023: EUR 0).

No attendance fees or other variable remuneration is granted.

Members of the Supervisory Board who only belong to the Supervisory Board for part of the financial year or who chair or deputy chair the Supervisory Board or Audit Committee receive one twelfth of the above-mentioned remuneration pro rata temporis for each month or part thereof of the corresponding activity on the Supervisory Board.

The Company assumes insurance premiums paid for liability and legal expenses insurance to cover liability risks arising from Supervisory Board activities for the members of the Supervisory Board, as well as the insurance tax payable thereon.

The Supervisory Board members receive no loans from the Company.

The remuneration attributable to the individual members of the Supervisory Board in the 2024 and 2023 financial years is shown individually in the table below. As in previous years, no remuneration was paid for personal services rendered by Supervisory Board members in the 2024 financial year.

Supervisory Board Remuneration

Supervisory Board Member	Year	Total fixed remuneration in EUR thousands	Fixed remuneration in EUR thousands	in %	Committee remuneration in EUR thousands	in %
Kim Schindelhauer ¹⁾²⁾³⁾⁴⁾⁵⁾ (Chairman of the Supervisory Board, Chairman of the Capital Markets Committee)	2024	207	180	87%	27	13%
	2023	180	180	100%	0	0%
Frits van Hout ⁴⁾ (Deputy Chairman of the Supervisory Board, Chairman of the Remuneration Committee)	2024	103	90	87%	13	13%
	2023	90	90	100%	0	0%
Stefan Traeger ²⁾³⁾⁶⁾⁷⁾	2024	67	60	90%	7	10%
	2023	60	60	100%	0	0%
Prof. Dr. Anna Weber ¹⁾ (Chairwoman of the Audit Committee, Independent Financial Expert)	2024	93	60	64%	33	36%
	2023	80	60	75%	20	25%
Alexander Everke ⁸⁾⁹⁾¹⁰⁾¹¹⁾ (Chairman of the Nomination Committee)	2024	74	40	54%	34	46%
	2023	0	0	0%	0	0%
Karen Florschütz ¹¹⁾	2024	47	40	86%	7	14%
	2023	0	0	0%	0	0%
Prof. Dr. Andreas Biagosch ¹²⁾¹³⁾ (until Mai 15, 2024)	2024	25	25	100%	0	0%
	2023	60	60	100%	0	0%
Prof. Dr. Petra Denk ⁷⁾ (until Mai 15, 2024)	2024	25	25	100%	0	0%
	2023	60	60	100%	0	0%
Total	2024	641	520	81%	121	19%
	2023	530	510	96%	20	4%

1) Member of the Audit Committee

2) Member of the Capital Markets Committee

3) Member of the Nomination Committee

4) Member of the Remuneration Committee

5) Former AIXTRON Executive Board Member

6) Member of the Audit Committee until May 15, 2024

7) Member of the Remuneration Committee until May 15, 2024

8) Member of the Audit Committee from May 15, 2024

9) Member of the Capital Market Committee from May 15, 2024

10) Member of the Nomination Committee from May 15, 2024

11) Member of the Remuneration Committee from May 15, 2024

12) Member of the Capital Market Committee until May 15, 2024

13) Member of the Nomination Committee until May 15, 2024

Directors & Officers (D&O) Insurance

In accordance with the requirements of Section 93 para. 2 AktG, AIXTRON SE has arranged a D&O insurance policy for all members of the Executive Board against risks from their professional activities for the Company, which in each case provides for a deductible of at least 10% of the damage up to at least the amount of one and a half times the fixed annual remuneration of the Executive Board member. For the members of the Supervisory Board of AIXTRON SE, the Company has arranged D&O insurance policies.

COMBINED MANAGEMENT AND GROUP MANAGEMENT REPORT

FOR THE FISCAL YEAR 2024

This Management Report combines the AIXTRON Group Management Report (hereinafter also referred to as “AIXTRON”, “AIXTRON Group”, or “the Group”), consisting of AIXTRON SE (hereinafter also referred to as “the Company”) and its consolidated subsidiaries, with the Management report of AIXTRON SE.

The reporting period corresponds to the 2024 financial year, i.e. the period from January 01, 2024 to December 31, 2024.

In this report, we inform about the business development as well as the situation and the expected development of the AIXTRON Group and AIXTRON SE. The information regarding AIXTRON SE is contained in a separate section in the report on economic position with disclosures in accordance with the German Commercial Code (HGB).

The Consolidated Financial Statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, pursuant to section 315e of the German Commercial Code (HGB). With the exception of the HGB disclosures in the chapter Management Report of AIXTRON SE, all financial figures contained in this Group Management Report, including the comparative figures for the previous year, are reported in accordance with IFRS.

The non-financial group reporting is carried out as part of an integrated sustainability report, which is included in the consolidated management report of the group report. The non-financial group reporting is not subject to the statutory annual and consolidated financial statement audit according to section 317 HGB.

Due to rounding, numbers presented throughout this report may not add up precisely to the totals indicated and percentages may not precisely reflect the absolute figures for the same reason.

Fundamental Information on the Group

Business Model

//ESRS 2 SBM-1

AIXTRON develops, produces and installs equipment for the deposition of complex semiconductor materials, and also offers deposition processes, consulting, training, customer support and service for these systems. AIXTRON also provides peripheral devices and services for the operation of its systems.

AIXTRON supplies deposition equipment for volume production as well as for research and development (R&D) and pre-series production.

AIXTRON system are in demand as our tools are an enabling technology for higher energy efficiency in power electronics, the transformation towards electromobility, for the increasing bandwidth of data, as well as the use of 3D sensor technology in consumer electronics and in the automotive sector. Additionally, they enable the use of innovative technologies like Micro LEDs in displays. With deposition technology, AIXTRON helps its customers increase the performance and quality of modern power and optoelectronics components and reduce production costs.

AIXTRON falls within the scope of the EU Dual-Use Regulation and supplies systems and spare parts based on the correspondingly required export permits.^{//¹}

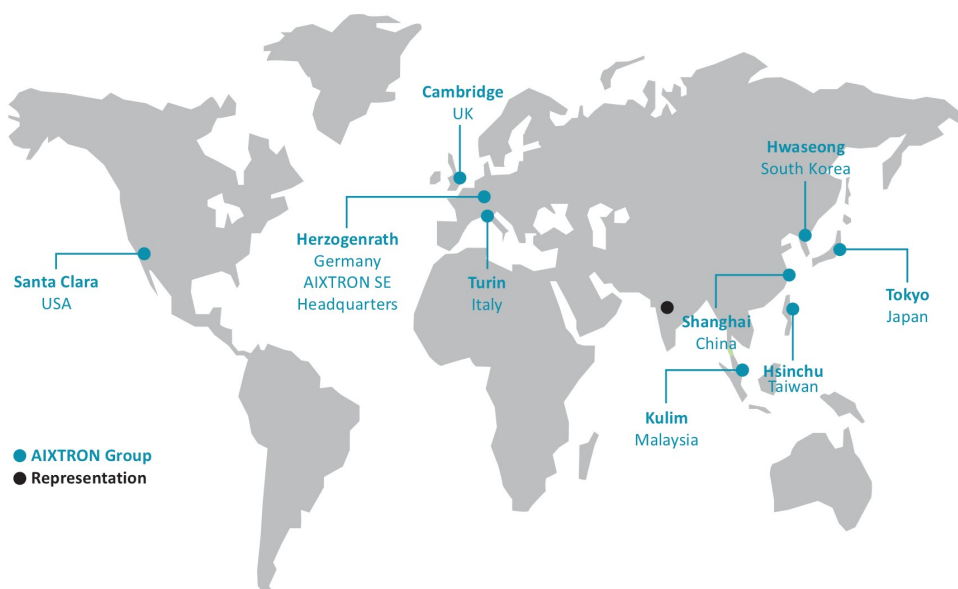
Organizational Structure

Locations and Legal Corporate Structure

The AIXTRON Group comprises the parent company AIXTRON SE with its registered office in Herzogenrath, Germany, and its subsidiaries. As of December 31, 2024, AIXTRON SE held direct and indirect stakes in 13 (previous year 13) companies which are part of the AIXTRON Group, and which are fully consolidated. In the 2024 financial year, AIXTRON operated at the following locations:

¹ //This section is part of the integrated sustainability report of the AIXTRON Group.//

Facility location	Use
Herzogenrath, Germany	Headquarters, R&D, Manufacturing, Sales, Service
Cambridge, United Kingdom	R&D, Manufacturing, Service
Turin, Italy	Production
Santa Clara, CA, USA	Sales, Service
Hwaseong, South Korea	Sales, Service
Shanghai, China	Sales, Service
Hsinchu, Taiwan	Sales, Service
Tokyo, Japan	Sales, Service
Kulim, Malaysia	Service



Management and Control

As a European stock company (Societas Europaea) the AIXTRON SE has a dual management and control structure consisting of an Executive Board and a Supervisory Board. The Executive Board is responsible for managing the Company at its own responsibility while being advised and monitored by the Supervisory Board. In 2024, there were the following personnel changes in the Company's management and supervisory bodies:

At the Annual General Meeting on May 15, 2024, Ms. Karen Florschütz and Mr. Alexander Everke were newly elected to the Supervisory Board. They succeed Prof. Dr. Petra Denk and Prof. Dr. Andreas Biagosch, who left the AIXTRON Supervisory Board at the end of

their regular term of office. The composition of the Executive Board has not changed since December 31, 2023.

Detailed information on the composition of the Executive Board and the Supervisory Board, the allocation of responsibilities between them, the operating procedures of the Supervisory Board committees and the Company's diversity concept can be found in the [Declaration of Corporate Governance](#), which is part of the annual report and also available on the AIXTRON website at [Declaration of Corporate Governance](#).²

Technology and Products

The AIXTRON product range includes customer-specific systems for the deposition of complex semiconductor materials. Here, substrates of different materials and sizes can be coated.

The **MOCVD process (Metal-Organic Chemical Vapor Deposition)** is used to manufacture components for power electronics or for optoelectronics from compound semiconductor materials.

//ESRS 2 SBM-1

Our systems in the field of **power electronics** are used for the production of gallium nitride (GaN) semiconductor components, which, for example, increase the performance of chargers in consumer electronics, enable energy-saving power supply for servers and data centers and efficient power conversion in the field of renewable energy. A second major field of application for power electronics are silicon carbide (SiC) components, which are used, for example, in the main inverters for electric vehicles, in their charging infrastructure, and also in inverters for renewable energies (solar and wind). These components are also manufactured by our customers using our CVD systems. Both GaN and SiC are material systems with a wide band gap (WBG) that are beginning to be increasingly used in various areas of power electronics. Through their use, they contribute to the decarbonization of our modern society and make an important contribution to climate protection.

On our systems in the field of **optoelectronics**, customers manufacture lasers for fast optical data transmission and for 3D sensors. The latter are increasingly used in applications that require recognition of the spatial context, e.g. in the environment detection of robots or in autonomous vehicles. Another area of application is the production of LED picture elements (pixels) for display applications of the next generation, so-called Micro LED displays. Other applications of our systems include the production of special LEDs, such as red, orange and yellow LEDs (ROY) for automotive lighting and indoor farming, among others.

AIXTRON is continuously working to improve its existing technologies and products. After AIXTRON presented the first system of the newly developed generations with the G10-SiC in 2022, the G10 product family was completed in 2023 by the G10-GaN and the G10-AsP (arsenide-phosphide). The G10-GaN is a fully automated, compact MOCVD cluster tool for high-production power electronics factories and can be used to produce GaN devices on both 150mm and 200mm wafers. The G10-AsP is designed for the production of

² The information in the Corporate Governance Declaration was made in accordance with the requirements of the German Corporate Governance Code 2022. They are to be classified as "not related to the Management Report" because they go beyond the legal requirements and are therefore not part of the substantive audit by the auditor.

optoelectronic components e.g. for optical data communication or Micro LED and can also be used for 150mm and 200mm wafers. In addition to continuously improving material performance, the focus of the entire G10 product family is particularly on further optimizing the systems for large-scale production through more automation with industry-standard interfaces, for example through the efficient use of limited clean room areas in semiconductor factories.

AIXTRON is also prepared for the next technological step, the leap to 300 mm wafers for applications. In addition to various pilot systems that have already been delivered to a handful of customers for their technology development, the new innovation center is designed for the further development of systems for 300 mm technology.^{//³}

Business Processes

Manufacturing and Procurement

//ESRS 2 SBM-1

AIXTRON produces its prototype and customer systems at its production sites in Herzogenrath, Cambridge and Turin. Production focuses on the assembly, testing and qualification as well as commissioning of the systems according to standardized specifications.

The Group procures the components required to manufacture the systems and the majority of pre-assembled modules from external suppliers and service providers. The performance of our supply chains is constantly optimized in order to be able to respond as effectively as possible to the strong seasonality and cyclicity typical of the market. The necessary planning and specific measures in the areas of sales, purchasing, production and quality are updated on the basis of a rolling forecast in order to deliver the systems to customers on time and in high quality. In cooperation with partners in the supply chain, the necessary flexibility and adaptability are constantly being expanded.

The systems are assembled with the help of external service providers in the company's own production facilities or, if required, in rented nearby facilities. The subsequent commissioning, testing and qualification of the systems is carried out by AIXTRON specialists. The planning, control and monitoring of production is the sole responsibility of AIXTRON employees.

AIXTRON's production sites have a process-oriented quality management system certified in accordance with ISO 9001:2015. In 2024, external auditors confirmed the certification of the quality management systems of both AIXTRON SE and AIXTRON Ltd.^{//⁴}

Employees

//ESRS S1-6

AIXTRON's leading position in the global market and ability to continuously innovate are the result of the commitment and knowledge of our employees. Therefore, our human resources department is designed to create a safe and supportive working environment and to promote a culture of appreciation and collaboration.

³ //This section is part of the integrated sustainability report of the AIXTRON Group.//

⁴ //This section is part of the integrated sustainability report of the AIXTRON Group.//

Attracting and retaining highly qualified specialists and managers is a key success factor. Competing for the best talent, we are continuously enhancing our attractiveness as an employer brand with various employer branding activities. In addition to a comprehensive, informative careers page and other communication channels, we use a wide range of target group-specific recruitment channels, increasingly in social media. Depending on the applicant group, we approach candidates via XING, LinkedIn, Facebook and Instagram. In addition, we reorganized and centralized our internal recruiting process in 2024. From AIXTRON's perspective, this leads to an improved perception of the application process, which is also reflected in the positive feedback from candidates. Personal contact with potential applicants at job fairs and similar events and as part of our close cooperation with universities is also very important to us. Since the end of 2023, we have been supporting talented young people at RWTH Aachen University as part of the Germany Scholarship.

AIXTRON is working consistently to establish a modern corporate culture with a mature leadership culture and good teamwork. We attach great importance to supporting our employees competently and in a spirit of partnership, to promoting them individually and challenging them with future-oriented projects and tasks. As part of our company-wide personnel development concept, we offer our employees a wide range of continuous professional development measures as well as individual training and development opportunities. These include e-learning courses in the areas of language development, software, communication and conflict management, which our employees can use at any time, as well as training courses on working methods such as moderation techniques, time and project management, which are conducted with external trainers. Employees can also take advantage of coaching and mediation services.

Another central pillar of our corporate culture is AIXTRON's commitment to diversity and equal opportunities. We promote intercultural exchange through various activities, such as the AIXTRON Cookbook of Nations. We also value an appropriate gender balance and a balanced age structure.

In the 2024 fiscal year, the number of employees in the Group increased by approximately 5% from 1,147 at the end of 2023 to 1,207 as at December 31, 2024. This increase in employees primarily took place in the area of Research and Development. As in previous years, the majority of employees are based in Europe. ⁵

Customers and Regions

//ESRS 2 SBM-1

AIXTRON's current customers have successfully established and expanded their value chains in the power electronics, optoelectronics, display and automotive industries. The increasing digitalization and expansion of the application fields of artificial intelligence have increased the demand for semiconductor components with enhanced performance for applications in the IT infrastructure. Consumer electronics, use in household appliances (white goods) as well as energy generation and electromobility are strengthening the development of current markets.

The new generation of GaN-based semiconductor components, which address both the medium and low-voltage classes, are constantly expanding their areas of application.

⁵ //This section is part of the integrated sustainability report of the AIXTRON Group.//

Thanks to their smaller and lighter design, faster charging times and significantly higher efficiency, GaN semiconductor components are also being used in battery-powered tools, electric motors for household appliances and wireless charging stations. High-performance semiconductor components based on SiC with lower switching losses and high efficiency in current conversion can be found in converters or voltage converters in electric vehicles and fast charging stations on roads. They are also used in rail transportation technology, wind and solar energy generation and in industrial applications where high currents are processed.

In optoelectronics, AIXTRON's customers continue to manufacture lasers for consumer electronics and the automotive sector. With the higher level of digitization and increased volume in data transmission, particularly in the area of AI data centers, demand for laser applications has increased in recent months.

The development of the display industry remains constant with low growth. The current focus is on Micro LEDs for displays and display panels of all sizes. The market launch of new Micro LEDs is expected to be delayed by two to three years due to technological challenges.

In today's customers ecosystem, we differentiate between customers who either prefer vertical integration and thus serve the entire value chain up to the end user, or independent manufacturers of various devices or epitaxy wafers. The latter supply products manufactured on AIXTRON equipment to companies at the next stage in the value chain, the manufacturers of electronic components. In addition to industrial customers, AIXTRON's customers also include research institutes and universities, where research into novel materials and new fields of application is being driven forward to create the basis for novel components of the next generation.

AIXTRON's products are sold worldwide. The market segments and product mix are regionally different. The current demand for GaN and SiC power semiconductor equipment is strongly driven by the expansion of production capacity not only in Europe and America, but also in Asia, such as Japan and Korea. AIXTRON generates around half of its current sales here. Within the rest of Asia, the Chinese optoelectronics and LED markets dominate, followed by power electronics.⁶

The [Development of Revenues](#) chapter contains a detailed breakdown of revenues by region.

Objectives and Strategy

With the development, manufacture, sales and maintenance of systems for deposition of complex compound materials, AIXTRON addresses future markets along many end-use areas, such as consumer electronics, IT infrastructure, artificial intelligence, automotive industry, telecommunications and power generation.

In the area of these complex deposition processes, AIXTRON's strategy is to develop the technology and products with a clear focus on its core competencies so that they address as many end applications as possible. This involves two main topics:

⁶ //This section is part of the integrated sustainability report of the AIXTRON Group.//

- increasing the performance of the complex deposition processes to best meet the specific requirements of the end application. In many cases, this improvement is what makes the end application technically possible in the first place, for example in the growth area of Micro LED;
- increasing productivity, particularly with regard to the operating costs of the system for the specific application.

The combination of both topics enables AIXTRON to be highly competitive for the specifications of the respective application. In this way, AIXTRON is addressing the growing end markets to generate the revenues for the development of further promising future applications.

As with all manufacturers of production equipment, AIXTRON's business is dependent on its customers' willingness to invest. This depends on the economy, so another of AIXTRON's strategic goals is to develop the greatest possible resilience to economic fluctuations. The main levers for achieving this goal are, on the one hand, operational flexibility and excellence and, on the other hand, investments in research and development that span cycles in order to be able to offer a broad product portfolio that addresses different, less correlated end markets. These development activities are subject to strict and continuous prioritization based on a risk-adjusted return on investment assessment.

Technology Portfolio for Complex Material Deposition



Our strategic goal is to secure our market position in our core markets in the long term through continuous innovation and technological leadership. In addition, we aim to expand the range of addressable end applications and penetrate adjacent markets by applying our core competencies. The economic and ecological sustainability of our business, increasing sales and improving profitability are at the center of our strategic planning.

The core of our strategy is to adapt the products to the requirements of the respective application areas while maintaining the focus on using AIXTRON's core competencies. This targeted addressing of the applications and markets that are attractive for AIXTRON in terms of size, growth, profitability and differentiation potential is currently very successful. Because these applications from different areas such as consumer electronics, IT infrastructure, artificial intelligence and electromobility are subject to growth dynamics that are largely independent of one another. AIXTRON is not dependent on a single segment, but strives to be robust against fluctuations in individual application markets across the range of applications and the broadly diversified customer base. For this purpose, AIXTRON is actively developing a broad technology portfolio through its own or funded developments, through cooperation or targeted acquisitions. The maintenance and development of technology ecosystems in close cooperation with customers and, if necessary, their customers or technology partners allows AIXTRON to establish new technologies and develop new applications.

Our main focus is on markets in which the application of our technology enables us to differentiate ourselves from our competitors and thus offer our customers decisive added value. In addition, AIXTRON prioritizes markets and segments from an economic point of view so that differentiation through technology also has a positive economic impact.

AIXTRON pursues a platform strategy with its system families. With a high proportion of common parts, the systems can be customized. As outlined in the previous section, this enables broad diversification and the servicing of numerous applications. In addition to the planetary systems, which address customers with high production volumes, AIXTRON sells systems based on the showerhead principle, which are primarily used for research and development. This enables AIXTRON to be involved at an early stage in the development of new applications and to understand emerging customer needs in new markets.

One of the technological differentiators of AIXTRON is the homogeneity of the physical properties of the deposited layers and thus a high yield on the wafer, combined with high throughput and low material and maintenance costs. This combination results in the high productivity and efficiency of our systems, e.g. through the high throughput of the systems thanks to the so-called batch reactor, in which several wafers can be produced simultaneously. This allows our customers to allocate direct and indirect system costs, such as costs for clean room space, to high production volumes. In many applications, the high reactor architecture-related efficiency of material usage is another important cost factor.

Control System

Since numerous business activities within the group are largely integrated at the operational level, the Executive Board of AIXTRON SE controls the group at the level of the overall group. The developments forecast for the Group by the Executive Board therefore also apply to AIXTRON SE.

Key Financial Performance Indicators

The most important financial performance indicators for the AIXTRON Group are revenues, gross profit relative to revenue (gross margin) and earnings before interest and taxes relative to revenues (EBIT margin). They are determined monthly in the AIXTRON

reporting system and made available to management in a comprehensive report. This enables the Executive Board to identify growth drivers at an early stage, to analyze developments during the year and take prompt countermeasures in the event of any discernible deviations.

AIXTRON aims to achieve organic revenue growth, exchange rate effects are excluded when setting revenue targets. The gross margin provides information on the profitability and return on investment of AIXTRON's operating business. The EBIT margin is used as an additional important indicator for operational management and analysis of the earnings situation.

The key financial indicators mentioned are the most important financial performance indicators for AIXTRON.

Further performance Indicators

Order intake is an important key figure and is explained in the section [Development of Orders](#).

Non-Financial Performance Indicators

In the current Executive Board remuneration system, AIXTRON defines annual sustainability targets for the Executive Board as part of the Long Term Incentive (LTI), which are to be achieved over a three-year reference period, and includes corresponding non-financial performance indicators in Group management.

The following non-financial performance indicators were defined for the LTI reference period beginning in the 2024 financial year:

- Decarbonization targets in accordance with the criteria of the Science Based Target Initiative (SBTi) and achievement of "Target Approved" status by the end of 2026.
- Diversity and variety as well as employee retention, each measured at the end of 2026 in relation to defined employee groups.

Research and Development (R&D)

In addition to the R&D center at its headquarters in Herzogenrath, AIXTRON also operates a R&D laboratory in Cambridge, United Kingdom. These in-house laboratories are equipped with AIXTRON systems and are used to research and develop new equipment, materials and processes for the production of semiconductor structures.

In May 2023, the company announced that it would be investing in a new innovation center at the Herzogenrath site. Work on the building, which has a cleanroom area of around 1,000 m², began in November 2023. The innovation center was officially opened in December 2024. The new building will provide sufficient space for the development of the next product generations, in particular for the introduction of 300 mm wafer technology.

Focus on innovation

In 2024, the Group's R&D activities continued to include development programs for future technologies and new innovative products as well as continuous improvement of

AIXTRON's existing products. In order to increase industrial maturity, products were optimized along the entire value chain, e.g. through design improvements of externally supplied components or through improved data analysis. In addition, AIXTRON is working on customer-specific development projects and researching new technologies, often in the context of publicly funded projects.

The Group's R&D expertise remains of great strategic importance to AIXTRON, as we believe it ensures a competitive, leading edge technology portfolio and supports the future business development. AIXTRON invests specifically in research and development projects in order to maintain or expand the Company's leading position in MOCVD equipment for applications such as lasers, Micro LEDs, specialty LEDs, memristors and for the production of wide-band-gap materials for power electronics. In addition, the Group is working on novel 2D-nanostructures, which are currently seen as having great potential

In 2024, we invested EUR 91.4 million, or around 14% of revenues (2023: EUR 87.7 million, around 14% of revenues), in research and development (R&D). This was to ensure the consistent technological development of our product portfolio.

Technology Protection through Patents

AIXTRON strives to secure its technologies through corresponding patents if these are strategically expedient for the Company. As of December 31, 2024, the Group had 295 (thereof AIXTRON SE: 267) patent families (December 31, 2023: 265 patent families). In the reporting period, new patent applications were filed for 31 (thereof AIXTRON SE: 29) patent families and one patent expired. Usually, patent protection for inventions is applied for in those markets relevant to AIXTRON, specifically in Europe, China, Japan, South Korea, Taiwan and the United States.

AIXTRON's patent portfolio is evaluated annually and adjusted accordingly. The individual patents expire between 2025 and 2044. In addition, AIXTRON continuously performs a worldwide patent analysis in order to identify and assess changes in the competitive environment at an early stage.

Research Projects 2024

From AIXTRON's perspective, we again worked together with our project partners on promising research projects in the year under review. Here, too, we operate on a global level and focus on areas with attractive growth potential.

The following projects are examples of the Group's research work:

YESvGaN (Vertical GaN on Silicon: Wide Band Gap Power at Silicon Cost) is a research and development project funded by the EU and national funding authorities. The aim of YESvGaN is to develop highly efficient, cost-effective vertical power transistors based on the wide band gap (WBG) semiconductor gallium nitride for voltage classes up to 1200 V and currents up to 100 A on silicon as a substrate. The project was successfully completed in 2024.

The aim of the project "Increasing energy efficiency in SiC epitaxy" is to improve resource efficiency and reduce energy consumption in the production of layer structures made of compound semiconductors (SiC in this case), as well as to reduce waste. Simulation and design methods for material- and energy-efficient production methods and components are being developed and researched. The potential here is huge: for example, the aim is

to reduce the electrical energy required per area in the production of SiC semiconductors by a factor of two. The project, which was launched in 2024, is funded by the Federal Ministry for Economic Affairs and Climate (BMWK).

The EU-funded 2D materials pilot line aims to further mature 2D materials manufacturing in an industrially relevant FAB environment to further develop and secure the future use of 2D materials for CMOS applications. The service offering includes the creation of relevant processes and multi-project wafers using AIXTRON equipment.

AIXTRON has won the German Innovation Award in recognition of its outstanding developments and innovative research. The prestigious prize is awarded by WirtschaftsWoche magazine under the patronage of the Federal Ministry of Economics and Climate Protection. Since 2010, this prestigious award has been presented to companies whose innovations and technologies ensure Germany's competitiveness and make a significant contribution to solving major global challenges.

Report on Economic Position

Global Economy

As a manufacturer of capital goods, AIXTRON may be affected by the development of the general economic environment, as this could impact its own suppliers, manufacturing costs, and sales opportunities, driven by the customers' willingness to invest.

The global economy showed mixed development in 2024. Despite interest rate cuts by central banks to support the economy, growth remained subdued in many regions. The interest rate cuts were a response to easing inflation concerns. Nevertheless, some economies recorded resilient growth rates. In the USA, the economy remained stable despite the easing of monetary policy. Growth in the eurozone remained mixed, with some countries such as Spain and France providing positive impetus. Different trends were also evident in Asia: China recorded moderate growth despite the ongoing real estate crisis, India's economy remained robust and Japan continued to struggle with demographic challenges.

In its World Economic Outlook of January 2025, the IMF assumes global real growth of +3.3% for 2025 and 2026. The forecast for 2025 is largely unchanged compared to the World Economic Outlook of October 2024, which is primarily due to an upward trend in the United States offsetting downward revisions in other major economies. Global headline inflation is expected to fall to 4.2% in 2025 and to 3.5% in 2026, returning to target sooner in developed economies than in emerging and developing economies.

The medium-term trend tends to be on the downside, while the short-term outlook is characterized by different risks. The already robust growth in the United States could have a positive impact in the short term, while the trend in other countries is pointing downwards due to increased political uncertainty. Policy-induced disruptions to ongoing disinflation could disrupt the turn towards monetary easing, which could impact the sustainability of public finances and financial stability. To address these risks, policymakers need a clear focus on finding a balance between inflation and real activity, rebuilding buffers and improving medium-term growth prospects through accelerated structural reforms and stronger multilateral rules and cooperation.¹

The heavily export-oriented German mechanical and plant engineering sector also suffered from customers' increasing reluctance to invest over the course of the year due to heightened economic uncertainty. According to the order balance sheet of the German Engineering Federation (VDMA), incoming orders remained at a low level in November 2024. Compared to the previous year, companies recorded a decline in orders of 6% in real terms. While domestic orders fell by 4%, foreign orders presented a mixed picture: 5% more orders came from euro countries, while non-euro countries were 11% down on the previous year. This also resulted in a 7% decline in orders from abroad.²

Demand for AIXTRON's products remains largely dependent on industry-specific developments, such as the introduction of new applications in consumer electronics, IT infrastructure, electromobility, or demand in sub-segments of the global semiconductor

¹ IMF: World Economic Outlook Update, January 2025

² VDMA: Incoming orders October 2024

market. These developments are based on the megatrends of electrification, energy efficiency, artificial intelligence, digitalization and sustainability.

The US dollar exchange rate was very volatile over the course of 2024 due to the Fed's interest rate policy to combat inflation. At the end of 2024, the US dollar was 6% below the previous year's rate at 1.04 USD/EUR (2023: 1.11 USD/EUR). AIXTRON applied an average USD/ EUR exchange rate of 1.09 USD/EUR in fiscal year 2024 (Q1/2024: 1.09 USD/EUR; Q2/2024: 1.08 USD/EUR; Q3/2024: 1.09 USD/EUR; Q4/2024: 1.09 USD/EUR). On average over the year, the exchange rate was thus slightly above the prior-year average (2023: 1.08 USD/EUR). Compared to the previous year, this had a moderate impact on the Group's US-dollar-denominated revenues.

AIXTRON's Executive Board continuously monitors the developments of the global economy and the financial markets to decide what can potentially be done to mitigate negative external effects on AIXTRON's business. The global crisis situations and market developments continued to have only a minor overall impact on AIXTRON's business. In 2024, no forward exchange contracts or other hedging transactions were entered into. Therefore, no currency hedging contracts were in place as of December 31, 2024. The Executive Board reserves the right to carry out hedging transactions in the future, should this be deemed appropriate.

Competitive Positioning

Competitors in the market for CVD/MOCVD systems are Veeco Instruments, Inc. (USA) ("Veeco"), Taiyo Nippon Sanso (Japan) ("TNS"), Tokyo Electron Ltd (Japan) ("TEL"), ASM International N.V. (Netherlands) ("ASM"), Nuflare Technology Inc. (Japan) ("Nuflare"), Advanced Micro-Fabrication Equipment Inc. (China) ("AMEC"), Beijing NAURA Microelectronics Equipment Co, Ltd (China) ("Naura"), Shenzhen Nashe Intelligent Equipment Co, Ltd (China) ("Naso Tech"), Zhejiang Jingsheng Mechanical & Electrical Co, Ltd (China) ("JSG") and Tang Optoelectronics Equipment Corporation Limited (China) ("TOPEC"). Other companies are also continuing to try to qualify their own CVD/MOCVD systems at their customers. For example, Technology Engine of Science Co. Ltd (South Korea) ("TES"), Zhejiang Jingsheng Mechanical & Electrical Co., Ltd (China) ("JSG"), and Hermes-Epitek Corp (Taiwan) ("HERMES") have been working on developing their own CVD/MOCVD system solutions and are trying to establish them on the market.

According to a study by market research institute Gartner, AIXTRON has maintained its global market leadership in MOCVD systems for compound semiconductors in 2023.³ AIXTRON once again occupies the top position: AIXTRON's market share is 71%, followed by AMEC (China) with 12% and Veeco (USA) with 12%. At the same time, the global market for MOCVD systems amounted to USD 530 million in 2023.

According to a study by the market research institute Yole, AIXTRON was also the global market leader for CVD systems in the SiC sector in 2023. AIXTRON's market share was 37%, followed by ASM (Netherlands) with 25% and Tokyo Electron (Japan) with 10%. At

³ Gartner April 2024

the same time, the global market for SiC CVD systems amounted to USD 560 million in 2023.⁴

No current market share figures from independent market analysts are yet available for the 2024 financial year.

Key Target Markets

Market For Power Semiconductors Based on Wide-Band-Gap (WBG) Materials Gallium Nitride (GaN) and Silicon Carbide (SiC)

Power semiconductors based on Wide-Band-Gap (WBG) materials are one of the main applications of AIXTRON's deposition technology. These materials enable the production of very compact and highly efficient power supplies and AC/DC as well as DC/DC converters which are used, for example, in the industrial space for applications such as power supplies of modern data centers, the more efficient feed-in of regenerative energies into the power grid and in electromobility. They are therefore increasingly used in a broad spectrum of applications covering a wide power range. WBG power semiconductors reduce conversion losses by up to 40% and thus contribute significantly to increasing energy efficiency and reducing CO₂ emissions. There are two main groups of commercially available WBG power semiconductors: GaN (gallium nitride) and SiC (silicon carbide).

Market for Gallium Nitride (GaN) Power Semiconductors

GaN semiconductor components are primarily used in low and medium power and voltage classes, such as in power supplies for smartphones and laptops as well as in the power supply for modern data centers, especially for artificial intelligence applications. According to analysts at the Yole Group (Yole), GaN semiconductor device sales were USD 260 million in 2023 compared to USD 122 million in 2021, growing by an average of over 45% per year over the last two years, which underlines the increasing market acceptance of GaN technology in the power semiconductor sector.⁵ For example, there is already a wide range of commercially available 65W power supplies that use GaN technology and are marketed as such. In addition, customers are continuously developing new applications, e.g. in data centers, IT infrastructure and micro inverters in the photovoltaic sector or on-board chargers in the field of electromobility. In addition, the customer base for AIXTRON systems for the production of GaN semiconductor devices is continuously expanding, while existing customers are increasing their production capacities.

Due to the wide range of applications, analysts at Yole expect the market for GaN power semiconductors to continue to grow strongly, reaching USD 2.0 billion in 2029. This would correspond to a compound annual growth rate (CAGR 2023-2029) of around 40%. In fiscal 2024, demand for GaN devices was affected by weakness in the power semiconductor device segment.

Furthermore, GaN semiconductor devices are increasingly being used in high-frequency technology. In 5G telecommunication networks and probably also in future generations such as 6G, they benefit from lower power losses at high-frequencies. As a result, more

⁴ Yole Market and Technology Report 2024

⁵ Yole Market Monitor Q3/2024

and more manufacturers of high-frequency switches are switching from silicon to GaN. According to analysts at Yole, the market for GaN high-frequency semiconductor devices will grow from USD 1.1 billion in 2023 to USD 2.1 billion in 2029, with a compound annual growth rate (CAGR 2023-2029) of 11%.

Market for Silicon Carbide (SiC) Power Semiconductors

The adoption of SiC power semiconductors in the area of high-voltage and high-power applications has increased further in 2024. The main fields of application within electromobility are in particular the main inverters in the powertrain as well as the on-board chargers, but also the charging stations, as well as the inverters in the field of industrial photovoltaics and wind energy. SiC is also used in industrial motor control systems. In all these applications, SiC enables a significant reduction in conversion losses during the conversion of electrical energy. This leads, for example, to a greater range per battery charge in battery electric vehicles and to lower conversion losses in the field of power generation.

Driven by significantly increased awareness of the importance of energy efficiency and CO₂ reduction, both in the regulatory and private sectors, as well as by bans imposed in several countries on the sale of vehicles with internal combustion engines from 2035 onwards, car manufacturers worldwide are continuing to pursue ambitious targets for powertrain electrification.

Based on this development, Yole forecasts that the market for SiC components will grow from USD 3.2 billion in 2023 to USD 12.6 billion in 2029 at a CAGR of around 25%. According to the analysts, this is due in particular to the development of electric car sales and the corresponding fast-charging infrastructure. In the short term, this trend is being impaired by weak demand for electric vehicles.

LED Market

Red, orange and yellow LEDs (ROY LEDs) are used in, among other things, large-format color displays in sports stadiums, airports and shopping malls, as well as in automotive taillights or in the area of indoor farming. In addition, televisions and monitors in the premium segment are increasingly being equipped with Mini LEDs for backlighting as an alternative to organic light-emitting diodes (OLEDs). Yole analysts expect the market for Mini LED production equipment to grow at an annual rate of 34.2% until 2028. The greatest growth is expected in the area of automotive applications. According to Yole, these are expected to grow by an average of 102.1% per year over the same period.⁶

The market for UV LEDs (Ultra-Violet Light Emitting Diodes) is another specialized segment in the LED market that AIXTRON addresses. UV LEDs are used for curing plastics and disinfecting surfaces, circulating air and (drinking) water. Due to the increasing demand for hygiene, this market is expected to gain importance in the future.

⁶ Yole-Report MiniLED_2023

Market for Micro LEDs

Micro LEDs are the basis for innovative displays. Analysts predict that Micro LEDs will be used primarily in large-format displays such as premium TVs and possibly also in high-end smartwatches. Another application could be in extremely small displays for augmented reality applications. In the long term, displays in automotive applications, smartphones, tablets and notebooks could also benefit from this technology. Although Micro LED technology is still in the development stage, it has attracted significant investment in recent years. The speed of market development and the associated growth rates depend heavily on the expected technical progress. Yole market researchers expect strong market growth (CAGR 100%) over the next 5-8 years.⁷

As Micro LED technology matures, AIXTRON expects the Micro LED market, which is still in its infancy, to develop both technically and commercially. The current focus is on reducing the cost per pixel and improving the yield and quality of the industrial manufacturing process. Analysts expect the technology to be introduced initially in high-end applications and then to expand continuously into other segments.

Market for Laser-based optical Data Transmission

The volume of data, transmitted over fiber optic cables continues to increase, driven by the increased use of cloud computing and Internet services. In addition, demand for bigger amounts of data will accelerate even further in the coming years due to the triumph of artificial intelligence. The ongoing increase of video-on-demand use and communication from connected devices via the Internet ("Internet of Things") also contribute to the increased data volumes. In addition to data volumes, the rapid transmission of data - at the speed of light - as well as the power consumption for the increasing communication also plays an important role in the expanding field of application of optical data communication. Diode lasers manufactured on AIXTRON systems are key components for high-speed optical data transmission. The growth of global data traffic through AI, mobile telecommunications, the transition to 5G standards and the continuous expansion of fiber optic networks are increasing the demand for lasers as optical signal transmitters, photodiodes as receivers and optical amplifiers and switches.

Market research companies such as Yole and Strategies Unlimited assume that investments in laser-based communication will continue to increase in order to cope with growing data traffic. Yole analysts expect sales of transceivers used in telecommunications to grow at an annual rate of 11% from 2023 to 2029. The total market volume in 2029 is estimated by Yole at over USD 22.4 billion. Yole also expects demand for the laser diodes used for this purpose to increase strongly until 2026 and now assumes that data communication will be the largest driver of demand over the next five years.⁸

Laser-based 3D Sensor Market

Laser-based 3D sensors are often used in high-end mobile phones. Since this technology was introduced to the market with the iPhone® X in 2017, Apple® has been using it in its

⁷ Yole Micro Led-markets, Applications and Competitive Landscape 2024

⁸ Yole Report Optical Transceivers for Datacom and Telecom 2024

current generation smartphones and is also using it in its tablet series. With these sensors, the environment can be captured in three dimensions, which is important for many applications, e. g. augmented reality.

Another rapidly growing application of this technology is in the automotive sector. Autonomous vehicles require for LiDAR (Light Detection And Ranging) such 3D sensor technology in order to monitor the road ahead even at night and in poor weather conditions and to be able to steer the vehicle autonomously accordingly.

According to the market research company Yole, demand for laser-based 3D sensors, so-called vertical cavity surface-emitting lasers, will increase from USD 1.6 billion in 2023 to USD 1.94 billion in 2029, which corresponds to an average annual growth rate of 3%.

In addition to applications in consumer electronics, edge and surface-emitting lasers are increasingly being used in the industrial and automotive sectors in the field of 3D sensor technology. Yole expects a sharp rise in demand for these components of 35% by 2029.⁹

Business Development

Fiscal year 2024 was once again characterized by important geopolitical events, some of which had a significant macroeconomic impact. The ongoing serious geopolitical conflicts in Ukraine and the Middle East, the election in the USA with corresponding announcements of trade restrictions, but also the announced new election in Germany are examples of external factors that AIXTRON had to deal with. We have successfully met these challenges with targeted measures. In view of the expected increase in business volume, the number of employees was further expanded. However, sales momentum gradually weakened over the course of the year, forcing us to adjust our original forecast from February in July. Although demand for the newly launched G10 product family in particular was good, enabling us to generate half of our new system sales with G10 systems, the originally expected growth for the Group did not materialize due to declining investment willingness in the power semiconductor market. Profitability was at the lower end of the adjusted forecast range due to negative product mix effects and lower than expected capacity utilization in the operating area.

The strong increase in demand for AIXTRON equipment for the production of LEDs compensated for lower demand for equipment for the energy-efficient silicon carbide (SiC) and gallium nitride (GaN) power devices. Demand for systems for the production of lasers remained largely stable.

With orders totaling EUR 596.4 million (2023: EUR 640.7 million), AIXTRON recorded an -7% lower order volume in fiscal year 2024 than in the previous year. Despite the difficult market conditions, revenues developed positively and, at EUR 633.2 million (2023: EUR 629.9 million), were slightly above the high level of the previous year and thus in line with the adjusted forecast. The gross margin achieved was 41%, slightly below the expected range, as the product mix and capacity utilization in operations were weaker than expected. The increased operating expenses of EUR 131.2 million mainly included higher research and development expenses. The operating result amounted to EUR 131.2 million with an EBIT margin of 21% (2023: EUR 156.8 million; 25%). and was therefore slightly below the forecast range. This resulted in a consolidated net profit for the year of EUR

⁹ Semiconductor Laser Industry 2024 | Report

106.2 million (2023: EUR 145.2 million). Free cash flow (cash flow from operating activities - investments in property, plant and equipment, intangible assets and non-current financial assets + result from the disposal of property, plant and equipment) of EUR -72.4 million was reported for the 2024 financial year (2023: EUR -109.7 million).

In 2024, AIXTRON acquired a production facility near Turin, Italy. This investment will increase capacities to better cover expected peaks in demand in the medium term, which are expected when the end markets pick up again.

With the construction of the Innovation Center in Herzogenrath, into which the first systems were installed at the end of the year, AIXTRON also sees itself optimally positioned for the expansion of its R&D activities. The expected technological leap to 300 mm wafers in the field of GaN power electronics, for example, can be very well prepared by the innovation center, so that the expected customer demand can be met.

To achieve an unabated profitable development of the AIXTRON Group in the future, our product portfolio focuses exclusively on product lines with a positive contribution to earnings or those that promise a significant return on investment (ROI) in the foreseeable future.

Results of Operations

Development of Orders

	2024 in EUR million	2023 in EUR million	2024 vs. 2023 in EUR million	%
Total order intake incl. spares & services	596.4	640.7	-44.3	-7
Equipment order backlog (end of period)	289.3	353.7	-64.4	-18

In fiscal year 2024, US dollar-denominated **order intake** and **order backlog** have been recorded at the budget exchange rate of 1.15 USD/EUR (2023: 1.15 USD/EUR). Spares & service orders are not included in the order backlog.

At EUR 596.4 million, **total order intake** including spare parts & service in the 2024 financial year was below the previous year's figure. At EUR 157.0 million order intake in the fourth quarter of 2024 was 9% higher than in the previous quarter (Q3/2024: EUR 143.4 million).

At EUR 289.3 million, **equipment order backlog** as of December 31, 2024, was below the order backlog at the end of the previous year of EUR 353.7 million (2024 budget rate: 1.15 USD/EUR; 2023 budget rate: 1.15 USD/EUR). Compared to the end of the previous quarter, the order backlog decreased by 25% at year-end (September 30, 2024: EUR 384.5 million) due to the high number of deliveries in the fourth quarter. Due to the reluctance to invest, particularly among customers in the power electronics sector, the system order backlog is lower than in the previous year.

In line with strict internal procedures, AIXTRON has defined clear conditions that must be met for the recording of equipment orders in order intake and order backlog. These conditions include the following requirements:

1. the receipt of a firm written purchase order
2. the receipt or securing of the agreed down payment
3. accessibility to the required shipping documentation
4. a customer confirmed agreement on a system specific delivery date

In addition, and taking into account current market conditions, the Executive Board reserves the right to assess whether the actual realization of each system order is sufficiently likely to occur in a timely manner. If, as a result of this review, the Executive Board comes to the conclusion that the realization of an order is not sufficiently likely or involves an unacceptable degree of risk, it will exclude this specific order or a portion of this order from the recorded order intake and order backlog figures until the risk has decreased to an acceptable level. Such Risk factors include, for example, technological risks in orders for new product generations or delays in the granting of export licenses. The order backlog is regularly assessed and – if necessary – adjusted in line with potential execution risks.

Development of Revenues

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Revenues in fiscal year 2024 amounted to EUR 633.2 million up 1% (2023: EUR 629.9 million). In the financial year 2024, EUR 110.7 million or 17% of revenues in fiscal year 2024 were generated from the sale of consumables, spare parts and services (2023: 15%). Revenues with MOCVD systems fell slightly by around -2% year-on-year. Despite declining demand for MOCVD systems for the production of GaN and SiC power devices compared to prior year, MOCVD systems are still contributing to the high level of revenue in the 2024 financial year. Demand for systems in the LED application area, particularly Micro LEDs, is significantly higher than in the previous year. The revenue shares developed as follows: The power electronics segment contributed 55% of equipment revenues, followed by the LEDs segment including Micro LEDs at 28% and optoelectronics at 12%.

Revenues by Equipment, Spares & Service

	2024		2023		2024 vs. 2023	
	in EUR million	%	in EUR million	%	in EUR million	%
Equipment revenues	522.5	83	532.3	85	-9.8	-2
Service, spare parts, etc.	110.7	17	97.6	15	13.2	13
Total	633.2	100	629.9	100	3.3	1

With EUR 416.8 million or 66%, about around two thirds of total revenue was driven by customers in Asia in 2024 (2023: 50%). The lower proportion of customer revenue in Europe and America is due to lower demand for MOCVD systems at customer sites in Europe and America. ^{//¹⁰}

¹⁰ //This section is part of the integrated sustainability report of the AIXTRON Group.//

Revenues by Region

	2024		2023		2024 vs. 2023	
	in EUR million	%	in EUR million	%	in EUR million	%
Asia	416.8	66	314.4	50	102.4	33
Americas	66.5	10	126.1	20	-59.6	-47
Europe	149.9	24	189.4	30	-39.5	-21
Total	633.2	100	629.9	100	3.3	1

Development of Results

Cost of Sales, Gross Profit, Gross Margin

Cost of sales amounted to EUR 370.7 million in the past fiscal year (2023: EUR 350.8 million) and was 59% of revenues (2023: 56%). This resulted in a **gross profit** of EUR 262.5 million (2023: EUR 279.0 million) in the fiscal year, which corresponds to a **gross margin** of 41% (2023: 44%). The change compared to the same period of the previous year is mainly due to a change in the product mix and lower than expected capacity utilization. The product mix was characterized by a high proportion of LED systems with lower margins.

Cost structure

	2024		2023		2024 vs. 2023	
	in EUR million	% Rev.	in EUR million	% Rev.	in EUR million	%
Cost of sales	370.7	59	350.8	56	19.9	6
Gross profit	262.5	41	279.0	44	-16.5	-6
Operating expenses	131.2	21	122.3	19	8.9	7
Selling Expenses	14.2	2	14.1	2	0.1	1
General and administration expenses	31.9	5	32.6	5	-0.7	-2
Research and development costs	91.4	14	87.7	14	3.7	4
Net other operating expenses (income)	-6.2	0.0	-12.1	-2	5.9	-49

Operating Expenses

Operating expenses increased slightly in relation to revenue in the 2024 financial year, from EUR 122.3 million to EUR 131.2 million in the past fiscal year. This increase is due in particular to higher expenses for research and development as well as lower income from the valuation and sale of investments.

The following individual effects must be taken into account:

At EUR 46.1 million, **selling, general and administrative expenses** were slightly below the previous year's level (2023: EUR 46.7 million). In relation to sales, selling and administrative expenses were stable at 7% (2023: 7%).

Research and development (R&D) expenses, including expenses for development activities for our new generations of systems, increased by 4% year-on-year to EUR 91.4 million (2023: EUR 87.7 million). In fiscal year 2024, AIXTRON pushed ahead with the completion of new product generations and has already started investing in the development of next-generation products.

Key R&D Information

	2024	2023	2024 vs. 2023
R&D expenses (in EUR million)	91.4	87.7	4%
R&D expenses, % of revenues	14	14	0pp

Net **other operating income and expenses** in 2024 resulted in an income of EUR 6.2 million (2023: operating income of EUR 12.1 million). This includes net income of EUR 1.0 million (2023: EUR 4.8 million) from the **valuation and sale of funds** whose holdings were significantly reduced during the 2024 financial year. Due to the completion of development projects, **grants for publicly funded development projects** fell from EUR 6.8 million in the previous year to EUR 5.4 million in the financial year. In 2024, a **net currency loss** of EUR 1.3 million (2023: EUR 0.8 million) from transactions in foreign currencies and the translation of balance sheet items was recognized.

At EUR 125.4 million, **personnel costs** in fiscal year 2024 were 9% higher than the previous year EUR 115.0 million in 2023. This increase is mainly due to higher personnel costs as a result of the higher number of employees.

Operating Result (EBIT)

The **operating result** (EBIT) amounted to EUR 131.2 million in the 2024 financial year (2023: EUR 156.8 million). This resulted in an EBIT margin of 21% (2023: 25%). This development is mainly due to higher operating expenses for research and development, a lower gross margin due to the 2024 product mix, and lower than expected utilization in the operating area.

Result before Tax

The **result before tax** at EUR 132.2 million in 2024 was below the previous year's level (2023: EUR 157.7 million). A positive net financial result of EUR 1.0 million was achieved (2023: EUR 0.9 million).

Interest and Taxes

	2024 in EUR million	2023 in EUR million	2024 vs. 2023 in EUR million	%
Net interest income	0.96	0.92	0.04	4
Interest income	1.39	1.12	0.27	24
Interest expense	0.43	0.20	0.22	110
Tax expense	25.94	12.49	13.45	108

In 2024, AIXTRON reported a **net income tax expense** of EUR 25.9 million (2023: EUR 12.5 million income tax expense). This consists of a tax expense from current taxes of EUR 18.5 million (2023: EUR 19.7 million) and expenses from the reduction in deferred tax assets of EUR 7.4 million due to the expected reduction in taxable profits in 2025 and the resulting lower utilization of tax loss carryforwards in 2025 (2023: EUR 7.2 million income).

Consolidated Net Income for the Year

At EUR 106.2 million or 17% of revenue, the AIXTRON Group's **net income** for fiscal year 2024 was significantly lower than in the previous year (2023: EUR 145.2 million or 23%). This development is mainly due to the lower operating result and higher income taxes.

Financial position

Total assets as at December 31, 2024 amounted to EUR 1,018.4 million (December 31, 2023: EUR 1,029.9 million).

Assets

Property, plant and equipment increased to EUR 226.9 million as of December 31, 2024 compared to EUR 147.8 million as of December 31, 2023. The significant increase is primarily related to the construction of the Innovation Center. Investments were also made in test and demonstration facilities in the laboratories and a production facility in Italy was acquired.

Goodwill was EUR 73.5 million compared to EUR 72.3 million as of December 31, 2023. The difference is entirely related to exchange rate fluctuations. No impairment losses were recognized.

Other intangible assets increased to EUR 7.4 million as of December 31, 2024 (December 31, 2023: EUR 4.4 million), due to investments in licenses, software and IT-solutions.

At EUR 0.7 million, **non-current financial assets** as of December 31, 2024 are at the previous year's level (December 31, 2023: EUR 0.7 million).

Other non-current assets amount to EUR 3.8 million as of December 31, 2024 (December 31, 2023: EUR 0 million). This includes research services to be provided by the relevant contractual partners in the long term.

Inventories, including components and work in process, fell by EUR 25.3 million year-on-year to EUR 369.1 million (December 31, 2023: EUR 394.5 million). This development reflects the strategy announced in the course of the 2024 financial year to reduce inventories. The inventory turnover rate at the end of 2024 was 1.0 (2023: 0.9).

Trade receivables were EUR 193.4 million at December 31, 2024 (December 31, 2023: EUR 157.6 million), reflecting the high volume of shipments in the fourth quarter of 2024.

Cash and cash equivalents and financial assets decreased to EUR 64.6 million as of December 31, 2024 (31. December 2023: EUR 181.7 million). This development is mainly due to the high level of receivables and the reduction in customer prepayments as a result of the high level of deliveries in December, as well as the increased investments,

particularly for the construction of the innovation center and the acquisition of a production site in Italy.

As of December 31, 2024, **other financial assets** include fund investments of EUR 0.5 million (December 31, 2023: EUR 83.7 million).

Liabilities

Trade payables fell to EUR 33.9 million as of December 31, 2024 (December 31, 2023: EUR 57.8 million), due to the sharp reduction in purchasing volumes.

Provisions (non-current and current) were similar to previous year's levels at EUR 36.2 million as of December 31, 2024 (EUR 36.9 million as of December 31, 2023).

At EUR 81.7 million as of December 31, 2024, **advance payments received from customers** were below the previous year's level (December 31, 2023: EUR 141.3 million), reflecting the weaker order situation.

Other current liabilities include payments received for publicly funded development projects and increased year-on-year to EUR 5.5 million (December 31, 2023: EUR 5.4 million).

Financial Position

AIXTRON has a central financial management system whose primary objective is to ensure the long-term financial strength of the Group. AIXTRON's financial management includes the control of its global liquidity as well as its interest and currency management. Financial processes and responsibilities are defined throughout the Group. The investment policy is approved by the Supervisory Board.

Our capital structure management aims to determine an appropriate capital structure for each company within the Group while minimizing costs and risks. An appropriate structure must comply with tax, legal and commercial requirements. The Group increases or decreases the capital in line with the strategic orientation of the companies.

Our liquidity management aims to ensure the effective management of cash flows within each company of the group. The central finance department and local management monitor the cash flows within the group on a daily basis and take corrective action where necessary. Financing requirements are covered by cash within the group, either through intra-group loans or through changes in equity.

The principles of the investment policy are determined by the Executive Board and approved by the Supervisory Board of AIXTRON SE. Excess cash is invested by the finance department in accordance with this policy. The policy only allows for low-risk investments.

Due to its global business operations, AIXTRON generates a portion of its revenues in foreign currencies, i. e. in currencies other than the Euro. The most prevalent foreign currency relevant for AIXTRON is the US dollar. The associated exchange rate risk is monitored by the central finance department and taken into account as part of liquidity management. Speculative foreign currency transactions are not entered into.

In the semiconductor equipment industry, it is essential to have sufficient cash and cash equivalents at all times in order to be able to quickly finance possible business expansion. AIXTRON's current cash requirements are generally covered by cash inflows from operating activities. The Company can draw on a high level of cash and cash equivalents and other short-term investments to secure further corporate financing and to support its indispensable research and development activities. In order to further increase the financing scope, AIXTRON concluded a revolving credit facility of EUR 200 million in July 2024. In addition, AIXTRON has the option, if necessary and subject to the approval of the Supervisory Board, to issue financial instruments on the capital market to cover additional capital requirements.

Financing

The **equity ratio** increased to 83% as of December 31, 2024, compared to 75% as of December 31, 2023, primarily due to the high net income for the year and the reduction in current liabilities.

The **share capital** of AIXTRON SE amounted to EUR 113,456,120 as of December 31, 2024 (December 31, 2023: EUR 113,411,020). It is divided into 113,456,120 no-par value registered common shares with a pro rata amount of share capital of EUR 1.00 per share. All shares are fully paid in. The increase in share capital is attributable to the shares issued in the fiscal year under stock option programs.

In fiscal year 2024, 45,100 stock options from past stock option programs were exercised (2023: 62,600 options) and no new stock options were issued (2023: 0 options).

AIXTRON ordinary shares

	31.12.2024	Exercised	Expired / Forfeited	Allocation	31.12.2023
Stock options to acquire shares	0	45,100	3,200	0	48,300

As of December 31, 2024 and 2023, AIXTRON did not have any **bank borrowings**. In July 2024, AIXTRON concluded a revolving credit facility in the amount of EUR 200 million to further increase its financial flexibility.

To hedge advance payments received for orders, the Group had **guarantee lines** of EUR 84.8 million as of December 31, 2024 (2023: EUR 104.4 million), of which EUR 16.0 million (2023: EUR 18.4 million) had been utilized as of the reporting date.

Capital Expenditures

In the year 2024, AIXTRON's total **capital expenditures** amounted to EUR 98.7 million (2023: EUR 62.6 million).

Driven by the Group's growth, EUR 94.1 million (2023: EUR 60.2 million) was invested in **property, plant and equipment** in fiscal year 2024. Of this amount, EUR 54.3 million (2023: EUR 36.6 million) attributable to the construction of the new innovation center, which began in November 2023. Completion is scheduled for 2025. Furthermore, investments include the acquisition of the production site in Italy, additional investments in testing and demonstration facilities in the laboratories and the expansion of production

and development areas. EUR 4.6 million were invested in **intangible assets** including licenses (2023: EUR 2.5 million).

Fund investments amounting to EUR 82.2 million were sold in the 2024 financial year (2023: EUR 139.4 million sale of fund investments)

All capital expenditures in fiscal years 2024 and 2023 were self-financed.

As of the reporting date, there were investment commitments for the construction of the innovation center amounting to EUR 3.4 million.

Liquidity and Cash Flow

EUR million

Description	Balance sheet item	31.12.2024	31.12.2023	+ / -
Bank deposits	Cash and Cash equivalents	64.1	98.0	-33.9
Fund investments	Other financial assets	0.5	83.7	-83.2
Total liquidity		64.6	181.7	-117.1

Cash and cash equivalents including **other financial assets** decreased to EUR 64.6 million as of December 31, 2024 (December 31, 2023: EUR 181.7 million). As of December 31, 2024, other financial assets exclusively included fund investments totaling EUR 0.5 million (2023: EUR 83.7 million) (see also [Investments](#)).

There are no restrictions on access to the Company's cash and cash equivalents.

Cash flow from operating activities amounted to EUR 26.2 million in fiscal year 2024 (2023: EUR -47.3 million). This is mainly due to the current result, the reduction in inventories, the increased level of receivables and the reduction in customer prepayments due to the high level of deliveries at the end of the 2024 financial year as well as the reduced trade payables due to the lower purchasing volume.

Cash flow from investing activities in the 2024 fiscal year was EUR -15.0 million (2023: EUR 78.1 million). This is due in particular to high investments in the construction of the innovation center and the acquisition of the production site in Italy. This was offset by cash inflows from the sale of funds (see also [Investments](#)).

Cash flow from financing activities amounted to EUR -46.5 million in 2024 (2023: EUR -35.9 million). The main drivers were the dividend payment of EUR -45.0 million (2023: EUR -34.8 million) and repayments of lease liabilities EUR -1.8 million, (2023: EUR -1.9 million). Cash inflows from the issue of new shares under stock option programs were of EUR 0.6 million (2023: EUR 0.8 million).

Free cash flow (cash flow from operating activities - investments in property, plant and equipment, intangible assets and non-current financial assets + proceeds from disposals) for the 2024 fiscal year was EUR -72.4 million compared to EUR -109.7 million in 2023.

Management Assessment of Company Situation

In fiscal year 2024, AIXTRON continued to focus on successfully serving the targeted growth markets with sustainable profitability. At the same time, the Group continued to drive development and sales activities, particularly for GaN- and SiC power electronics equipment and for the production lasers as well as Mini and Micro LED displays.

Equipment revenue amounted to EUR 522.4 million in 2024, of which EUR 285.1 million (55%) was attributable to MOCVD/CVD systems for the production of components for the power electronics sector (GaN/SiC), EUR 143.9 million (28%) to the LED sector including Micro LEDs and EUR 61.6 million (12%) to MOCVD systems for the optoelectronics sector (laser, solar and telecom). As of 2026 Further structural growth can be expected in the end markets mentioned because the materials gallium nitride and silicon carbide are increasingly replacing traditional Silicon in modern power electronic components, the use of lasers in the areas of optical data transmission and in 3D sensing continues to increase, and new types of Micro LED displays are increasingly being used commercially.

In addition to the above-mentioned activities, there is a focus on the costs as well as the margin contributions of individual revenue drivers. Furthermore, the Executive Board continuously reviews the product portfolio with a view to changing framework conditions, such as time windows for the market launch of new technologies or evaluation of our customers' product requirements.

The 2024 financial year saw very positive development in the LED market in particular, both for the business with systems for traditional LEDs and for Micro LEDs. The after-sales business also performed well, benefiting from the growing installed base. In the power electronics segment, the picture was much more mixed: the market for SiC systems developed negatively due to the weakness of the EV market and, in particular, vehicles with SiC inverters. Accordingly, sales declined here. The market for GaN power electronics was also weaker than originally expected, although not as pronounced as in the SiC segment. Accordingly, AIXTRON succeeded in achieving GaN system sales in the order of magnitude of the previous year. As expected, demand for optoelectronics systems remained stable compared to the previous year. The slowdown in growth in the power electronics end markets meant that the forecast published in February had to be adjusted in July.

The AIXTRON Group continues to have a financing structure with an adequately high level of cash and cash equivalents and without any bank liabilities. As of December 31, 2024, AIXTRON has an unused revolving credit facility in the amount of EUR 200.0 million.

Achievement of Guidance in 2024

The 2024 annual forecast for revenues, gross margin and EBIT margin for the 2024 financial year, which was adjusted on July 04, 2024, was largely met. Accordingly, the Executive Board had expected **revenues** in a range of EUR 620 million to EUR 660 million (previously: EUR 630 million to EUR 720 million), a **gross margin** of around 43% to 45% (unchanged) and an **EBIT margin** of around 22% to 25% (previously: 24% to 26%) for the **2024 financial year**. With revenues of EUR 633 million, the lower half of the forecast range was achieved. At 41%, the gross margin remained slightly below the lower end of the expected range, as the product mix and capacity utilization in operations were

somewhat weaker than expected. Accordingly, the EBIT margin of 21% was slightly below the forecast range:

	Outlook FY 2024 29.02.2024	1st quarter 2024 25.04.2024	Adjustment 4.07.2024	1st half year 2024 25.07.2024	3rd quarter 2024 31.10.2024	Result 2024 27.02.2025
Revenues*	Range of EUR 630m to EUR 720m	Confirmation	Decrease: Range of EUR 620m to EUR 660m	Confirmation	Confirmation	EUR 633m
Gross Margin*	43% - 45%	Confirmation	Confirmation: 43% - 45%	Confirmation	Confirmation	41%
EBIT Margin*	24% - 26%	Confirmation	Reduction: 22% - 25%	Confirmation	Confirmation	21%

*At constant budget exchange rate of 1.15 USD/EUR

Management Report of AIXTRON SE

Supplementary Explanations According to HGB

The management report of AIXTRON SE and the Group management report of the AIXTRON Group are combined according to Section 315 Para. 5 HGB in conjunction with Section 298 Para. 2 HGB. The report is published in the Federal Gazette.

The annual financial statements of AIXTRON SE have been prepared in accordance with the German Commercial Code (HGB) and the German Stock Corporation Act (AktG). The annual financial statements generally serve to determine the balance sheet profit and thus the possible distribution amount.

The combined management report comprises all legally required information regarding AIXTRON SE. In addition to the reporting on the AIXTRON Group we explain the development of AIXTRON SE.

AIXTRON SE is the parent company of the AIXTRON Group and has its headquarters in Herzogenrath, Germany. The AIXTRON SE Management is responsible for key management functions for the Group, such as corporate strategy, risk management, investment management, executive and financial management, and communication with key target groups of the Group. AIXTRON SE generates the majority of its consolidated revenues through its operating activities of the development, production, sale and maintenance of equipment for the deposition of semiconductor materials. In addition to ten directly or indirectly wholly owned subsidiaries, which are primarily responsible for the worldwide distribution of AIXTRON's products, AIXTRON SE currently holds an 87% interest in the APEVA Group. AIXTRON SE is not managed separately using its own performance indicators because the Company is integrated into the Group management. We refer here to the respective explanations provided for the Group. The economic framework conditions of AIXTRON SE are essentially the same as those of the AIXTRON Group and are described in detail in the chapter [Report on Economic Position](#).

Income Statement of AIXTRON SE according to HGB

in EUR million	2024	2023	2024 vs. 2023
Revenues	615.2	609.6	5.6
Changes in inventories	-38.8	58.2	-97.0
Other own work capitalized	1.4	1.2	0.2
Total output	577.8	669.0	-91.2
Other operating income	13.8	13.4	0.4
Cost of materials	249.5	345.8	-96.3
Personnel expenses	94.0	85.7	8.3
Depreciation	10.2	8.6	1.6
Other operating expenses	102.0	103.0	-1.0
Operating result	135.9	139.3	-3.4
Result from investments	0.7	6.8	-6.1
Net interest income	2.7	4.4	-1.7
Financial result	3.4	11.2	-7.8
Profit before tax	139.3	150.5	-11.2
Taxes on income and earnings	15.7	18.5	-2.8
Profit after tax	123.6	132.0	-8.4
Other taxes	0.2	0.3	-0.1
Net profit for the year	123.4	131.7	-8.3
Profit carried forward	90.6	59.5	31.1
Dividend payment	-45.0	-34.8	-10.2
Transfer to retained earnings	-61.7	-65.8	4.1
Net retained profit	107.3	90.6	16.7

Results of Operations of AIXTRON SE According to HGB

AIXTRON SE's revenues amounted to EUR 615.2 million in fiscal year 2024 and thus increased by EUR 5.6 million, or 1%, compared with the previous year (2023: EUR 609.6 million). Revenues were influenced by continued high demand for MOCVD systems in the fields of GaN- and SiC-power electronics, wireless and optical data communication as well as LED including Micro LED applications. Other revenues are attributable to intra-group charges.

Revenues by category

	2024		2023		2024 vs. 2023	
	in EUR million	%	in EUR million	%	in EUR million	%
Equipment revenues	503.9	82	507.3	83	-3.4	-1
Service and spare parts	104.8	17	97.6	16	7.2	7
Other revenues	6.5	1	4.7	1	1.8	38
Total	615.2	100	609.6	100	5.6	1

Revenues by region

	2024		2023		2024 vs. 2023	
	in EUR million	%	in EUR million	%	in EUR million	%
Asian	401.0	65	309.5	51	91.5	30
Europe	168.3	27	187.7	31	-19.3	-10
Americas	45.9	7	112.4	18	-66.5	-59
Total	615.2	99	609.6	100	5.6	1

At 65%, about half of the revenue generation in 2024 was driven by our customers based in Asia.

At EUR 123.4 million (2023: EUR 131.7 million), the **net result for the year** was slightly below the previous year. The following factors contributed to this development:

At 43%, the **cost of materials ratio** (cost of materials in relation to total output) decreased (2023: 52%). This is the result of the sharp year-on-year reduction in inventories (previous year: increase in inventories) and the associated realization of the gross margin for inventories delivered, which increases total operating performance. A cost of materials ratio adjusted for the change in inventories is at a similar level for the past and previous financial year.

The annual average number of employees at AIXTRON SE increased from 709 in the previous year to 799 in the fiscal year 2024. As result of the increased number of employees and variable remuneration components, **personnel expenses** increased from EUR 85.7 million in the previous year to EUR 94.0 million in fiscal year 2024.

Due to the increase in capital expenditures, **depreciation and amortization** increased by EUR 1.6 million from EUR 8.6 million in 2023 to EUR 10.2 million in 2024.

Other operating expenses fell to EUR 102.0 million compared to EUR 103.0 million in fiscal year 2023. The main drivers were lower variable cost components for delivered systems.

Other operating income increased from EUR 13.4 million in 2023 to EUR 13.8 million in the 2024 fiscal year. This is mainly due to lower income from foreign currency translation and exchange rate gains.

In addition, **a result from investments** of EUR 0.7 million (2023: EUR 6.8 million) was generated in fiscal year 2024. As in previous years, the result from investments in the fiscal year consists exclusively of dividend payments from subsidiaries.

Net interest income totaled EUR 2.7 million in fiscal year 2024 compared to EUR 4.4 million in 2023. This is mainly due to lower income from exchange rate gains, as the holdings of underlying funds were further reduced in the 2024 financial year.

Net Result AIXTRON SE – Appropriation of profit

The net profit of AIXTRON SE amounted to EUR 123.4 million. An amount of EUR 61.7 million was transferred to retained earnings. Combined with the carried forward profit from the previous year in the amount of EUR 90.6 million and the dividend payment in May 2024 in the amount of EUR 45.0 million, this results in a new accumulated profit of EUR 107.2 million as of December 31, 2024 (December 31, 2023: EUR 90.6 million). The Executive Board and Supervisory Board will propose to the Annual General Meeting that a dividend of EUR 0.15 per dividend-entitled share (2023: EUR 0.40) be paid for the financial year 2024. The proposal is lower than in the previous year because the expected cash and cash equivalents in 2025 are initially to be used to rebuild a strong cash position.

Assets and Liabilities and Financial Position of AIXTRON SE

AIXTRON SE's total assets amounted to EUR 870.8 million at the end of 2024 (2023: EUR 874.2 million).

Balance Sheet of AIXTRON SE (HGB)

in EUR million	31.12.2024	31.12.2023
Assets		
Intangible assets	6.4	4.4
Property, plant and equipment	209.0	135.8
Financial assets	46.9	46.9
Non-current assets	262.3	187.1
Inventories	344.8	368.8
Trade receivables	105.0	115.3
Receivables from associates	118.4	59.2
Other assets	8.8	8.6
Securities	0.5	82.7
Cash and credit balances at banks	21.7	48.7
Current assets	599.2	683.3
Deferred expenses and accrued income	9.3	3.8
Total assets	870.8	874.2

in EUR million	31.12.2024	31.12.2023
Equity and liabilities		
<i>Subscribed capital</i>	113.5	113.4
<i>Treasury stock</i>	-0.8	-0.9
Issued capital	112.7	112.5
Capital reserve	297.4	292.4
Retained earnings	214.7	153.0
Accumulated profit	107.2	90.6
Equity	732.0	648.5
Provisions	50.9	63.6
Prepayments received on order	48.3	120.5
Trade payables	22.7	32.5
Liabilities from associates	13.8	7.3
Other liabilities	3.1	1.8
Liabilities	87.9	162.1
Total equity and liabilities	870.8	874.2

Assets

Property, plant and equipment increased from EUR 135.8 million in 2023 to EUR 209.0 million in fiscal year 2024 due to increased capital expenditures, mainly for the construction of the innovation center and for laboratory equipment.

Inventories fell from EUR 368.8 million as of December 31, 2023 to EUR 344.8 million as of December 31, 2024. This reduction largely reflects the high level of equipment sales anticipated in the past for the subsequent quarters, which materialized in the past financial year.

Trade receivables were only slightly below the previous year's level at EUR 105.0 million at the end of the 2024 financial year due to a high number of deliveries (December 31, 2023: EUR 115.3 million)

Liabilities

The **subscribed capital** of AIXTRON SE was at EUR 113.5 million as of December 31, 2024 (December 31, 2023: EUR 113.4 million). Issued capital was EUR 112.7 million (2023: EUR 112.5 million). A total of 45,100 shares were issued as part of stock option programs in the fiscal year 2024.

As a result of the exercise of the stock options as well as the recognition of share-based payments expenses, the **capital reserve** increased from EUR 292.4 million as of December 31, 2023, to EUR 297.4 million as of December 31, 2024. Due to the higher net profit, the **equity ratio** increased to 84% in the fiscal year compared to 74% in the previous year.

To secure **prepayments received on orders**, AIXTRON SE had guarantee facilities of EUR 77.5 million as of December 31, 2024 (2023: EUR 97.5 million), of which EUR 15.9 million had been utilized as of the balance sheet date (2023: EUR 17.6 million).

Trade payables fall to EUR 22.7 million (2023: EUR 32.5 million) due to the inventories held and the associated decrease in purchasing volume.

As in previous years, AIXTRON SE had no **bank liabilities** in fiscal year 2024. The unused revolving credit facility, which was concluded in the past fiscal year, amounted to EUR 200.0 million as of December 31, 2024.

Investments

Along with AIXTRON's growth, capital expenditures in property, plant, equipment, other intangible assets and financial assets at AIXTRON SE totaled EUR 89.3 million in fiscal year 2024 (2023: EUR 60.4 million).

Thereof EUR 85.9 million in 2024 were for property, plant and equipment (2023: EUR 58.0 million) and primarily included the investment in the new building of the Innovation Center and, as in the previous year, investments in laboratory equipment, in test and demonstration facilities.

Furthermore, AIXTRON SE invested EUR 3.4 million in intangible assets for licenses and software (2023: EUR 2.4 million).

No investments were made in financial assets in the 2024 financial year (2023: EUR 0.1 million).

Liquidity

Cash Flow Statement of AIXTRON SE (HGB)

in EUR million	2024	2023
Cashflow		
Cash flow from operating activities	20.5	-75.8
Cash flow from investing activities	-7.8	88.4
Cash flow from financing activities	-39.7	-29.6
Change in cash and cash equivalents	-27.0	-17.0
Cash and cash equivalents at the beginning of the period	48.7	65.7
Cash and cash equivalents at the end of the period	21.7	48.7

Development of Financial Position (Cash Flow)

Cash and cash equivalents decreased by EUR 27.0 million from EUR 48.7 million to EUR 21.7 million in the fiscal year, which results from the cash flows described below.

Cash flow from operating activities increased from EUR -75.8 million in 2023 to EUR 20.5 million in the fiscal year 2024 primarily as a result of the reduction in inventories, while inventories were still being built up in the previous year.

Cash flow from investing activities amounted to EUR -7.8 million in fiscal year 2024 (2023: EUR 88.4 million) which is mainly due to the sale of funds amounting to EUR 82.2 million. This was offset by cash outflows of EUR 89.3 million in 2024 due to investments in fixed assets (2023: EUR 60.4 million). In the previous year, the sale of funds in the amount of EUR 137.6 million and investments in fixed assets of EUR 60.4 million resulted in cash flow from investing activities of EUR 88.4 million.

Cash flow from financing activities amounted to EUR -39.7 million in fiscal year 2024 (2023: EUR -29.6 million). Same as in 2023, the main driver of this development was the dividend payment of EUR -45.0 million (2023: EUR -34.8 million).

There are no restrictions on access to the Company's cash and cash equivalents.

Opportunities and Risks

The business development of AIXTRON SE is subject to substantially the same risks and opportunities as the AIXTRON Group. AIXTRON SE generally participates in the risks of its subsidiaries in proportion to its respective ownership interest. As a result of the centralized financial management of the AIXTRON Group, all financing transactions are conducted through AIXTRON SE. As the parent company of the AIXTRON Group, AIXTRON SE is integrated into the Group-wide risk management system. For further information, please refer to the Opportunities and Risks Report.

Outlook

The outlook for the AIXTRON Group largely reflects the expectations of AIXTRON SE. The earnings development of AIXTRON SE should continue to be in line with that of the Group in the future, as the results of the subsidiaries are reflected in the income from investments of the Group's parent company. Management by means of performance indicators is carried out exclusively at Group level. The comments on the expected results of operations and financial position therefore also apply to AIXTRON SE (see in the following section [Expected developments](#)).

Report on Expected Developments, Opportunities and Risks

Expected Developments

Future Market Environment

In its "World Economic Outlook" (January 2024), the IMF forecasts global economic growth of 3.3% for 2025, which is slightly above the expected 3.2% for 2024, but still below the historical average (2000-2019) of 3.7%. In view of the expected continued decline in inflation, the IMF sees the risks to global growth as largely balanced. Global inflation is expected to fall to 4.2% in 2025 (2024e: 5.8%), although this is still above the pre-pandemic level (2017-2019) of around 3.5%. AIXTRON does not currently expect the general global economic environment to have a significant impact on business development. The medium and long-term industry and sector-specific conditions for the demand for AIXTRON equipment remain intact, although negative macroeconomic developments cannot be ruled out.

Market observers continue to see positive development for production equipment in the semiconductor industry in the coming years. According to a study published by the leading global industry association SEMI in December 2024, the total market for investments in wafer fab equipment, which includes AIXTRON's deposition equipment, will increase from just under USD 96 billion in 2023 to around USD 101 billion in 2024 growing by 6.8% to around USD 108 billion in 2025. In 2026, SEMI expects the markets to increase significantly to a sales level of USD 123 billion, still mainly driven by the Korean, Taiwanese and Chinese markets. According to SEMI, the market for wafer fab equipment is currently impacted by difficult macroeconomic conditions and conditions in the semiconductor industry. However, emerging applications in numerous markets are expected to drive significant growth in the semiconductor industry again this decade, which should necessitate further investment to expand production capacity.

Regardless of the market development of the semiconductor industry as a whole, the market segments on which AIXTRON focuses are determined by a number of megatrends, including electrification, energy efficiency, artificial intelligence, digitization and sustainability, the development of which will be decisive for the future development and size of AIXTRON's sales markets.

Sales of GaN power semiconductors are largely driven by the need to increase energy efficiency in the global IT infrastructure and in AI data centers in order to slow down the rapid increase in energy consumption. The electromobility of the future will lead to an increased use of SiC components in the powertrain and charging infrastructure through the introduction of 800V battery systems in order to better meet customer requirements in terms of range and efficiency.

The increasing demand for lasers manufactured on AIXTRON systems is due to the rapidly growing need for fast and energy-efficient optical data communication (AI data centers, cloud computing, video streaming, etc.). 3D sensor technology in consumer electronics (smartphones, TVs) and in the area of access control, as well as the advancement of

industrial digitalization and a growing number of vehicles that use 3D sensor technology, are also contributing to increased demand for lasers.

AIXTRON continues to successfully collaborate with customers on research and pilot projects for the technological advancement of the next generation of displays in smartwatches, TVs, smartphones and notebooks: Micro LED displays, whose self-luminous LED pixels can be produced on AIXTRON's MOCVD systems, aim to replace today's LCD or OLED display technology with innovative, energy-saving alternatives with better luminosity, contrast, color fidelity and resolution. As Micro LED technology matures, AIXTRON expects the still very young market for Micro LEDs to develop both technically and commercially. The size of this additional new market for AIXTRON depends largely on the success of these developments.

Expected Financial and Earnings Position

For the financial year 2025, the Group expects a decline in sales compared to the previous year. Customer demand will continue to extend across all technology areas. In the area of power electronics, customers are expected to remain reluctant to invest in 2025 due to the general weakness of the market. A repeat of the high number of replacement orders for LED systems is not expected in 2025. Demand for pilot systems for Micro LED production is also likely to decline compared to the strong deliveries in 2024. However, the Executive Board remains optimistic about the positive medium and long-term outlook, both for demand from the optoelectronics sector (lasers, LED- and Micro LED-based display applications) and power electronics (GaN- and SiC-based power components).

Based on the current Group structure, the assessment of order development and the budget rate of 1.10 USD/EUR (2024: 1.15 USD/EUR), the Executive Board expects Group sales revenue in a range between EUR 530 million and EUR 600 million, a gross margin of around 41% – 42% and an EBIT margin of around 18% – 22% for the 2025 financial year. The outlook for the gross margin and the EBIT margin includes expenses in the mid-single digit million euro range for a voluntary program for workforce reduction. For the first quarter of 2024, the Executive Board expects sales revenues in a range between EUR 90 million und EUR 110 million.

As in previous years, the Executive Board assumes that AIXTRON will not require external bank financing in fiscal year 2025. Furthermore, it is assumed that the Group will be able to maintain a solid equity base for the foreseeable future.

Overall Statement on the Future Development

AIXTRON's systems enable the production of power semiconductors for highly efficient energy conversion in the area of power supply for data centers or consumer electronics or electric vehicles and their charging infrastructure (GaN and SiC components). Lasers manufactured with the help of AIXTRON systems are key components in fast optical data transmission (cloud computing, Internet of Things), in 3D sensors and increasingly in complex vehicle assistance systems. AIXTRON technology also enables the production of high-frequency chips for 5G mobile networks and key components for the production of the latest generation of displays (fine pitch displays, Mini and Micro LED displays).

Due to AIXTRON's proven ability to develop, manufacture and market innovative deposition systems in a flexible number for several customer markets, the Executive Board is convinced of the positive future prospects for the group and its target markets.

As of December 31, AIXTRON's systems enable the production of power semiconductors for highly efficient energy conversion in the area of power supply for data centers or consumer electronics or electric vehicles and their charging infrastructure (GaN and SiC components). Lasers manufactured with the help of AIXTRON systems are key components in fast optical data transmission (cloud computing, Internet of Things), in 3D sensors and increasingly in complex vehicle assistance systems. AIXTRON technology also enables the production of high-frequency chips for 5G mobile networks and key components for the production of the latest generation of displays (fine pitch displays, Mini and Micro LED displays).

Due to AIXTRON's proven ability to develop, manufacture and market innovative deposition systems in a flexible number for several customer markets, the Executive Board is convinced of the positive future prospects for the group and its target markets.

As of December 31, 2024, AIXTRON did not have any legally binding agreements on financial investments or the acquisition or sale of parts of the company.

Risk Report

Risk Management System

AIXTRON's risk management system is controlled centrally and includes all of AIXTRON's key organizational units in the process. The Corporate Governance & Compliance department, headed by the responsible CFO of AIXTRON SE, is responsible for setting up a risk management system and informs the entire Executive Board and the Supervisory Board of AIXTRON SE at regular intervals or ad hoc if necessary.

The primary goals of the risk management system support the achievement of strategic business goals and early detection of potential risks compared to the applicable corporate planning that could negatively affect the achievement of strategic business goals and business activities. The risk management system supports the Executive Board in the systematic, effective and efficient management of identified risks by defining, prioritizing and tracking risk-reducing measures. In order to meet the extended requirements of IDW PS 340, the conformity and meaningfulness of AIXTRON's risk management system were examined and essential instruments were further optimized in terms of presentation and meaningfulness. The subject of this consideration was the further development of the framework specifications for the risk management system, the risk assessment scheme, the risk-bearing capacity and the resulting overall risk position in the AIXTRON Group. The results and resulting adjustments were integrated into the risk management process and risk reporting, used in the quarterly risk inventory and documented in the Group-wide risk management system manual.

All risk owners have been trained in the use of the new risk management software and have ongoing access to it. This ensures that abrupt changes in the risk situation or newly identified risks are reported by those responsible for risk and integrated into the risk portfolio and reported in a timely manner.

The regular, quarterly risk inventory is initiated, carried out and monitored by the central risk management department. All risk owners from the operational and administrative areas, all general managers of the AIXTRON subsidiaries and the Executive Board of AIXTRON SE are asked about the current developments in already documented risks and measures to reduce them, as well as possible new risks. The results are collated at central level and discussed in a risk committee before the Supervisory Board is informed.

//ESRS 2 GOV-5

At AIXTRON, all individual risks and risk aggregates are evaluated and classified according to a defined scheme. The assessment of the probability of occurrence can be specified in four levels or as a fixed value. The possible extent of damage if the risk occurs can also be recorded in four stages or as a three-point analysis (Best Case, Most likely Case and Worst Case). The amount of damage relates to the measured degree of impact on the operating result (EBIT) of the AIXTRON Group. If the risk is significant for relevant risks, a possible outflow of cash is also used as the amount of damage.

The four levels for the probability of occurrence of the risks, in addition to the possibility of a fixed value, are divided into:

- Remote <5%
- Unlikely 5% - 10%
- Possible >10% - 50%
- Likely >50% - 100%

The potential net loss (measured as a percentage of equity) is used as a criterion for evaluating the possible financial impact of a risk on the earnings (EBIT) of the AIXTRON Group. The four possible levels in addition to the three-point view were calculated as follows:

- Acceptable <0.4%
- Relevant 0.4% – 2%
- Serious >2% – 4%
- Critical > 4%

The risk effects are presented both in terms of possible gross/net effects and in different observation periods (up to 12 months, 13 – 24 months and longer than 24 months). The gross loss represents the loss potential in the event of a risk occurring without taking into account other effects such as risk reduction measures. The net loss describes the loss potential in the event of a risk occurring taking into account the effects resulting from the risk reduction measures such as insurance, provisions, budget- and forecast recording of

risks. A risk matrix is derived from this assessment, which divides the risks of the AIXTRON Group into the following four risk classes (see chart for color scale):

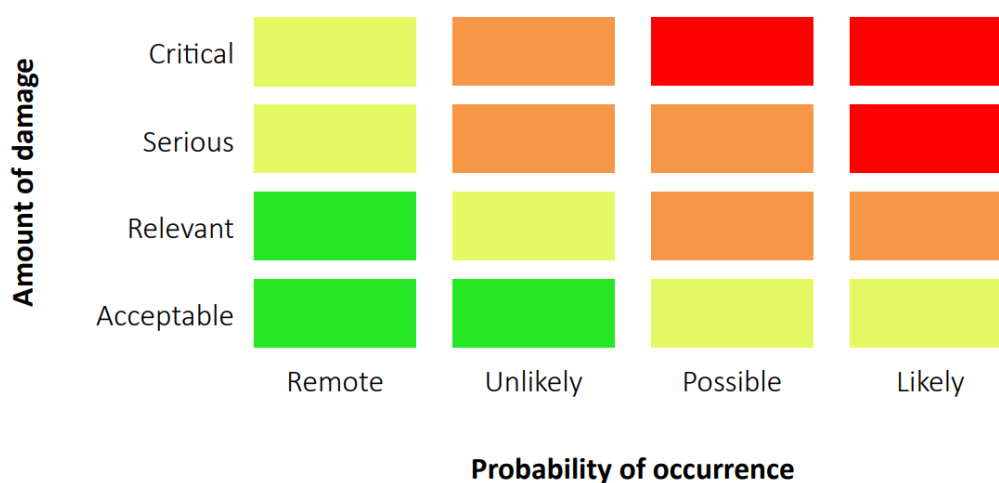
- Acceptable risk (green)
- Relevant risk (yellow)
- Serious risk (orange)
- Substantial risk (red)

Substantial risks that are classified as “critical” in terms of the amount of damage and with a probability of occurrence in the “likely” category are to be viewed as material risks for the AIXTRON Group within the meaning of the German Accounting Standard (DRS 20).

Similar substantial and significant risks are also considered material within the meaning of DRS 20 if they have an aggregated net expected value (combination of the amount of damage and probability of occurrence) that can be viewed as “critical” according to the system described above.

Risks that are considered to threaten the continued existence of the company within the meaning of DRS 20 would be listed separately.¹

Risk Map for Individual Risk Factors



Internal Control System (ICS)

The organizational responsibility for the internal control system (ICS) lies with the Corporate Governance & Compliance department. The aim of the ICS is to ensure the proper conduct of business activities, reliable financial and non-financial reporting and compliance with legal, regulatory and internal requirements. To achieve this goal, potential operational, financial and compliance risks are identified, assessed and internal controls are implemented when deemed necessary. The effectiveness of the control measures is checked at regular intervals by the Corporate Governance & Compliance department. In order to ensure functional and disciplinary independence, the Corporate

¹ //This sections is part of the integrated sustainability of the AIXTRON Group//

Governance & Compliance area reports to the Chief Compliance Officer, who regularly informs the Management Board and the Audit Committee about the results of the audits. The Corporate Governance & Compliance area has neither direct operational responsibility nor authority for the processes within the ICS.

Internal Control System (ICS) in the Accounting Process

The internal control system in the accounting process of the AIXTRON Group includes both the accounting process of AIXTRON SE and the group accounting process. It defines controls and monitoring activities, which are measures aimed at ensuring the proper handling of business activities, reliable financial reporting and compliance with laws, regulatory requirements and internal guidelines. A control system that is appropriate for the size of the group and business activities is the prerequisite for effectively controlling operational, financial and other risks.

In the accounting process, controls are defined at risk points that help ensure that the annual financial statements and the consolidated financial statements are prepared in accordance with external and internal regulations. A separation of functions that is adequate for the size of the group and the application of the four-eyes principle reduce the risk of fraudulent activities.

A global IT system is used to prepare the annual financial statements, the consolidated financial statements and the consolidation, which ensures a uniform and consistent approach and data security. Central system backups are regularly carried out for the relevant IT systems in order to avoid data loss. In addition, defined authorizations and access restrictions are part of the security concept.

The corporate function Finance of the AIXTRON Group is technically and organizationally responsible for the preparation of the annual financial statements and the consolidated financial statements. In the decentralized units, local employees are responsible for preparing the local financial statements. Uniform group accounting is ensured by group-wide specifications in terms of content and deadlines, as well as accounting guidelines and valuation principles. The Corporate Governance & Compliance department regularly checks compliance and effectiveness of the controls and is therefore involved in the overall process.

In the opinion of the Executive Board, these coordinated processes, systems and controls ensure that the Group accounting process is in accordance with IFRS and the annual financial statements are in accordance with HGB and other accounting-related regulations and laws and are reliable.

Internal audit

Internal Audit is part of the Corporate Governance & Compliance organization and is established by the Audit Committee of AIXTRON SE on behalf of the Supervisory Board of AIXTRON SE. Internal Audit reports directly to the Audit Committee and the Executive Board. The aim of Internal Audit is to provide independent and objective auditing and advisory services in order to improve the organization and create added value. Internal Audit pursues a systematic, transparent and structured approach to evaluating the effectiveness and efficiency of organizational processes and instruments. The follow-up

measures on the results and progress of the internal audit are regularly discussed with the Audit Committee and the Executive Board.

The annual internal audit plan is discussed with the Audit Committee and the Executive Board and approved by the Audit Committee.

The annual internal audit plan is drawn up on the basis of a risk-based methodology that takes into account risks and findings in the areas of risk management, compliance and internal control systems. Based on the risks and findings, a recommendation for the annual internal audit plan is submitted to the Audit Committee for review and approval. The Audit Committee approves the annual internal audit plan and reviews the processing status on a quarterly basis. In addition, the risks and findings are also reviewed on an ongoing basis and ad hoc audits are recommended to the Audit Committee for approval if necessary.

Overall Statement on the Effectiveness of the Risk Management and Internal Control System

The design of the risk management and internal control system described is based on the legal framework and international standards – such as the German Stock Corporation Act, the German Corporate Governance Code or the auditing standard "IDW PS 340 n.F." issued by the Institute of Public Auditors. Based on the information made available to the Executive Board of AIXTRON SE, it is not aware of any circumstances that could impair the appropriateness and effectiveness of the Risk Management System (RMS) or the internal control system (ICS).²

Individual Risks

The following risks could possibly have a significant negative impact on AIXTRON's results of operations, net assets and financial position, net assets, liquidity and the stock market price of the shares as well as on the actual outcome of matters to which the forward-looking statements contained in this combined management report are based relate. The risks explained below are not the only ones faced by the AIXTRON Group. There may be other risks that AIXTRON is currently unaware of, as well as general corporate risks such as political risks, the risk of force majeure and other unforeseeable events. In addition, there may be risks that AIXTRON currently considers immaterial, but which ultimately could also have a material negative impact on the AIXTRON Group. Please refer to the [Forward-Looking Statement](#) section for more information on forward-looking statements.

In accordance with the requirements of the German Accounting Standard (DRS 20), the following material risks exist as at December 31, 2024, considered on an aggregated basis:

Market and competitive risks

² The information in this paragraph (overall statement on the effectiveness of the risk management and internal control system) was made in accordance with the requirements of the German Corporate Governance Code 2022. They are to be classified as "not related to the management report" because they go beyond the legal requirements and are therefore not part of the substantive audit by the auditor.

AIXTRON's target markets are distributed worldwide, with a regional focus on Asia, Europe and the USA. AIXTRON is therefore subject to global economic cycles and geopolitical risks such as the conflict between the USA and China, which could adversely affect the business of the AIXTRON Group. Such risks cannot be influenced by AIXTRON.

The markets addressed by AIXTRON are cyclical and can therefore be volatile. The timing, length and intensity of these industry cycles are difficult to predict and influence through AIXTRON. In order to spread market-related risks, AIXTRON therefore diversifies and offers products in different target markets.

In each of these markets, AIXTRON competes with other companies. It is possible that new competitors will appear on the market or that established competitors will adopt strategies or launch products that may negatively impact market expectations overall or of individual key customers of AIXTRON.

Market developments are continuously observed and assessed by AIXTRON. In order to reduce the risk of dependence on individual markets and their fluctuations, AIXTRON has implemented a management system designed to ensure that market developments are identified early and used optimally.

AIXTRON's market and competition risks can have a critical impact on the Group's medium to long-term high sales and profit expectations if the risks materialize.

In addition to the requirements of the German Accounting Standard (DRS 20), there are industry-specific, unique technological risks as of December 31, 2024:

Technological risks

Some of the technologies that AIXTRON offers enable new, disruptive application options. This often means long development and qualification cycles for AIXTRON products, since demanding technical and/or other customer specifications have to be met (sometimes for the first time) before a business deal is concluded.

Due to the predominantly long-term development and qualification cycles of AIXTRON's products, there is a possibility that AIXTRON's technologies and products are developed for markets or application areas in which the framework conditions of the end markets or the strategic planning of potential customers change fundamentally in the course of the development cycle.

The ongoing focus on research and development activities in the past fiscal year and the intensive involvement of external technology partners are still considered by AIXTRON SE's Executive Board to be suitable measures to reduce this risk.

AIXTRON's technology risks could have a significant impact on the Group's medium to long-term high sales and profit expectations if the risks materialize.

If it turns out that a technology risk has materialized and the introduction of a new technology cannot be implemented as planned, this can result in the planned and forecasted revenues being exposed to the risk of being postponed or omitted, and thus development activities being refinanced later than planned or not at all.

In AIXTRON's risk management system, the following risks are not considered significant for the Group:

- Currency and Financial Risks
- Production and related risks
- Legal Risks
- Risks related to patents and intellectual property

AIXTRON defines IT and information security risks as breaches of integrity, confidentiality and liability.

The Group has invested in extensive technical and organizational measures to increase information security and protect information from unauthorized access, unwanted modification or deletion. The information security measures taken are subject to regular monitoring and continuous improvement and are supported by targeted awareness and training concepts.

Overall Statement on the Risk Situation of AIXTRON SE

Compared to the 2023 fiscal year, the overall risk situation remains unchanged for the 2024 fiscal year, with the exception of the changes described above in the AIXTRON Group. The continuous focus of research and development activities with a emphasis on renewing and expanding the product portfolio streamlines the risk portfolio and thus improves the exploitation of opportunities and the avoidance of risks in AIXTRON's target markets.

Neither in the 2024 fiscal year nor at the time of writing of this management report has the Executive Board of AIXTRON SE identified any risks for the company that could threaten its continued existence as of December 31, 2024.

Opportunities report

AIXTRON's core competence is the development of the latest technologies for the precise deposition of complex semiconductor structures and other functional materials. In this area, the Group has established a leading competitive position worldwide. In order to maintain or expand these positions, AIXTRON continuously invests in research and development projects, e.g. for MOCVD systems for the production of semiconductors for applications such as Micro LEDs, lasers or power electronics. The Executive Board will maintain its focus on AIXTRON's core competencies in order to successfully serve existing sales markets as well as to successfully develop new sales markets.

Important market segments for power electronics based on wide-band-gap materials such as gallium nitride (GaN) and silicon carbide (SiC) are the automotive industry, telecommunications and IT technology, particularly for the areas of artificial intelligence, the energy industry and consumer electronics. Energy-efficient solutions are increasingly in demand for AC/DC converters and inverters as well as high-frequency power amplifiers. The electrification of vehicles has increased significantly in recent years, as has the expansion of the charging infrastructure - both SiC- and GaN-based components are an important trend for both applications thanks to their high energy efficiency. GaN-based components for lower voltage classes, which enable, for example, the fast charging of mobile devices or the highly efficient voltage and power supply of servers and data

centers, are increasingly in demand, particularly due to the rapidly growing demand for computing power for artificial intelligence applications. GaAs or GaN-based high-frequency components, which are used for signal transmission in 5G networks or for the WLAN-6-standard, among other things, are also contributing to sales.

Important market segments in optoelectronics are also gaining momentum due to artificial intelligence applications. In the coming years, a further sharp increase in data volume and therefore demand for faster and more energy-efficient optical data communication is expected.³ Optical data transmission is also increasingly being used over shorter distances, e.g. within data centers and even servers or to connect households to the fiber optic network. The global expansion of fiber optic networks for high-speed data transmission is leading to increasing demand for systems for the production of edge and surface emitting lasers (EEL and VCSEL). Although these markets are always subject to certain cyclical and technological fluctuations, AIXTRON expects demand to increase in the coming years, especially as the demand for 3D sensing increases due to virtual reality applications or LiDAR for autonomous driving.⁴ Demand for systems for the production of red, orange and yellow (ROY) LEDs is currently showing signs of recovery. Further growth potential is expected from the further development and future commercialization of Micro LED displays, which may lead to additional significant demand for systems for these demanding applications. Although the development of these display technologies has lagged behind original forecasts in recent years, there is still great potential in various consumer electronics end applications.

AIXTRON expects the following market trends and opportunities in the relevant end-user markets to have a positive impact on the further course of business:

Short term:

- Further increase in the use of wide-band-gap GaN- or SiC-based components for energy-efficient power electronics in electric vehicles
- Increasing use of GaN-based components in consumer electronics, mobile devices, servers and IT data centers for artificial intelligence applications and the expansion of the 5G network infrastructure
- Increasing use of GaAs-based components in mobile devices (e.g. smartphones) for 5G mobile communications or WLAN 6 technology
- Further increase in demand for lasers for high-volume optical data transmission, e.g. for video streaming and Internet of Things (IoT) applications
- Increasing use of compound semiconductor-based lasers for 3D sensing in mobile devices and infrastructure applications
- Increasing use of LEDs and special LEDs (in particular red-orange-yellow, UV or IR) for display and other applications
- Increasing commercialization of Micro LED displays

³ YOLE Optical Transceivers for Datacom and Telecom 2024

⁴ Photonics Compound Semiconductor Market Monitor Q2/2024

Medium to long term:

- Development of new applications based on wide-band-gap materials such as high-frequency chips or system-on-chip architectures with integrated energy management
- Increasing use of optoelectronic components for artificial intelligence applications, so-called co-packed optics for maximum data transmission speeds
- Development of alternative LED applications, such as visible light communication technology
- Increasing use of compound semiconductor-based lasers for 3D sensor technology in the field of autonomous driving
- Use of GaN-based components in mobile devices (e.g. smartphones) for the millimeter-wave range of 5G and 6G mobile communications
- Increased development activities for high-performance solar cells made from compound semiconductors

Overall picture of opportunities

As part of the assessment of our business opportunities, investment opportunities or development projects are examined and prioritized in terms of their potential value contribution in order to ensure an effective allocation of resources. We focus specifically on markets that are positively influenced by global megatrends such as electrification, energy efficiency, artificial intelligence, digitalization and sustainability, among others, and are therefore generally developing positively and to some extent independently of the macroeconomic situation and uncorrelated with one another. The aim is always to serve these markets optimally in order to consistently and optimally exploit all opportunities that arise for the economically and ecologically sustainable business development of the Group.

If identified opportunities are deemed likely to materialize, they are included in the business plans and short-term forecasts. Additional trends or events that could lead to a positive development for the net assets, financial position and results of operations are monitored and may have a positive impact on our medium to long-term prospects. The development of the overall macroeconomic situation and, in particular, its impact on the investment climate is also closely monitored in order to anticipate all possible developments in the end markets and adjust investment activity and the use of resources accordingly.

Legal Disclosures

Group Declaration of Corporate Governance pursuant to Section 289f in conjunction with Section 315d German Commercial Code (HGB)

The Declaration of Corporate Governance pursuant to Section 289f HGB has been combined with the Group Declaration of Corporate Governance pursuant to Section 315d HGB. This combined declaration including a Corporate Governance Report is available on the homepage of AIXTRON SE at [Declaration of Corporate Governance](#) and is part of this annual report.¹

Information Concerning Section 289a in conjunction with Section 315a of the German Commercial Code (HGB) on Takeovers

The share capital of AIXTRON SE as of December 31, 2024, amounted to EUR 113,456,120 (December 31, 2023: EUR 113,411,020) divided into 113,456,120 registered shares with a proportional interest in the share capital of EUR 1.00 per no-par value registered share. Each no-par value share represents the proportionate share in AIXTRON's stated share capital and carries one vote at the Company's annual shareholders' meeting. All registered shares are fully paid in.

As of December 31, 2024, AIXTRON SE held 784,259 (December 31, 2023: 876,402) treasury shares, which accounted for a share capital in the amount of EUR 784,259 (2023: 876,402). The treasury shares correspond to 0.7% of the share capital (previous year: 0.8%).

AIXTRON SE has issued a share certificate representing multiples of shares (global share). Shareholders do not have the right to the issue of a share certificate representing their share(s). There are no voting or transfer restrictions on AIXTRON's registered shares that are related to the Company's Articles of Association. There are no classes of securities endowed with special control rights, nor are there any provisions for control of voting rights, if employees participate in the share capital without directly exercising their voting rights.

¹ The information in the Corporate Governance Declaration was made in accordance with the requirements of the German Corporate Governance Code 2022. They are to be classified as "not related to the Management Report" because they go beyond the legal requirements and are therefore not part of the substantive audit by the auditor.

Additional funding needs could be covered by the following additional capital as authorized by the annual shareholders' meeting:

Funding Sources

(EUR or number of shares)

	31.12.24	Approved since	Expiration date	31.12.23	31.12.24 vs. 31.12.23
Issued shares	113,456,120			113,411,020	45,100
Authorised capital 2022 - Capital increase in cash or in kind with or without subscription rights for existing shareholders	41,450,000	25.05.22	24.05.27	41,450,000	0
Conditional Capital II 2012 - Stock Option Program 2012	20,900	16.05.12	15.05.17	66,000	-45,100
Conditional Capital 2022 - Authorisation to issue bonds with warrants and/or convertible bonds, profit-sharing rights and/or income bonds (or combinations of these instruments) with or without subscription rights for existing shareholders	15,000,000	25.05.22	24.05.27	15,000,000	0

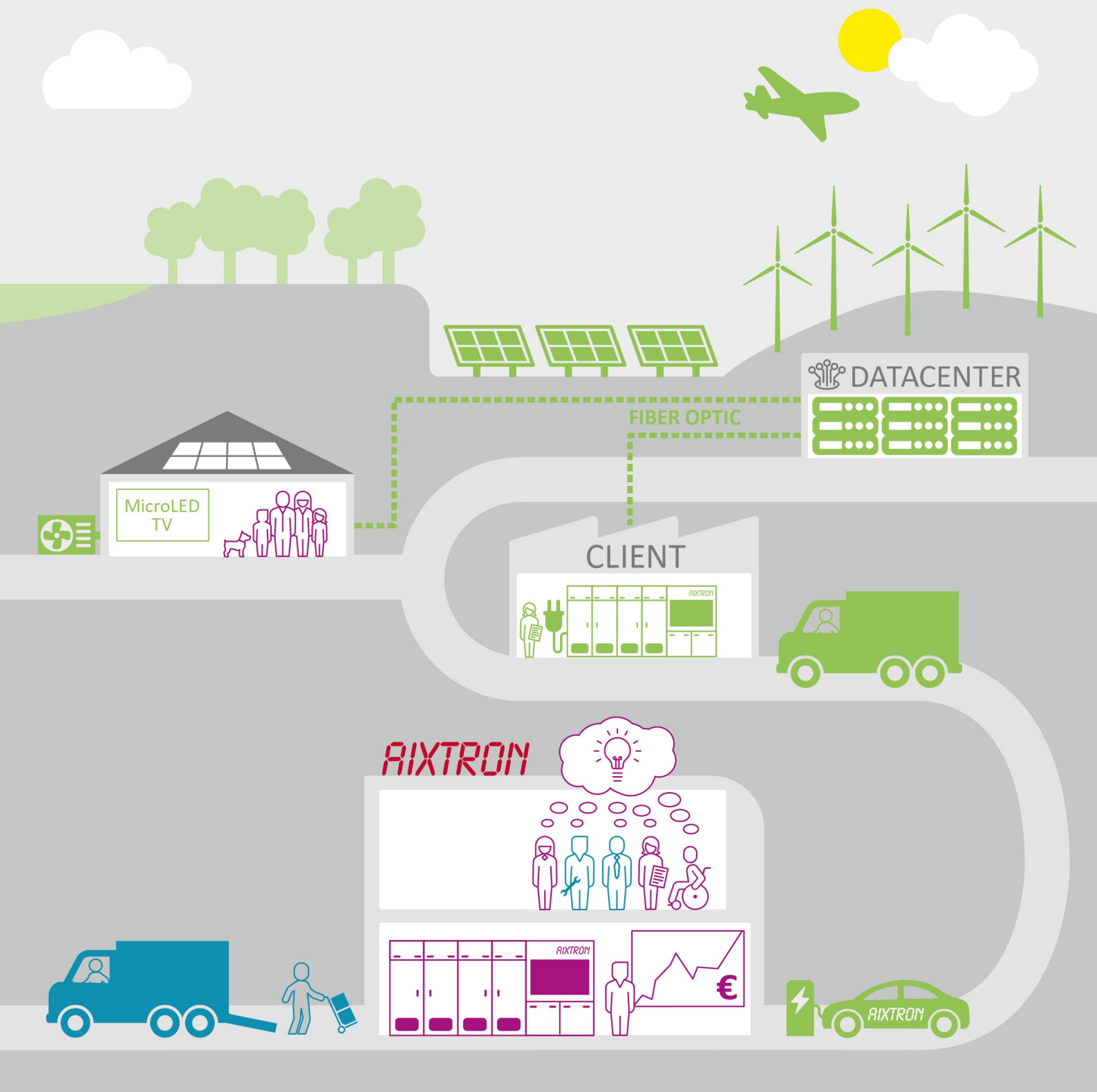
In accordance with Section 71 (1) no. 8 German Corporations Act, AktG, the Company is authorized until May 24, 2027, with the approval of the Supervisory Board, to purchase its own shares representing an amount of up to 10% of the share capital existing at the time of the resolution or – if this value is lower – at the time of the exercise of the authorization. This authorization may not be used by the Company for the purpose of trading in own shares. The authorization may be exercised in full, or in part, once, or on several occasions by the Company, by companies dependent on the Company or in which the Company directly or indirectly holds a majority interest, or by third parties appointed by the Company. The shares may be purchased (1) on the stock market or (2) by way of a public offer to all shareholders made by the Company or (3) by way of a public invitation to submit offers for sale.

Changes to the Articles of Association regarding capital measures require a resolution of the general meeting, which is passed by a three-quarters majority of the share capital represented at the general meeting (Art. 59 SE-VO, § 179 AktG). Other changes to the Articles of Association require a majority of two-thirds of the votes cast or, if at least half of the share capital is represented, a simple majority of the votes cast.

As of December 31, 2024, around 26% of AIXTRON shares were held by private individuals (2023: 16%), most of whom are based in Germany. Around 69% of the outstanding AIXTRON shares were held by institutional investors (2023: 83%). According to the voting rights notifications received, the following shareholders were above the 3% threshold at the end of 2024: Goldman Sachs with 4.9%, Morgan Stanley with 4.7%, UBS with 3.9% and Blackrock, Inc. with 3.8%. According to the Deutsche Börse definition, 99% of AIXTRON's shares were in free float and around 1% of AIXTRON's shares were held by the company itself.

Members of the Executive Board are appointed and dismissed by the Company's Supervisory Board. The individual members of the Executive Board are appointed for a maximum period of six years and can then be re-appointed.

In the event of a “change of control”, the individual members of the Executive Board are entitled to terminate their employment with three months’ notice to the end of the month and to resign from office with effect from the date of termination. Upon termination of employment due to a so-called “change of control” event, all members of the Executive Board receive a severance payment in the amount of the fixed and variable remuneration expected to be owed by the Company for the remaining term of the employment contract, up to a maximum of two years’ remuneration. A “change of control” as defined above exists if a third party or a group of third parties, who contractually combine their shares to act as a third party, directly or indirectly holds more than 50% of the Company’s share capital. Apart from the aforementioned, there are no other “change of control” clauses.



INTEGRATED SUSTAINABILITY REPORT

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The integrated sustainability report in accordance with the ESRS provides a comprehensive overview of AIXTRON's sustainability initiatives and progress. The focus is on the production of energy-efficient technologies and continuous research into more sustainable solutions for the future. Particular emphasis is placed on the workforce and corporate culture that form the foundation of AIXTRON's success.

The integrated Sustainability Report provides stakeholders with a comprehensive picture of the non-financial aspects and key figures of the business activities of the AIXTRON Group (hereinafter also referred to as "AIXTRON" or "the Group"). This report replaces the previously separately published Sustainability Report with the Group's non-financial reporting in accordance with Sections 315b and 315c of the German Commercial Code (HGB). In anticipation of the timely implementation of the European Corporate Sustainability Reporting Directive (CSRD) into national law, AIXTRON prepared itself early for the associated reporting obligations. Due to the lack of implementation, a summarized non-financial Group statement will continue to be prepared for fiscal year 2024 on the basis of the previous legal requirements in accordance with Section 315b HGB.

The integrated sustainability report was prepared in accordance with Section 289d HGB taking into account the European Sustainability Reporting Standards (ESRS) and complies with the requirements of this framework. Since all the described aspects apply equally to AIXTRON SE and the Group, no separate application of a framework pursuant to Section 289d HGB was made for the parent company. The materiality analysis in 2024 was therefore carried out in accordance with the ESRS requirements and therefore goes beyond the requirements of Section 315c HGB in conjunction with Section 289c HGB. Section 289c (3) HGB requires additional mandatory disclosures with regard to existing concepts on social matters that are not covered by the ESRS disclosures. There are no concepts on social matters, as this aspect was not identified as a material topic in the materiality analysis due to AIXTRON's business model. The other content requirements of the non-financial Group statement of Section 315c HGB in conjunction with Section 289c HGB are covered by the material ESRS topics.

Some of the disclosures from the cross-divisional ESRS 2 standard are already included in the combined management report and have therefore been incorporated by reference and marked accordingly in both the general part of the management report and the integrated sustainability report. The specific ESRS disclosure requirements are marked in the general part of the management report beginning and ending with '/' and identified by a corresponding footnote. The specific ESRS disclosure requirements are indicated in brackets () after the relevant paragraph throughout the integrated sustainability report.

The disclosures and key figures provided in the integrated sustainability report in accordance with ESRS were subjected to an independent limited assurance engagement by KPMG AG Wirtschaftsprüfungsgesellschaft, Düsseldorf (Germany) in accordance with the relevant auditing standards for sustainability reporting (ISAE 3000 Revised).

GENERAL DISCLOSURES (ESRS 2)

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Basis for the preparation

ESRS 2 BP-1 General basis for preparation of sustainability statements

The integrated sustainability report was prepared on a consolidated basis (ESRS 2 BP-1 5 a).

The integrated sustainability report comprises the same scope of consolidation as the financial reporting (ESRS 2 BP-1 5 b).

The integrated sustainability report is divided into four main sections: General Disclosures, Environment, Social and Corporate Governance. Individual key figures were recorded for the first time in the 2024 reporting year and included in this report. If data from previous years is not available in individual cases, it is not possible to compare these key figures with previous years. In this case, this is indicated by a corresponding note.

As of December 31, 2024, AIXTRON has one production site each in Herzogenrath (DE), Cambridge (UK) and Turin (IT). Research and development activities are carried out at the Herzogenrath and Cambridge sites. Sales offices are located in the USA and Asia.

The Integrated Sustainability Report covers the material impacts, risks and opportunities of AIXTRON and the upstream and downstream value chain as far as possible. Due to the limited availability of information and data on the upstream and downstream value chain, inaccuracies may occur, which are identified in the respective topical standards [Environment](#) and [Governance](#).

The upstream value chain includes AIXTRON's suppliers. AIXTRON's direct customers are considered for the downstream value chain (ESRS 2 BP-1 5 c).

AIXTRON makes use of the option to omit certain information relating to intellectual property, know-how or the results of innovations (ESRS 2 BP-1 5 d).

AIXTRON makes use of the exemption from disclosures on pending developments or matters under negotiation (ESRS 2 BP-1 5 e).

ESRS 2 BP-2 Disclosures in relation to specific circumstances

In identifying and assessing impacts, risks and opportunities, AIXTRON is guided by the requirements of the ESRS with regard to time horizons. A short-term time horizon corresponds to the current reporting period, while a medium-term time horizon covers the period from the end of the short-term period up to five years. Long-term refers to a period of more than five years (ESRS 2 BP-2 9).

Calculations and estimates are used to provide the key figures for selected Scope 3 GHG emissions in the [Environment](#) section. The key figures concerned are:

- **Scope 3.1 Purchased goods and services**

A detailed list of all purchases of goods and services was compiled to determine CO₂ emissions within Scope 3.1. Product groups were defined for materials and services. For services, the CO₂ quantities in the service product groups were determined using the value-based method. This method takes into account the financial value of the purchased services and calculates the corresponding CO₂ emissions. For materials, it was determined that the value-based method would lead to inaccurate results due to the high value added in the upstream supply chain. An average price was therefore calculated for each material product group. The purchase value per material product group was divided by the respective average price to determine the quantity in kilograms. A specific material mix was then defined for each material product group. This material mix is decisive for the selected CO₂ equivalent value, which was then used to convert the calculated kilograms into CO₂ emissions. The accuracy is estimated to be medium.

- **Scope 3.4 Upstream logistics**

All logistics services paid for by AIXTRON are included in the population. If no specific information on CO₂ emissions is available from the logistics service providers, the basic figure of tonne-kilometres (tkm) is used. The calculation of tkm is based on incoming invoices and information from the logistics companies for various types of transportation. These tkm are then multiplied by the corresponding CO₂ equivalents to determine the CO₂ emissions. The accuracy of this method is estimated to be medium to low.

- **Scope 3.5 Waste generation**

The waste quantities are calculated on the basis of the waste disposal companies' invoices. If the quantities are given in kilograms (target unit for the CO₂ calculations), these are used directly. Otherwise, the kilograms are determined using the size of the waste containers and the average number of empties per year. The quantity determined in this way is then multiplied by the corresponding CO₂ equivalents to calculate the CO₂ emissions. The accuracy is assessed as medium.

- **Scope 3.6 Business travel**

Business trips are reported in passenger kilometers (pkm). This is based on incoming invoices and invoices from travel service providers. The calculated pkm per means of transport are extrapolated with the corresponding CO₂ equivalents. The accuracy was assessed as medium to low.

- Scope 3.11 Use of products sold

The target figure for the calculation is the energy consumption in kilowatt hours (kWh) per year, differentiated by machine type, application and the country in which the machine is operated. This is based on the list of all machine sales per customer. For each machine type, the energy consumption in kWh per year was calculated for all applications in the standard production process. The kWh determined were then multiplied by the country-specific CO₂ equivalents to calculate the CO₂ emissions. The accuracy of this method is estimated to be medium to low.

- Scope 3.12 Treatment of products sold at the end of their life cycle

The target value for the calculation is the kilograms (kg) of material per product group that cannot be recycled at the end of the machine's service life. These values are determined using the parts list per machine and a qualified assessment of the recycling rates per product group. The calculated kilograms of non-recyclable materials are then multiplied by the respective CO₂ equivalent values to calculate the CO₂ emissions. The accuracy of this method is estimated to be medium (ESRS 2 BP-2 10).

The following estimate is used to calculate the rate of occupational accidents in the [Social](#) section:

- Rate of accidents

To calculate the occupational accident rate in accordance with ESRS S1 88c, only the annual working days are estimated. This is based on an assumption of 210 working days. The calculation basis comprises 365 calendar days, from which 104 weekend days (52 weeks x 2 days), 30 vacation days, 9 national holidays that do not fall on a weekend, and 12 sick days are deducted. As the majority of AIXTRON employees work in Germany, this basis is used. The individual days are not adjusted annually in order to ensure that the indicator is consistently meaningful. This method offers a medium level of accuracy (ESRS BP-2 10).

Governance

ESRS 2 GOV-1 The role of the administrative, management and supervisory bodies

The Executive Board is responsible for managing the company's business and informs the Supervisory Board regularly, promptly and comprehensively about all issues relating to strategy, planning, business development, the risk situation, risk management and compliance that are relevant to the company.

In accordance with Section 8 of the Articles of Association of AIXTRON SE, the Executive Board consists of two or more persons. The number of Executive Board members is determined by the Supervisory Board. It also decides whether a Chairman, deputy members or a Deputy Chairman should be appointed. At the time of reporting, the Executive Board consists of two persons:

Executive Board

(as of December 31, 2024)

Name	Position	Since	End of Term
Dr. Felix Grawert	Chairman	08.14.2017	08.13.2030
Dr. Christian Danninger	Member	05.01.2021	04.30.2029

Accordingly, AIXTRON has two executive members in the administrative and management bodies. A further six non-executive members are represented on the Supervisory Board. These consist of the Chairman of the Supervisory Board, Kim Schindelhauer, and the other Supervisory Board members Frits van Hout, Alexander Everke, Karen Florschütz, Dr. Stefan Traeger and Prof. Dr. Anna Weber (ESRS 2 GOV-1 21 a).

The Supervisory Board consists of 100% independent members. There is no representation of employees and other workers on the Supervisory Board. Employees and other workers are represented by the Works Council (ESRS 2 GOV-1 21 b, e).

The members of the Executive Board have the necessary expertise and competence to manage the Group. The members of the Supervisory Board have the necessary expertise and competence to fulfill their supervisory function. The members of the Executive Board and the Supervisory Board have a diverse background and many years of experience in corporate management as well as extensive knowledge of the company, the products and the locations of AIXTRON (ESRS 2 GOV-1 21 c).

The Executive Board of AIXTRON consists of two male members. Of the six members of the Supervisory Board, four are male and two are female. Accordingly, 75% of the members of the administrative, management and supervisory bodies are male. The remaining 25% are female members. The ratio is therefore 1:3. Gender diversity is calculated as the average ratio of female to male members (ESRS 2 GOV-1 21 d).

Organizational responsibility

The Executive Board of AIXTRON SE bears overall responsibility for sustainability. The Chief Financial Officer (CFO) Dr. Christian Danninger is responsible for monitoring, managing and overseeing the impacts, risks and opportunities (ESRS 2 GOV-1 22 a). He is advised by the ESG & Sustainability and Group Finance departments and makes decisions on material sustainability topics. The respective departments and subsidiaries of AIXTRON are responsible for implementing the targets and projects decided by the Executive Board. The sustainability working group consists of those responsible for the respective topic, e.g. innovation, technology, energy management, human resources, works council, compliance, quality management and purchasing. The aim is to develop key sustainability issues in line with the corporate strategy, raise awareness of sustainable business practices and embed them in all areas of the company. Within the working group, those responsible report to the sustainability team, c of the ESG & Sustainability and Group Finance departments, on the progress of individual projects within the company and drive them forward. The cornerstones of sustainability management for all units of the AIXTRON Group are formally and bindingly laid down in the ESG guideline. The various sustainability topics are managed and coordinated by the respective department heads. The sustainability team is responsible for monitoring the fulfillment of the reporting criteria (ESRS 2 GOV-1 22 b).

The Supervisory Board has a control and monitoring function for sustainability reporting. This is exercised by the Audit Committee, which consists of the Chairwoman Prof. Dr. Anna Weber and the two other members Mr. Kim Schindelhauer and Mr. Alexander Everke. Stefan Traeger was a member of the Audit Committee until the constituent meeting of the Supervisory Board on May 15, 2024. At the constituent meeting, it was decided that Mr. Alexander Everke would become a member of the Audit Committee. Mr. Stefan Traeger has not been a member since then (ESRS 2 GOV-1 22 c i). In order to update and expand sustainability-related expertise, various training courses were attended in the past reporting year (ESRS 2 GOV-1 23 a).

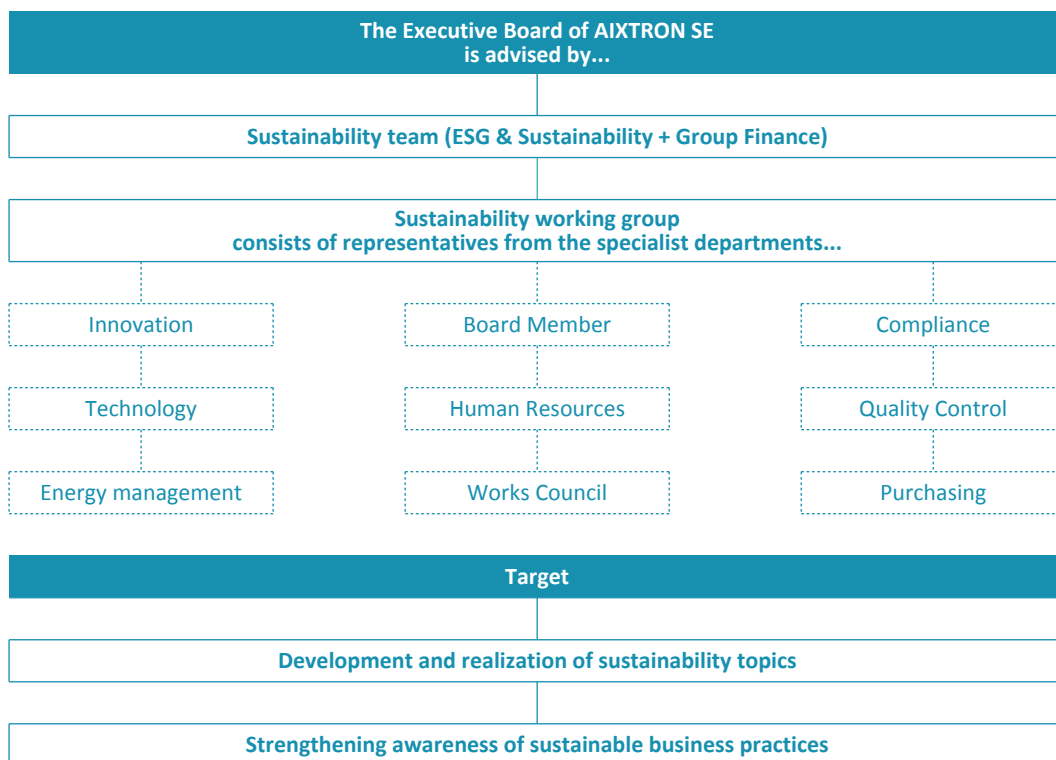
The Executive Board is informed by the sustainability team about procedures, controls and processes in the area of corporate governance. The procedures, controls and processes are created and implemented by the respective specialist departments.

In weekly meetings, the sustainability team informed the Chief Financial Officer about sustainability issues relevant to management and about the current status of material impacts, risks and opportunities. The Audit Committee is informed about reporting obligations on a quarterly basis at the relevant Audit Committee meetings (ESRS 2 GOV-1 22 c ii).

Controls and procedures for the management of impacts, risks and opportunities have been developed by the respective specialist departments and are taken into account in the internal control system and risk management (ESRS 2 GOV-1 22 c iii).

Sustainability-related targets are presented to the Executive Board and subsequently to the Supervisory Board and set by the Executive Board. A quarterly status report is submitted to the Executive Board on the progress made in achieving the targets (ESRS 2 GOV-1 22 d).

Training, access to specialist literature and the support of a consultancy firm in the preparation of the sustainability report ensure that the necessary sustainability-related expertise is available. Furthermore, the material impacts, risks and opportunities are discussed and processed by the sustainability team together with the technical experts and then passed on to the Executive Board (ESRS 2 GOV-1 23 a).



The sustainability-related expertise of the Executive Board and Audit Committee with regard to the material impacts, risks and opportunities is shown in the overview below (ESRS 2 GOV-1 23 b):

Sustainability-related expertise	Audit Committee			Executive Board	
	Kim Schindelhauer	Prof. Dr. Anna Weber	Alexander Everke	Dr. Felix Grawert	Dr. Christian Danninger
Environment - Climate change mitigation & Energy		x	x	x	x
Social - Working conditions	x	x	x	x	x
Governance - Business conduct	x	x	x	x	x

Topic-specific disclosure requirement: G1 - Business Conduct

With regard to business conduct, the Executive Board is responsible for managing the company's business and informs the Supervisory Board regularly, promptly and comprehensively about all issues of strategy, planning, business development, the risk situation, risk management and compliance that are relevant to the company.

The Supervisory Board appoints the members of the Executive Board and monitors and advises the Executive Board in its management of the Company. The Executive Board requires the prior approval of the Supervisory Board for certain transactions and measures prescribed by law, the Articles of Association of AIXTRON SE or the Rules of Procedure for the Executive Board. The Executive Board must also inform the Supervisory Board about the conclusion, amendment and termination of important contracts that do not require the approval of the Supervisory Board. In addition, the Executive Board must inform the Supervisory Board of all significant events, even if they do not require the approval of the Supervisory Board (ESRS G1 5 a).

The Executive Board members can demonstrate their expertise in corporate management through many years as Executive Board members at AIXTRON as well as through many years of experience in various management functions at other international groups.

Given the business activities of AIXTRON and the markets the group serves, the supervisory board should possess expertise in technology, finance/accounting, capital markets, strategy, corporate governance, and sustainability issues relevant to AIXTRON.

As Chairwoman of the Audit Committee of AIXTRON SE, Prof. Dr. Anna Weber has expertise in the field of accounting and auditing. She serves as an auditor, a supervisory board member, and the chair of the audit committee for another publicly listed company. She is also a professor of general business administration specializing in external accounting. The Chairman of the Supervisory Board, Mr. Kim Schindelhauer, was also active at AIXTRON as Chairman of the Executive Board, Chief Financial Officer and Commercial Director as well as in various management positions in the financial sector of other international groups and can therefore demonstrate expertise in the area of corporate management. Mr. Alexander Everke also has corporate governance expertise as a Supervisory Board member and member of the ESG-Committee of another listed company and as a former member of the Executive Board of a listed company.

The Executive Board and Supervisory Board of AIXTRON SE are convinced that the composition of the Audit Committee of the Supervisory Board fully meets both its own objectives and the competence profile (ESRS G1 5 b).

ESRS 2 GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The sustainability team informs the Chief Financial Officer on a weekly basis about the status of material impacts, risks and opportunities. In order to ensure the accuracy of the information reported, further controls have already been incorporated into the internal control system.

At the quarterly Audit Committee meetings, the Executive Board informs the Audit Committee about the material impacts, risks and opportunities, the implementation of due diligence in the area of sustainability and the results and effectiveness of the concepts, measures, key figures and targets adopted as part of the status update. AIXTRON's integrated sustainability report is submitted both to the Audit Committee for review and to the Supervisory Board for final approval (ESRS 2 GOV-2 26 a).

Material impacts, risks and opportunities are addressed by both the Executive Board and the Audit Committee. As the management body, the Executive Board is responsible for considering the effects, risks and opportunities when making important decisions. A resolution proposal on important decisions is presented to the decision-makers in written form well in advance. A subsequent resolution is supported by appropriate documentation that shows the impacts, risks and opportunities associated with the decision as well as possible alternatives. The material impacts, risks and opportunities identified are also coordinated with risk management. Compromises in connection with impacts, risks and opportunities are taken into account through newly defined targets for Executive Board remuneration (ESRS 2 GOV-2 26 b).

A list of the material impacts and opportunities addressed by the Executive Board and the Audit Committee during the reporting period, is presented in the section [Material impacts, risks and opportunities and their interaction with the strategy and business model](#) (ESRS 2 GOV-2 26 c).

ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes

The long-term, performance-related variable remuneration of the Executive Board remuneration system, referred to as the **long-term incentive (LTI)**, includes sustainability targets in addition to **target achievement** based on the key figures of consolidated net income and total shareholder return (TSR). The relative weighting is 50% for Group net profit, 40% for TSR and 10% for sustainability targets. From 2025, the relative weighting is 35% for Group net profit, 50% for TSR and 15% for sustainability targets.

The third key figure of the LTI is calculated from **sustainability targets** set by the Supervisory Board at the beginning of each reference period. They cover the areas of environment, social affairs and good corporate governance. Target achievement corresponds to the ratio of the actual values achieved to the target values and is limited to 250%. Before the start of each financial year, the Supervisory Board sets two to three sustainability targets to be achieved by the end of the reference period. The sustainability targets from which the supervisory board can select for each executive member before the start of the fiscal year include, among others: efficient use of energy and raw materials, reduction of emissions, employee satisfaction and development, customer satisfaction, innovation performance, succession planning and compliance. At the first Supervisory Board meeting after the end of the reference period (after 3 years), the Supervisory Board determines the actual target achievement of the LTI for the reference period for each Executive Board member (ESRS 2 GOV-3 29).

Topic-specific disclosure requirement: ESRS E1 Climate Change

In 2024, performance will not be measured against GHG emission reduction targets. Performance is measured based on the achievement of formal requirements for the submission of application documents to the Science Based Target Initiative (SBTi) and the achievement of "Target Approved" status by the end of 2026. The percentage of climate-related remuneration components is 5% (ESRS 2 GOV-3; E1 13).

ESRS 2 GOV-4 Statement on due diligence

The table below provides an overview of the information provided on due diligence and where it can be found in the sustainability report (ESRS 2 GOV-4 32).

CORE ELEMENTS OF DUE DILIGENCE	PARAGRAPHS IN THE INTEGRATED SUSTAINABILITY REPORT	Page
Embedding due diligence in governance, strategy and business model	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	123
	Integration of sustainability-related performance in incentive schemes	124
	Material impacts, risks and opportunities and their interaction with strategy and business model	130
Engaging with affected stakeholders in all key steps of the due diligence	Interests and views of stakeholders	128
	Description of the process to identify and assess material impacts, risks and opportunities	134
	Policies related to climate change mitigation and adaptation	148
	Policies related to own workforce	175
	Material impacts, risks and opportunities and their interaction with strategy and business model	179
Identifying and assessing adverse impacts	Material impacts, risks and opportunities and their interaction with strategy and business model	130
	Description of the process to identify and assess material impacts, risks and opportunities	134
Taking actions to address those adverse impacts	Actions and resources in relation to the climate change policies	149
	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	181
Tracking the effectiveness of these efforts and communicating	Targets related to climate change mitigation and adaptation	149
	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities with regard to the own workforce	184

ESRS 2 GOV-5 Risk management and internal controls over sustainability reporting

AIXTRON's risk management system is centrally managed and involves all key organizational units of AIXTRON in the process. The Corporate Governance & Compliance department, under the direction of the responsible CFO of AIXTRON SE, is responsible for establishing a risk management system and informs the entire Management Board and the Supervisory Board of AIXTRON SE on a quarterly basis or as needed on an ad hoc basis. The sustainability-related risks identified in the materiality analysis were coordinated with the Risk Management department. The risk management system supports the Executive Board in the systematic, effective and efficient management of identified sustainability-related risks by defining, prioritizing and tracking risk-reducing measures. Further information on the assessment and prioritization of risks can be found in the management report under [Risk Report](#) (ESRS 2 GOV-5 36 a, b).

The internal control system already takes into account various controls relating to the sustainability report. For sustainability reporting, risks are primarily seen in the completeness and correct determination of data. To this end, new controls were implemented in the current reporting period and existing controls were adapted. This is intended to monitor the most important risks identified for reporting. The controls are currently carried out once a year (ESRS 2 GOV-5 36 a, c).

The quarterly risk inventory is initiated, carried out and monitored centrally by the Risk Management department. The Executive Board was also informed of the status of the risks arising from the materiality analysis by the sustainability team at weekly management meetings. The Audit Committee was informed accordingly at the quarterly Audit Committee meetings about the status of the risks arising from the materiality analysis. For the internal control system, the existing sustainability-related controls were adjusted this year and new controls were added, which were tested for the first time at the end of the year. The results of any failed controls in the financial and non-financial areas are presented to the Audit Committee at the Audit Committee meeting. Prior to this, the person responsible for controls is informed of the failed control (ESRS 2 GOV-5 36 d, e).

Strategy

ESRS 2 SBM-1 Strategy, business model and value chain

AIXTRON's business activities include the development, production and installation of equipment for the deposition of complex semiconductor materials, the development of process technologies, consulting and training as well as customer support.

AIXTRON's products are used by customers worldwide to manufacture high-performance devices for power and optoelectronic applications based on compound semiconductors. These devices are used in a variety of innovative applications, technologies and industries. These include, for example, Micro LED and display technologies, data transmission, communication, signal and lighting technology, sensor technology and power electronics based on silicon carbide (SiC) and gallium nitride (GaN), as well as other demanding high-tech applications. Further details on the products are summarized in the management report under [Technology and Products](#) (ESRS 2 SBM-1 40 a i).

Significant markets and customer groups are described further in the management report under [Customers and Geographic Regions](#) (ESRS 2 SBM-1 40 a ii).

Information on employees (also broken down by geographical area) can be found in the section on [Social](#) information under [Characteristics of the undertaking's employee](#) (ESRS 2 SBM-1 40 a iii).

AIXTRON strives to operate energy-efficient at its sites. The plants promote the spread of energy-efficient technologies and drive research into more sustainable solutions for the future. In addition, targets are developed and implemented to continuously improve ESG performance in the areas of environmental, social and good corporate governance. The sustainability approaches support several United Nations Sustainable Development Goals (SDGs). Particularly relevant are the goal **Industry, Innovation and Infrastructure** (SDG 9), as innovation is an essential part of AIXTRON's activities and the basis of its success, as well as the goal **Affordable and Clean Energy** (SDG 7), which is promoted through the development of energy-efficient technologies for power electronics and new solar cells. Other promoted goals are **Decent work and economic growth** (SDG 8), **Climate change mitigation** (SDG 13) and **Responsible production and consumption** (SDG 12). Regular internal reviews are carried out to determine which topics are material in terms of their impact and financially, and measurable goals are specified for the upcoming reporting periods. In the area of the environment, targets are developed for energy efficiency, resource conservation, emissions reduction, waste management and the supply chain. In the social area, targets are set for employee rights, health and safety, diversity and inclusion, human rights and community engagement. Corporate governance targets are developed for corporate culture (ESRS 2 SBM-1 40 e).

Low-CO₂ technologies are being developed in line with the EU taxonomy. These include GaN and SiC power transistors, which offer higher energy efficiency than conventional silicon, as well as Micro LEDs and laser diodes. GaN and SiC power transistors are used in an increasing number of applications in power electronics and are therefore in demand by customers for the production of these technologies. Micro LEDs are used in the production of displays and are therefore in demand by display manufacturers. Laser diodes are required for data communication and are therefore used by customers in the

telecommunications industry and by operators of data centers. These innovations support sustainability efforts and promote the development of sustainable markets and customer groups. Further information on these technologies can be found in the [EU-Taxonomy](#) chapter (ESRS 2 SBM-1 40 f).

Sustainability at AIXTRON means harmonizing economy, ecology and social commitment and anchoring them in the awareness and actions of managers and employees. This is reflected in the ESG guideline, which sets out guidelines for responsible and sustainable business activities. It is based on the local legal requirements of the countries in which AIXTRON operates. In addition, AIXTRON constantly strives to provide itself with an additional framework through voluntary commitments, internal projects and actions, regulations and customer requirements (ESRS 2 SBM-1 40 g).

A detailed description of AIXTRON's business model and value chain can be found in the Management Report under the sections [Business Model](#), [Organizational Structure](#) and [Business Processes](#) (ESRS 2 SBM-1 42).

ESRS 2 SBM-2 Interests and views of stakeholders

Dialogue with stakeholders

The aim is to build and maintain trusting and long-term relationships with stakeholders. A partnership-based, respectful and constructive approach is important here. AIXTRON sees itself as part of this society.

The key interest groups for AIXTRON are:

- Customers and end consumers
- Employees
- Capital market participants
- Suppliers and business partners
- State and politics
- Media
- Science and research
- Nature ("silent stakeholder")

Identifying the most important stakeholders and their interests is crucial for a successful stakeholder dialogue. The stakeholder groups were categorized and prioritized based on the following criteria:

- Stakeholder interests
- Influence of the stakeholders
- Stakeholders' expectations of AIXTRON
- Stakeholder dependency on AIXTRON
- Value for AIXTRON to engage with this stakeholder

The process for identifying the most important stakeholders and relevant topics is regularly reviewed and, where necessary, adjusted.

Stakeholder	Topics of dialog		Forms of dialog	
Capital market participants	<ul style="list-style-type: none"> • Business performance • Product innovations • Application possibilities 	<ul style="list-style-type: none"> • Sustainability • Strategy 	<ul style="list-style-type: none"> • Roadshows and (telephone) conferences • Quarterly reporting • Annual financial statements and annual report 	<ul style="list-style-type: none"> • Annual General Meeting • Sustainability reporting • Company visits
Customers and end-consumers	<ul style="list-style-type: none"> • Product quality and safety • Sustainable technologies • Product energy efficiency 	<ul style="list-style-type: none"> • Human rights • Compliance 	<ul style="list-style-type: none"> • Audits • Expert support • AIXTRON after-sales 	<ul style="list-style-type: none"> • Product requirements • Joint developments with customers • Fairs and conferences
Suppliers and business partners	<ul style="list-style-type: none"> • Product quality and safety • Environmental protection 	<ul style="list-style-type: none"> • Responsible purchasing • Compliance with AIXTRON's standards 	<ul style="list-style-type: none"> • Supplier evaluation • Purchasing principles 	<ul style="list-style-type: none"> • Workshops • Audits
Employees	<ul style="list-style-type: none"> • Health and safety • Career advancement • Co-determination • Training opportunities 	<ul style="list-style-type: none"> • Compensation and benefits • Work-life balance / parental leave • Diversity & equal opportunities 	<ul style="list-style-type: none"> • Intranet • Staff meetings • Internal publications • Employee survey 	<ul style="list-style-type: none"> • Employee survey • Operational improvement suggestion scheme • Training and employee appraisals • Employee interviews
Science and research	<ul style="list-style-type: none"> • Development of new technologies • Promotion of research and teaching 	<ul style="list-style-type: none"> • Networking of industry and research • Recruitment / PhD students 	<ul style="list-style-type: none"> • Teaching assignment • Research projects • Fairs & conferences 	<ul style="list-style-type: none"> • University group visits • Allocation of doctoral positions
Media	<ul style="list-style-type: none"> • Innovation and technologies • Semiconductor technology 	<ul style="list-style-type: none"> • AIXTRON as employer • Finance 	<ul style="list-style-type: none"> • Interviews • Press releases 	<ul style="list-style-type: none"> • Company receptions
Government and politicians	<ul style="list-style-type: none"> • Eco-efficiency • Innovation and technology promotion 	<ul style="list-style-type: none"> • Economic and labor policy 	<ul style="list-style-type: none"> • Meetings and committees 	<ul style="list-style-type: none"> • Participation in forums and events

Key stakeholders, topics and forms of dialogue

To identify the material topics for the 2024 reporting year, a double materiality analysis in accordance with ESRS was prepared based on the existing materiality analysis from the previous year. The analysis focused on aspects that have a material impact on AIXTRON. To this end, internal experts and employees who are in continuous contact with stakeholders were surveyed. This comprehensive internal survey, which was based on the expertise and many years of experience of the employees, also enabled the external perspective to be covered. By including the viewpoints of stakeholders on sustainability issues, their needs and perspectives were identified. The findings have been incorporated into the materiality analysis and are used in the development of sustainability activities (ESRS 2 SBM-2 45 a, b).

The Supervisory Board is informed of the views and interests of stakeholders by the Executive Board on an ad hoc basis. There is an ad hoc and quarterly exchange with the Executive Board on the views and interests of stakeholders with regard to the company's sustainability-related impacts (ESRS 2 SBM-2 45 d).

Topic-specific disclosure requirement: ESRS S1 Own workforce

The interests and views of the workforce are represented through various communication channels. These include regular employee appraisals, quarterly all-hands meetings, works meetings held several times a year, employee surveys and weekly meetings between the Works Council and the HR department. In addition, the development of managers and employees is promoted through coaching offers and management training. This is an employee initiative that organizes network meetings, works out current actions for the organization and actively obtains feedback from employees. Development and qualification requirements and the personal interests and needs of employees are recorded in the annual employee appraisals.

Employees are encouraged to submit their ideas for product and process improvements, cost savings and similar initiatives.

Great importance is placed on respecting human rights, which is also established in the [Global Employment Standard](#). More detailed information on the representation of the interests of the company's own workforce can be found in the [Social](#) section under [Policies related to own workforce](#) (ESRS S1 12).

ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

AIXTRON performed a materiality analysis in accordance with ESRS in the reporting period. The assessment of the double materiality results in material impacts in the topic-specific standards **E1 - Climate Change**, **S1 - Own Workforce** and **G1 - Business Conduct**, as well as opportunities in the area of **E1 - Climate Change**.

The following impacts and opportunities have been identified as material:

E1 Climate Change Mitigation			
Type of impact	Description of the impact (SBM 3 48 a, c i, c iv)	Value chain (SBM 3 48 c ii, iv)	Time horizon (SBM 3 48 c iii)
	Production of technologies for renewable energies and other low-CO₂ technologies		
Positive	AIXTRON develops and produces machines for the production of compound semiconductors. These semiconductors are used in renewable energy technologies, such as the generation of electricity from solar energy. In addition, by avoiding energy losses, they can achieve significant CO ₂ savings in other technologies and thus have a positive effect on the environment.	Own business activities	Medium/long term
	CO₂ reduction in own production		
Positive	AIXTRON relies on renewable energy sources at its sites by offsetting the purchased gray electricity with the corresponding amount of green electricity certificates. By using waste heat and state-of-the-art heat pumps, a climate-neutral heat supply is achieved for our sites in Germany and the UK, thus having a positive impact on the environment.	Own business activities	Short term

E1 Climate Change Mitigation			
Type of impact	Description of the impact (SBM 3 48 a, c i, c iv)	Value chain (SBM 3 48 c ii, iv)	Time horizon (SBM 3 48 c iii)
	GHG emissions		
Negative	Greenhouse gas emissions are generated by various AIXTRON activities. These include the transportation of machines, customer visits, the use of machines by customers, emissions generated by our suppliers and manufacturers of machine components, and the use of vehicles powered by fossil fuels. This has a negative impact on the environment.	entire value chain	Short term
E1 Energy			
	Substitution of CO₂ intensive energy sources		
Positive	With the Clean Energy Project, AIXTRON intends to largely substitute the proportion of CO ₂ -intensive energy sources, such as district heating and natural gas, at our production sites in the future, which will have a positive impact on the environment.	Own business activities	Medium-term
	Improvement of energy management systems and reduction of CO₂ emissions		
Positive	Through extensive evaluations and optimization of systems and processes, emissions have been further reduced, thus reducing negative effects on the environment.	Own business activities	Short term
	Energy requirements of AIXTRON's machines		
Negative	AIXTRON's machines need a lot of energy. AIXTRON is researching solutions to reduce energy consumption in order to minimize the negative impact on the environment.	Own business activities/ Downstream value chain	Short term
E1 Climate change mitigation			
Opportunities	Description	Time horizon	
+	Production of technologies for renewable energies and other low-carbon technologies		
	Opportunity both for the company's own business activities and for maintaining business relationships by increasing sales and retaining customers who could become long-term partners.	Long-term	

S1	Own Workforce		
Type of impact	Description of the impact (SBM 3 48 a, c i, c iv)	Value chain (SBM 3 48 c ii, iv)	Time horizon (SBM 3 48 c iii)
	Diversity and active contribution of ideas by employees as the basis for our innovative strength and competitiveness		
Positive	AIXTRON SE has established a globally standardized employee suggestion scheme. Employees are empowered to contribute their ideas for process and product improvements and cost savings. AIXTRON SE allows employees to participate monetarily in accepted suggestions. The active involvement and participation of employees in company processes increases their motivation and commitment, which can lead to a positive and inspiring working environment.	Own business activities	Short term
	Secure employment and appropriate remuneration		
Positive	AIXTRON offers stable jobs at all locations and thus contributes to social stability. This also means that apprentices and students in Germany are offered permanent employment after completing their training or studies. AIXTRON is committed to complying with national legal requirements for the protection of employee rights, internal company agreements and statutory notification periods. AIXTRON strives to remunerate its employees appropriately and does not differentiate between genders or ethnic origin in the remuneration of equal work.	Own business activities	Short/medium term
	Professional training and skills development for own employees		
Positive	AIXTRON offers their employees a wide range of continuous professional development measures, including individual training programs. A core component of this is the company's own AIXTRON Academy, which offers general training courses as well as specialist content. In addition, management training courses are offered for the development of managers and onboarding processes for new employees, which are individually tailored to the needs of the employees.	Own business activities	Short term
	Work-life balance		
Positive	Wherever possible, AIXTRON strives to reconcile the private and family needs of their employees with the economic interests of the company. In addition to flexible working time models, there is a company agreement that generally allows employees to work from home for up to 80% of their normal working hours.	Own business activities	Short term
	Focus on occupational health and safety		
Positive	AIXTRON's principle in occupational safety is "zero tolerance for accidents". The aim is to instruct our employees regularly, but at least once a year, in occupational health and safety issues. AIXTRON offers every employee a safe and healthy workplace in compliance with all applicable laws and regulations. Additional programs offered by the occupational health and safety committee and in particular by health management promote the health and well-being of employees.	Own business activities	Short term
	Employment situation in the context of economic developments		
Negative	The capacity utilization of AIXTRON production facilities depends on economic developments. AIXTRON therefore responds to economic fluctuations by reducing or increasing the proportion of external workers in order to be able to react flexible to the volatile fluctuations in demand in the semiconductor industry market.	Own business activities	Medium-term
	Inherent imbalance of gender diversity in the high-tech group		
Negative	AIXTRON is a high-tech manufacturing company in which there is traditionally a higher proportion of men. Equal treatment and equal opportunities are therefore key issues for AIXTRON. This is reflected, among other things, in the implementation of various diversity projects and the sustainability targets within the Executive Board's remuneration structure.	Own business activities	Short term

G1	Business Conduct		
Type of impact	Description of the impact (SBM 3 48 a, c i, c iv)	Value chain (SBM 3 48 c ii, iv)	Time horizon (SBM 3 48 c iii)
G1	Corporate culture		
	Responsible action as a core corporate value		
Positive	The Compliance Code applies to all AIXTRON employees and sets out the company's fundamental values. The Code of Ethics also applies to the Executive Board and managers, who are expected to pass these values on to their employees. Responsible conduct throughout the Group strengthens and consolidates our corporate culture.	Own business activities	Short term
G1	Management of relationships with suppliers, including payment practices		
	Partnership-based cooperation with suppliers		
Positive	At AIXTRON, working in partnership with suppliers is a strategic instrument that not only strengthens supplier loyalty, but also contributes to meeting the high quality standards and expectations of customers in the semiconductor industry. AIXTRON aims to promote sustainable supplier management by selecting suppliers that take into account not only quality, price and availability, but also environmental protection, social responsibility and business integrity. Compliance with supplier regulations, applicable laws and the Code of Conduct for Suppliers form the basis for new business relationships and support the transfer of and compliance with human rights and environmental requirements from our guidelines. This careful selection strengthens our relationships and promotes a sustainable and responsible supply chain.	Upstream value chain	Short term

The impacts and opportunities identified as material influence our business model, our value chain and our decision-making through, among other things, the development of new sustainability-related corporate goals, the further development of energy-efficient technologies and research into sustainable solutions, the creation of a safe and supportive working environment and a modern corporate culture. Further details of all impacts and opportunities assessed as material and the actions taken can be found in the topic-specific [Environmental](#), [Social](#) and [Governance](#) chapters (ESRS 2 SBM-3 48 a-c).

There are currently no measurable financial effects resulting from the material opportunities on the financial position, results of operations or cash flows. Furthermore, there is no significant risk of a material adjustment to the carrying amounts that could result from the material opportunities in the next reporting period. This is due to the long-term nature of our opportunities, which relate to new regulatory requirements for CO₂ savings that have not yet come into force (ESRS 2 SBM-3 48 d).

The climate risk analysis is a tool to ensure the long-term sustainability and competitiveness of AIXTRON. The analysis helps the Group to identify and assess potential climate-related risks and opportunities. This enables the Group to adapt its strategy and business model to become more resilient to climate-related challenges while taking advantage of new opportunities arising from climate change. The climate risk analysis ensures that all physical climate risks relevant to AIXTRON are identified and assessed. The physical climate risks were identified and assessed using a tool provided by the German Federal Ministry for Economic Affairs and Energy. Time horizons used in the IPCC-compliant tool correspond to the short-term period 2021-2040, the medium-term period from 2041-2060 and the long-term period from 2061-2100. The tool was expanded to include an expert assessment for climate scenario analysis. The risks identified were shown in a risk matrix. Possible actions were also identified for each individual risk. The

risk analysis is carried out and updated annually. This is carried out by internal experts from Germany and the UK. No material risks were identified in the current reporting year (ESRS 2 SBM-3 48 f).

All material IROs are covered by the list in ESRS 1 Appendix A AR 16 and are assigned to specific topics. Accordingly, no material company-specific IROs have been added (ESRS 2 SBM-3 48 h).

Impact, risk and opportunity management

ESRS 2 IRO-1 Description of the process to identify and assess material impacts, risks and opportunities

For the preparation of the integrated sustainability report, a materiality analysis was first conducted in accordance with ESRS, with the support of an external consulting firm, to identify and assess the material ESG topics for AIXTRON. The EFRAG implementation guidelines were taken into account for this purpose. The concept of double materiality in accordance with ESRS was applied for the materiality analysis. Double materiality consists of the materiality of impacts on people and the environment and/or financial materiality. Material impacts on people and the environment are sustainability activities that have a positive or negative impact on people and the environment in the short, medium or long term. A distinction is also made between actual and potential impacts from the company's own business activities and along the upstream and downstream value chain. Financial materiality is considered in relation to dependencies on natural, human and social resources and can affect risks and opportunities in two different ways. On the one hand, there are dependencies on natural and social resources regarding the group's ability to continue using or procuring the resources needed for its own business processes. On the other hand, there are dependencies on natural and social resources regarding the group's ability to rely on relationships (e.g., customers, suppliers, etc.) necessary for its business processes under acceptable conditions.

The final list of material topics was validated with the internal experts representing our stakeholders, taking into account divergent assessments. The final list of impacts, risks and opportunities and the materiality assessment were agreed with the administrative, management and supervisory bodies. The materiality analysis process is based on the identification of impacts, risks and opportunities and their assessment (ESRS 2 IRO-1 53 a).

In order to identify the material topics for AIXTRON, a long list with relevant topics was first compiled on the basis of ESRS 1 Appendix A AR 16 as well as industry and company-specific criteria. Based on the long list, non-material topics were classified as not relevant due to the business model and were not further considered. The remaining short list served as the basis for the identification and assessment of material impacts on people and the environment, risks and opportunities (impacts, risks and opportunities = IROs). Both the long list and the short list were drawn up by the project team with the support of external consultants and validated by selected specialist departments at AIXTRON. Care was taken to ensure that all interest groups were represented. This was followed by the identification and specification of IROs, their evaluation and validation by the project

team and the specialist departments in a multi-stage process. IROs were identified along the business activities at sub-topic and sub-sub-topic level. The country of impact and the time horizon were also taken into account.

The process for impacts on people and the environment includes the identification and assessment of impacts associated with the company's own business activities and the upstream and downstream value chain. Relevant stakeholders were represented and interviewed internally by internal experts. The severity of impacts is determined by assessing their scope and magnitude. Negative impacts were prioritized based on an additional assessment of their irreversibility. Potential impacts also include an assessment of the probability of occurrence. In the case of potential negative impacts on human rights, the assessment of severity was prioritized over the likelihood of occurrence. The impacts were determined with the internal experts and are the responsibility of the specialist departments. The management and monitoring of significant impacts, risks, and opportunities lie with the CFO. If targets are set for managing these aspects, the Chief Financial Officer specifies the corresponding controls and procedures and implements them together with the relevant specialist department.

The financial materiality process is based on the identification of risks and opportunities arising from dependencies on natural, human and social resources. In the assessment methodology, the probability of occurrence and the potential extent of the financial impact are evaluated using the assessment scales established in risk management. The handling of the opportunities and risks identified is described in the paragraph after next (ESRS 2 IRO-1 53 b, c).

Following a careful assessment of the impacts, risks and opportunities, material and immaterial topics were derived using a threshold value. Each individual impact, risk and opportunity was assessed. As soon as an impact, risk or opportunity reached the threshold, the corresponding (sub)-topic was classified as material. This ensured that individual topics were not offset against each other and thus classified as immaterial. The impacts, risks and opportunities classified as material were then reviewed and confirmed by internal experts. Impacts, risks and opportunities that were close to the threshold were also discussed again with the internal experts for validation. Material risks were also coordinated with the Risk Management (ESRS 2 IRO-1 53 d).

The time horizons used to determine material effects, risks and opportunities correspond to those of the ESRS. The probabilities of occurrence of the risk management system were used to assess the impacts, risks and opportunities. The financial impact was also assessed using the risk management system to evaluate the risks and opportunities. As some of the identified risks and opportunities have a clear link to risk management, the scale of the risk management system was transferred to the previously defined scales of the double materiality analysis. After the final determination of the impacts, risks and opportunities, an overview was passed on to risk management to enable a comparison with existing risks in the risk management system (ESRS 2 IRO-1 53 e).

Various input parameters were used in the materiality analysis in order to cover as many topics as possible. Initially, a list was drawn up in accordance with ESRS 1 Appendix A AR 16 as well as industry- and company-specific criteria as a basis. The insights from the materiality analysis of the previous reporting period were also incorporated. In addition, findings from the application of the EU Taxonomy Regulation were taken into account. In a multi-stage process, internal experts representing the stakeholders were involved in the

identification of material impacts, risks and opportunities in the form of workshops and expert discussions (ESRS 2 IRO-1 53 g).

Compared to the previous materiality analysis, no members of the Supervisory Board were interviewed as stakeholders, but the internal representatives of the stakeholders were actively involved in the process. They identified and assessed the material topics over several validation loops. The materiality analysis is reviewed once a year in the first half of the reporting year (ESRS 2 IRO-1 53 h).

Topic-specific disclosure requirements: E2 - Pollution, E3 - Water and marine resources, E4 - Biodiversity and ecosystems and E5 - Resource use and Circular economy

As part of the assessment of impacts, risks and opportunities, the topic-specific standards E2 - Pollution, E3 - Water and marine resources, E4 - Biodiversity and ecosystems and E5 - Resource use and Circular economy were also examined.

In this context, Standard E4 - Biodiversity and ecosystems was not further analyzed and was deemed immaterial due to the business model. The result is based on a risk analysis in which AIXTRON's production sites were examined with regard to their distance from areas with biodiversity in need of protection. The analysis showed that the Herzogenrath site has a certain proximity to an area with biodiversity in need of protection, but has no negative impact on the area due to the topographical conditions. The other two production sites have no proximity to areas with biodiversity in need of protection. Likewise, there are no significant impacts on biodiversity and ecosystems from the production sites and the use of the products.

The topics E2 - Environmental pollution, E3 - Water and marine resources and E5 - Resource use and Circular economy were considered in the further analysis, but were deemed as not material by the internal experts during the subsequent evaluation. The assessment was carried out exclusively by internal experts representing our stakeholders. All locations and business activities were reviewed to identify actual and potential impacts, risks and opportunities in our own business activities as well as in the upstream and downstream value chain. AIXTRON conducted a comprehensive climate risk analysis. This analysis takes into account both the impacts of AIXTRON on the environment and the climate change-related impacts on AIXTRON. A standardized risk catalog was discussed and evaluated by internal experts. Production and research & development take place under isolated conditions in a cleanroom. Relevant environmental laws and disposal regulations are observed. AIXTRON's products are designed for longevity and high recyclability. For these reasons, no significant IROs were identified for the topics E2 - Pollution, E3 - Water and marine resources and E5 - Resource use and Circular economy.

The process for identifying impacts, risks and opportunities and the consultation process are described under [ESRS 2 IRO-1 Description of procedures for identifying and assessing significant impacts, risks and opportunities](#).

Topic-specific disclosure requirements: G1 Business Conduct

In order to determine the material impacts in connection with business conduct, expert interviews were conducted for the individual companies with the relevant internal experts and stakeholder representatives. These included experts from the Compliance department for corporate culture and from the Purchasing department for supplier management. All locations and business activities were reviewed to analyze actual and potential impacts, risks and opportunities along the value chain. The identified impacts were evaluated and validated in a multi-stage coordination process. The basis for the evaluation was the compliance guidelines and supplier management. The process for determining the impacts, risks and opportunities and the consultation process are described in more detail under [ESRS 2 IRO-1 Description of procedures for identifying and assessing significant impacts, risks and opportunities](#).

Topic-specific disclosure requirements: E1 Climate change mitigation

AIXTRON is aware of the importance of climate change mitigation and sustainability and has set itself the goal of continuously reducing its environmental impact. As part of the ESRS, a comprehensive process has been established to identify and evaluating climate-related impacts, risks and opportunities with the aim of monitoring the resilience of the strategy and business model in relation to climate change.

Physical climate risks comprise the negative consequences of climatic changes and can be divided into acute (e.g. extreme weather events) and chronic risks (e.g. rising temperatures).

To assess these risks, a tool provided by the Federal Ministry for Economic Affairs and Energy was used, supplemented by an additional expert evaluation for the climate scenario analysis. The IPCC method was used for physical climate risks. The risk analysis is conducted annually and updated by experts.

In the risk analysis, the assets and business activities were assessed with regard to their vulnerability to physical risks and the following aspects were considered:

- Type of products
- Production factors
- Energy intensity
- Water intensity
- Supply chain
- Vertical integration of the products
- Supplier flexibility
- Regional distribution of suppliers
- Regional distribution of customers
- Geographical location of the production sites

The resilience of assets and business activities to potential physical climate risks was examined in a multi-stage process. Risks were identified, actions described and the potential damage assessed and prioritized. Due to AIXTRON's business model and the geographical location of the R&D and production facilities, the risks were classified as not material in terms of risk management.

Transition risks and opportunities comprise all risks and opportunities associated with the transition to a low-carbon, 1.5-degree-compliant economy. In line with the TCFD (Task Force on Climate-related Financial Disclosures), these risks relate to the areas of policy, technology, market, law and reputation. The identification and assessment of transitional opportunities and risks include an analysis of the impact of potential regulatory changes, technological developments and changing market conditions on AIXTRON using a matrix based on a publication by the German Federal Environment Agency and best practice approaches. The individual risks and opportunities were assigned and evaluated in expert discussions.

Further information can be found in the [Environment](#) section under [Material impacts, risks and opportunities and their interaction with strategy and business model](#) (ESRS E1 20, 21).

ESRS 2 IRO-2 Disclosure requirements in ESRS covered by the undertaking's sustainability statement

General conditions and data selection

The integrated sustainability report was prepared in accordance with the European Financial Reporting Advisory Group (EFRAG) implementation guidelines. An explanation of the materiality analysis process for determining the material impacts, risks and opportunities as well as the determination of the thresholds can be found in the section [Description of the process to identify and assess material impacts, risks and opportunities](#) (ESRS 2 IRO-2 59).

A list of all reported disclosure requirements with the corresponding page number and the inclusion of data points by reference can be found in the table below (ESRS 2 BP-2 16; IRO-2 56):

Disclosure requirement	Report section	Page	Reference	Section in the report ²
ESRS 2 General disclosures				
BP-1	General basis for preparation of sustainability statements	117		
BP-2	Disclosures in relation to specific circumstances	118		
GOV-1	The role of the administrative, management and supervisory bodies	119		
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	123	Material impacts, risks and opportunities and their interaction with strategy and business model	ST
GOV-3	Integration of sustainability-related performance in incentive schemes	124		
GOV-4	Statement on due diligence	125		
GOV-5	Risk management and internal controls over sustainability reporting	125	Risk report	MR
SBM-1	Strategy, business model and value chain	127	Technology and products;	MR
			Customers and regions;	MR
			Business model, organizational structure and business processes;	MR
			S1-6 Characteristics of the undertaking's employees;	ST
			EU Taxonomy	ST
SBM-2	Interests and views of stakeholders	128	S1-1 – Policies related to own workforce	ST
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	130	Environmental, social and corporate governance	ST
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	134	Environment: material impacts, risks and opportunities and their interaction with strategy and business model	ST

² ST = Sustainability Statement; MR = Management Report

Disclosure requirement	Report section	Page	Reference	Section in the report ²
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	139	Description of the process to identify and assess material climate-related impacts, risks and opportunities	ST
ESRS E1 Climate change				
ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	124		
E-1	Transition plan for climate change mitigation	147		
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	130		
ESRS 2 IRO 1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	134		
E1-2	Policies related to climate change mitigation and adaptation	148		
E1-3	Actions and resources in relation to climate change policies	149		
E1-4	Targets related to climate change mitigation and adaptation	149		
E1-5	Energy consumption and energy mix	151	Development of Revenues	MR
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	152		
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	154		
E1-8	Internal carbon pricing	—		
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	—		
ESRS E EU-Taxonomy				
		155	Reporting Templates EU-Taxonomy	ST
			Health and safety	ST
EU-Taxonomy			Supply Chain	ST
ESRS S1 Own Workforce				
ESRS 2 SBM-2	Interests and views of stakeholders	128		
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	130		
S1-1	Policies related to own workforce	175	Policies related to climate change mitigation and adaptation	ST
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	179		
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	180		
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and	181		
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	184		
S1-6	Characteristics of the undertaking's employees	186	Employees	MR
S1-7	Characteristics of non-employees in the undertaking's own workforce	187		

Disclosure requirement	Report section	Page	Reference	Section in the report ²
S1-8	Collective bargaining coverage and social dialog	—		
S1-9	Diversity metrics	188		
S1-10	Adequate wages	189		
S1-11	Social protection	189		
S1-12	Persons with disabilities	—		
S1-13	Training and skills development metrics	190		
S1-14	Health and safety metrics	190		
S1-15	Work-life balance metrics	192		
S1-16	Remuneration metrics (pay gap and total remuneration)	193		
S1-17	Incidents, complaints and severe human rights impacts	194		
ESRS G1 Business Conduct				
ESRS 2 GOV-1	The role of the administrative, supervisory and management bodies	119		
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	134		
G1-1	Business conduct policies and corporate culture	197		
G1-2	Management of relationships with suppliers	199		
G1-3	Prevention and detection of corruption and bribery	—		
G1-4	Incidents of corruption or bribery	—		
G1-5	Political influence and lobbying activities	—		
G1-6	Payment practices	201		

The following table shows the data points derived from other EU legislation and information on their place in the integrated sustainability report (ESRS 2 IRO-2 56):

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation Reference	EU Climate Law Reference	Page ³
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	X		X		119
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			X		119
ESRS 2 GOV-4 Statement on due diligence paragraph 30	X				125
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	X	X	X		NM
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	X		X		NM
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	X		X		NM
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			X		NM
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				X	147
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		X	X		NM
ESRS E1-4 GHG emission reduction targets paragraph 34	X	X	X		149

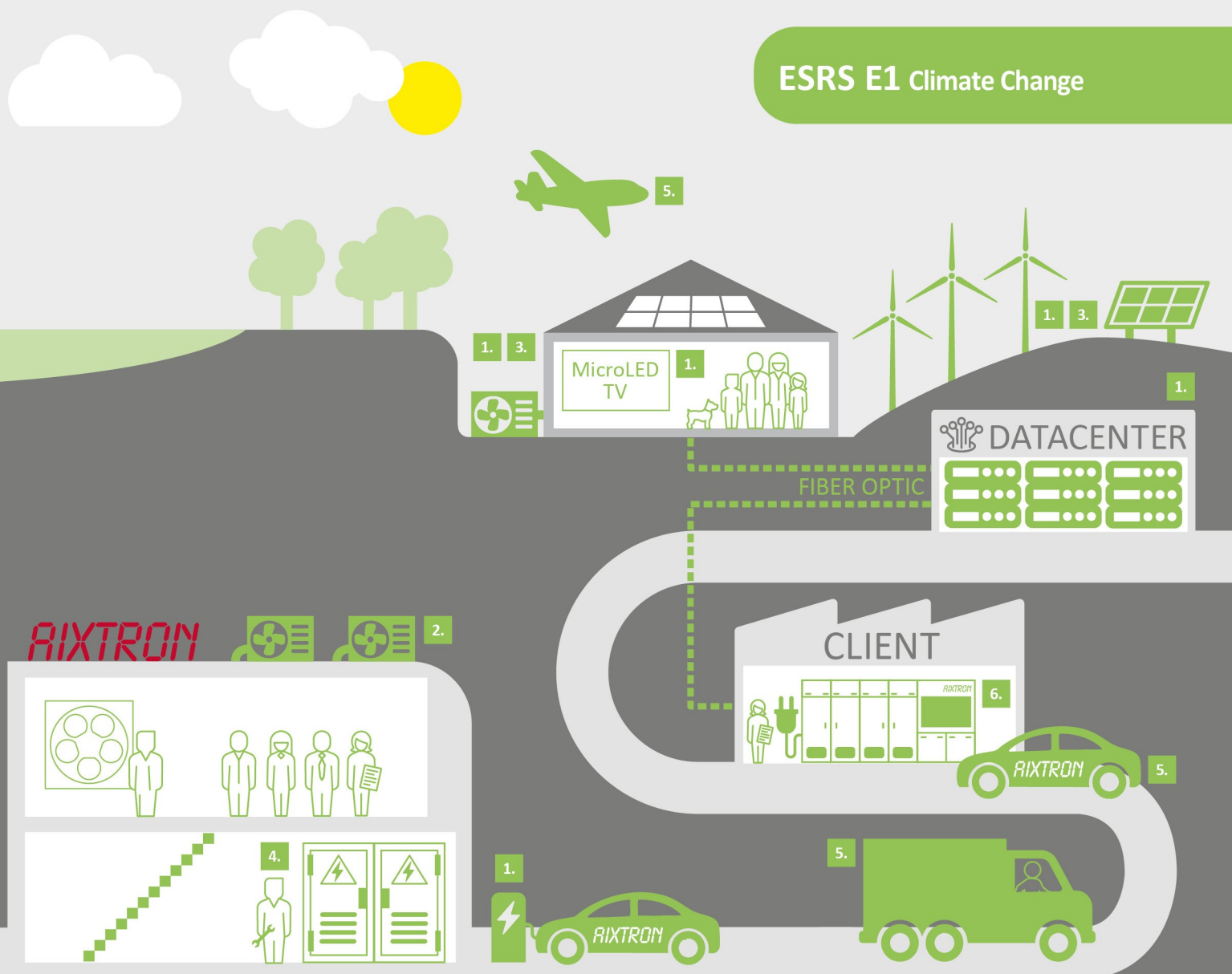
³ NM = not material

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation Reference	EU Climate Law Reference	Page ³
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	X				151
ESRS E1-5 Energy consumption and mix paragraph 37	X				151
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	X				151
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	X	X	X		152
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	X	X	X		152
ESRS E1-7 GHG removals and carbon credits paragraph 56				X	154
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			X		NM
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)		X			NM
ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)					
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c)		X			NM
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			X		NM
ESRS E2-4 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, paragraph 28	X				NM
ESRS E3-1 Water and marine resources paragraph 9	X				NM
ESRS E3-1 Dedicated policy paragraph 13	X				NM
ESRS E3-1 Sustainable oceans and seas paragraph 14	X				NM
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	X				NM
ESRS E3-4 Total water consumption in m ³ per net revenue on own operations paragraph 29	X				NM
ESRS 2- SBM 3 - E4 paragraph 16 (a) i	X				NM
ESRS 2- SBM 3 - E4 paragraph 16 (b)	X				NM
ESRS 2- SBM 3 - E4 paragraph 16 (c)	X				NM
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	X				NM
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	X				NM
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	X				NM
ESRS E5-5 Non-recycled waste paragraph 37 (d)	X				NM
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	X				NM
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	X				NM
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	X				NM
ESRS S1-1 Human rights policy commitments paragraph 20	X				175

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation Reference	EU Climate Law Reference	Page ³
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			X		175
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	X				175
ESRS S1-1 Concept or management system for the prevention of accidents at work paragraph 23	X				175
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	X				180
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	X		X		190
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	X		X		193
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	X				193
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	X				194
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	X		X		NM
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	X				NM
ESRS S2-1 Human rights policy commitments paragraph 17	X				NM
ESRS S2-1 Policies related to value chain workers paragraph 18	X				NM
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	X		X		NM
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			X		NM
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	X				NM
ESRS S3-1 Human rights policy commitments paragraph 16	X				NM
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	X		X		NM
ESRS S3-4 Human rights issues and incidents paragraph 36	X				NM
ESRS S4-1 Policies related to consumers and end-users paragraph 16	X				NM
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	X		X		NM
ESRS S4-4 Human rights issues and incidents paragraph 35	X				NM
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	X				199
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	X				NM
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	X		X		NM
ESRS G1-4 Standards of anti- corruption and anti-bribery paragraph 24 (b)	X				NM

*NM = not material

ESRS E1 Climate Change



POSITIVE IMPACTS – MATERIAL

1. Production of technologies for renewable energies and other low- CO₂ technologies
→ CHANCE
2. CO₂ reduction in own production
3. Substitution of CO₂-intensive energy sources
4. Improvement of energy management systems and reduction of CO₂ emissions

NEGATIVE IMPACTS – MATERIAL

5. Greenhouse gas emissions
6. Energy consumption of AIXTRON systems

Environment

Climate change (ESRS E1)	146
Material impacts and opportunities	146
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ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	147
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E1-4 - Targets related to climate change mitigation and adaptation	149
E1-5 - Energy consumption and energy mix	151
E1-6 - Gross Scopes 1, 2, 3 and Total GHG emissions	152
E1-7 - GHG removals and GHG mitigation projects financed through carbon credits	154
EU Taxonomy	155

Note on the Environment chapter:

In the chapter, all key figures are subject to internal controls, whereby no validations are carried out by external third parties (beyond the auditor) (ESRS 2 MDR-M 77 b)

Climate change (ESRS E1)

AIXTRON systems not only promote the spread of particularly energy-efficient technologies, but also research more sustainable solutions for the future. This chapter first presents the information resulting from ESRS E1 for AIXTRON. This is followed by the information derived from the EU Taxonomy Regulation.

Material impacts and opportunities

As a result of the double materiality analysis, six material positive and negative impacts and one opportunity were identified. The material impacts were identified for the following sub-topics:

- Climate change mitigation
- Energy

1. Production of technologies for renewable energies and other low-CO₂ technologies

*Key sub-topic: Climate change mitigation
(positive effect)*

AIXTRON develops and produces machines for the production of compound semiconductors. These semiconductors are used in renewable energy technologies, such as the generation of electricity from solar energy. These semiconductors can achieve significant CO₂ savings in other technologies by avoiding energy losses.

2. CO₂ reduction in own production

*Key sub-topic: Climate change mitigation
(positive effect)*

AIXTRON relies on renewable energy sources at its sites by offsetting the purchased gray electricity with the corresponding amount of green electricity certificates. In addition, the use of waste heat by means of state-of-the-art heat pumps at the sites in Germany and the UK will enable the energy used to be used a second time.

3. Substitution of CO₂-intensive energy sources

*Key sub-topic: Energy
(positive effect)*

The Clean Energy Project aims to largely replace the proportion of CO₂-intensive energy sources, such as district heating and natural gas, at the production sites in future.

4. Improvement of energy management systems and reduction of CO₂ emissions

*Key sub-topic: Energy
(positive effect)*

Emissions were further reduced through extensive evaluations and optimization of systems and processes.

5. Greenhouse gas emissions

*Key sub-topic: Climate change mitigation
(negative impact)*

Greenhouse gas emissions are caused by various activities, such as the transportation of machines, customer visits, the use of machines by customers, emissions from suppliers and manufacturers of machine components and the use of vehicles powered by fossil fuels.

6. Energy requirements of systems

*Key sub-topic: Energy
(negative impact)*

AIXTRON systems require a considerable amount of electrical energy. Solutions are being researched to reduce energy requirements.

As a result of the double materiality analysis, a **material financial opportunity** was identified for the continuation of the company's own business activities as well as for maintaining business relationships for the sub-topic of climate change mitigation.

1. Production of technologies for renewable energies and other low CO₂ technologies

*Key sub-topic: Climate change mitigation
(Chance)*

Increasing sales and retaining customers who could become long-term partners.

E1-1 Transition plan for climate change mitigation

In accordance with the requirements of German legislation and the Paris Agreement, a detailed transition plan is to be available by the end of 2025 (ESRS E1 17).

ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and model

AIXTRON has analyzed both physical and transitional risks.

The transitional opportunities and risks were determined using the same evaluation scheme that was used for the materiality analysis. Three material opportunities were identified:

- Development of new, climate-friendly technologies: This requires significant investments but offers the opportunity to identify future markets in a timely manner and develop suitable products.
- Success through innovations in climate change mitigation: The possibility of achieving success with innovations that contribute to climate change mitigation represents a further opportunity. It is crucial to recognize innovations in a timely manner and develop suitable products.
- Development of new business areas: This opportunity arises from the possibility of serving new markets with existing technologies and products.

The resilience analysis comprises a comprehensive assessment of the potential impact of climate change on business activities, including physical risks (e.g. extreme weather events) and transition risks (e.g. regulatory changes). The procurement side as well as

production, research and development (R&D) at the various locations and the sales side were included in the considerations. Short-term (2021-2040), medium-term (2041-2060) and long-term scenarios (2061-2100) with different projected temperature developments according to the IPCC (SSP 5-8.5 and SSP 2-4.5) were used. One of the assumptions in this context was that significant parts of the business model take place in a cleanroom. Due to the resulting hermetic isolation from the environment, the impacts of AIXTRON on the environment, as well as the reverse impacts of the environment on AIXTRON, are limited.

The resilience analysis has been carried out annually since 2022 and includes the application of various climate scenarios as described in the requirements of ESRS 2 IRO-1 (ESRS E1 20-21). This scenario analysis helps to understand possible future developments and their impact on the business model.

The analysis showed that the business model remains robust in several scenarios. Only a few risks were classified as medium at most and assessed as manageable through suitable actions. This means that the probability of an event occurring is estimated at every 5-10 years, with the extent of damage being within the acceptable range according to the internal risk classification. Due to their low probability of occurrence and limited financial scope, the physical and transitional risks were not assessed as material. At the same time, significant opportunities were identified, particularly in the use of semiconductors manufactured by customers on AIXTRON systems, which can make a significant contribution to overcoming climate change (ESRS E1 18-19).

E1-2 Policies related to climate change mitigation and adaptation

ESG Policy

AIXTRON's ESG Policy refers to the management of material sustainability aspects. The objectives of the policy include the continuous improvement of ESG performance in the areas of environmental, social and corporate governance as well as the support of the Sustainable Development Goals (SDG) 7, 8, 9, 12 and 13. All of AIXTRON's business activities have an impact on the environment, social and business conduct as well as on stakeholders. ESG-relevant opportunities and risks are actively managed. Monitoring and control are carried out through internal and external reporting to relevant stakeholders and through regular employee training.

The policy applies to the entire AIXTRON Group. It covers sustainable procurement and compliance with the requirements of the German Supply Chain Due Diligence Act (LkSG) to ensure human rights and environmental due diligence. Geographically, the guideline covers all AIXTRON sites in Europe, the USA and Asia. All relevant stakeholders are affected.

The highest level of responsibility for the ESG policy has the Chief Financial Officer. There are currently no disclosures on third-party standards or initiatives that the Group has undertaken to comply with. Relevant stakeholders are informed through the disclosures in the ESRS in the management report of the annual report and in response to individual inquiries, for example from investors (MDR-P 65).

The AIXTRON ESG guideline stipulates that climate change mitigation is to be promoted by reducing energy consumption and using renewable energies. This contributes to the

reduction of the CO₂ footprint. The high proportion of EU taxonomy-compliant sales shows that the products manufactured by AIXTRON also support the environmental goal of climate change mitigation. Measures to adapt to climate change are not explicitly mentioned. Increasing energy efficiency is a key component of product development and is emphasized by the Executive Board's long-term incentive plan (LTI). Another focus is on promoting the circular economy by designing AIXTRON systems in such a way that a very high proportion of the materials used can be recycled.

The ESG guideline is all-encompassing and includes all IROs (ESRS E1-2 22-25).

E1-3 Actions and resources in relation to the climate change policies

In 2024, as part of the climate concept actions at AIXTRON, the refurbishment of the cold water production was started with an investment volume (CapEx) of EUR 610 thousand (CapEx 2024 total EUR 100.2 million / see the [EU Taxonomy Regulation reporting form](#) and additional information on CapEx in the [Schedule of assets](#) in the notes⁴ to the consolidated financial statements in the annual report). Completion is planned for 2025. No further key measures were carried out or planned in the reporting year.

At the Kaiserstraße production site, the old chillers were replaced by two new cooling machines, which offer one of the most efficient technologies currently available on the market. These are more efficient than the previous technology in terms of electricity consumption in relation to the cold produced. The old chillers used the refrigerant R134a with a Greenhouse Warming Potential (GWP) of 1430, whereas the new systems use the refrigerant R1234ze, which has a GWP of just 1. This measure alone is expected to save around 400 tons of CO₂ - despite the significantly higher cooling capacity. The new systems also offer a further advantage: while the old systems, which date back to 1998 and 1999, were used exclusively for air conditioning the building, the new systems can also support the production cooling area. Furthermore, the new cooling systems work on the principle of water-to-water cooling. This means that the existing evaporative cooling towers can continue to be used, which also represents a gain in efficiency. The old systems, on the other hand, worked on the principle of air-to-water cooling, classically known as chillers. In addition, an energy monitoring system was set up for the systems, which in future will help to accurately measure the amount of electricity required in relation to the amount of cooling produced. This key measure relates exclusively to the company's own business activities (ESRS E1-3 26-29; MDR-A 68-69).

E1-4 Targets related to climate change mitigation and adaptation

AIXTRON has set itself the goal of defining, agreeing and publishing clear and measurable climate-related targets that are in line with the SBTi by the end of 2025. To this end, a corresponding project was initiated in August 2024. However, various challenges have arisen in the course of the project that make immediate target setting and agreement difficult. A key problem is the uncertainty regarding the use of market-based instruments in Scope 3. These uncertainties make it inadvisable to set binding targets at present.

⁴ Not part of the sustainability report

Intensive work is underway to resolve these challenges and clarify the necessary framework conditions in order to be able to present well-founded and realistic targets, strategies and concepts by the end of 2025. In addition to these corporate goals, the personal long-term incentives of the Executive Board are described below.

By far the largest share of CO₂ emissions results from the use of AIXTRON systems by customers. The focus is therefore on reducing these emissions. This is implemented by setting productivity increase targets for AIXTRON systems in the Executive Board's Long Term Incentives (LTI). These measures support the long-term goals of the Paris Agreement to reduce greenhouse gases. In concrete terms, this means that the aim is to be able to coat a significantly larger area using the MOCVD process with the same energy consumption. In parallel, the intention is to develop targets based on the Science Based Targets Initiative (SBTi). To support this goal, the target set for the LTI reference period 2024-2026 of the Executive Board is to achieve "Target Approved" status in accordance with the criteria of the Science Based Target Initiative (SBTi) by the end of 2026.

For the LTI reference period 2025-2027, the Supervisory Board decided to reduce the standardized energy consumption of current AIXTRON systems for power electronics by the end of 2027. The specific target, the calculation and the reference value were resolved at the last Supervisory Board meeting in fiscal year 2024. The existing targets were developed together with the specialist department as a representative for the stakeholders and approved by the Executive Board and Supervisory Board. The actual target achievement for Executive Board remuneration will be determined in the 2027 financial year (ESRS 2 MDR-T 80). The goal of improving the energy efficiency of current AIXTRON systems is considered one of the GHG emission reduction targets according to ESRS E1 (ESRS E1 33). From AIXTRON's perspective, this energy efficiency target pertains to Scope 3, while from the customer's perspective, it pertains to Scope 2. The target was developed by our internal experts but has not been scientifically validated by an independent external party. The target was not derived based on a sector-specific decarbonization pathway (ESRS E1 34). AIXTRON makes use of the further disclosure requirements (ESRS 2 MDR-T 80, E1 33-34) from ESRS 1 105 to 108.

In addition, from the 2025 financial year, our goal is to achieve ISO 14001 certification at all production sites by 2027 in order to manage the challenges resulting from the environmental impact of our activities more efficiently. The specific target, the calculation and the comparative value were decided at the last Supervisory Board meeting in the 2024 financial year. The existing targets were developed together with the specialist department as a representative for the stakeholders and approved by the Executive Board and Supervisory Board. The aim is to achieve the ISO 14001 standard at all other AIXTRON Group locations, beyond the site in Germany where the certification has already been achieved. The actual target achievement for Executive Board remuneration will be determined in fiscal year 2027 (ESRS 2 MDR-T 80 a-h, j).

These measures and targets illustrate the commitment to climate change mitigation and adaptation to climate change in order to achieve the climate-related targets set out in the Paris Protocol. The LTI target focuses on reducing energy consumption and thus CO₂ emissions when customers use the systems (Scope 3.11), which account for the largest share of emissions in the CO₂ balance sheet (ESRS E1-4 30-34).

E1-5 Energy consumption and energy

	Energy consumption and energy mix comparison Year N	2023	2024
(1)	Fuel consumption from coal and coal products (MWh)	n/a	—
(2)	Fuel consumption from crude oil and petroleum products (MWh)	n/a	—
(3)	Fuel consumption from natural gas (MWh)	n/a	341
(4)	Fuel consumption from other fossil sources (MWh)	n/a	—
(5)	Consumption from purchased or received electricity, heat, steam and cooling and from fossil sources (MWh)	n/a	12,624
(6)	Total consumption of fossil energy (MWh) (calculated as the sum of lines 1 to 5)	n/a	12,965
	Share of fossil sources in total energy consumption (in %)	n/a	76%
(7)	Consumption from nuclear sources (MWh)	n/a	919
	Share of consumption from nuclear sources in total energy consumption (in %)	n/a	5%
(8)	Fuel consumption for renewable sources, including biomass (including industrial and municipal waste of biological origin, biogas, hydrogen from renewable sources, etc.) (MWh).	n/a	919
(9)	Consumption from purchased or received electricity, heat, steam and cooling and from renewable sources (MWh)	n/a	4,184
(10)	Consumption of self-generated renewable energy other than fuels (MWh)	n/a	919
(11)	Total consumption of renewable energy (MWh) (calculated as the sum of lines 8 to 10)	n/a	4,184
	Share of renewable sources in total energy consumption (in %)	n/a	23%
	Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)	16,500	18,068

AIXTRON obtains all its energy from external energy supply companies. The consumption figures and the electricity mix are taken from the supplier invoices. In the reporting year, energy consumption in kilowatt hours (kWh) increased by 9.5% compared to the previous year, mainly due to changes in the product mix and additional R&D activities. All electricity consumption was covered by green electricity certificates and emissions from other energy consumption were also offset by market-based instruments. No breakdown of the electricity mix is available for the comparative year.

In the reporting period, the AIXTRON Group generated revenues exclusively in the area of NACE code 28.99 "Manufacture of other special-purpose machinery n.e.c.". Activities assigned to this code are considered climate-intensive. The consolidated revenue is explained in the management report in the subchapter [development of revenues](#) (ESRS E1-5 MDR-M).

Energy intensity per net revenue	2023	2024
Total energy consumption from activities in climate-intensive sectors per net sales revenue from activities in climate-intensive sectors (MWh/EUR million)	26.2	28.5

The energy intensity is calculated by dividing the MWh consumed by the net sales of the respective reporting period. The net sales used in the denominator to calculate energy intensity correspond to net Group sales (ESRS E1-5 35-43; ESRS E1-5 MDR-M).

E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions

The accounting and reporting standards of the GHG Protocol were applied in the preparation of Scope 1-3 GHG emissions. 100% of the emissions listed below originate from companies within the AIXTRON scope of consolidation. 0% are attributable to investments in companies outside the AIXTRON scope of consolidation. The share of primary data used in Scope 3 is 3.5%. The basic data for CO₂ emissions was determined according to the following principle: If CO₂ equivalents (CO₂e) were available from the supplier, these were used (only partially available in Scope 3.4). Information from documents or recording instruments that could be converted into CO₂ was used directly (Scopes 1.1, 1.2, 1.4, 2.1, 2.2, 3.1, 3.4, 3.5, 3.6). If this information was not available, qualified estimates were prepared by experts using templates that had previously been developed uniformly throughout the Group (Scopes 1.2, 3.4, 3.5, 3.6). If it was not possible to use the templates appropriately, the value-based method was applied (scopes 3.1, 3.4). The values for Scope 3.7 were collected through an employee survey at all locations. The emission values for Scope 3.11 are based on energy consumption data determined by a team of experts on the basis of standard consumption per system, application and production run and calculated using the CO₂e values of the respective supplier country. Scope 3.12 is based on the materials/material classes of the respective parts list of the AIXTRON systems. For each material class, recycling rates were determined by internal experts, the quantities calculated and converted into CO₂e. In Scopes 3.8 - 3.10 and 3.13 - 3.15, no economic activities were conducted during the reporting period and the previous year. All CO₂e values were calculated by an external service provider using the following CO₂e databases (ESRS E1-6; MDR-M; BP2):

- UK.gov/v2024 1.0/IPCC_AR5_100A;
- IEA/v2024.01/IPCC_AR4_100A;
- ECOINVENT/3.10/IPCC_AR6_100A;
- Exiobase/3.8.2/IPCC_AR6_100A;
- ECOINVENT/3.9.1/IPCC_AR6_100A

Looking back				Milestones and target years			
Base year n/a	2023	2024	% N / N-1	2025	2030	2050	Annual % of target / base year

Scope 2 greenhouse gas emissions

Scope 1- Gross GHG emissions (t CO ₂ e)	n/a	197	232	118%	n/a	n/a	n/a	n/a
Percentage of Scope 1 greenhouse gas emissions from regulated emissions trading systems (in %)	n/a	%	%	%	n/a	n/a	n/a	n/a

Scope 2 greenhouse gas emissions

Location-based Scope 2 GHG[1] Gross emissions	n/a	5,547	5,389	97%	n/a	n/a	n/a	n/a
Market-related Scope 2 GHG[1] Gross emissions (t CO ₂ e)	n/a	377	422	112%	n/a	n/a	n/a	n/a

Significant Scope 3 greenhouse gas emissions

Total indirect (Scope-3) Gross GHG emissions (t CO₂e)	n/a	425,681	493,019	116%	n/a	n/a	n/a	n/a
1 Purchased goods and services	n/a	41,480	38,113	92%	n/a	n/a	n/a	n/a
2 Capital goods	n/a	—	3,776	0%	n/a	n/a	n/a	n/a
3 Activities related to fuels and energy (not included in Scope 1 or Scope 2)	n/a	1,092	1,199	110%	n/a	n/a	n/a	n/a
4 Upstream transportation and distribution	n/a	21,775	19,622	90%	n/a	n/a	n/a	n/a
5 Waste generation in companies	n/a	46	4	8%	n/a	n/a	n/a	n/a
6 Business trips	n/a	2,604	3,498	134%	n/a	n/a	n/a	n/a
7 Commuting employees	n/a	987	521	53%	n/a	n/a	n/a	n/a
11 Use of products sold	n/a	357,674	426,284	119%	n/a	n/a	n/a	n/a
12 Treatment of products at the end of their service life	n/a	23	2	7%	n/a	n/a	n/a	n/a

Total GHG emissions

Total GHG emissions (location-based) (t CO ₂ e)	n/a	431,424	498,640	116%	n/a	n/a	n/a	n/a
Total GHG emissions (market-related) (t CO ₂ e)	n/a	426,255	493,673	116%	n/a	n/a	n/a	n/a

For the 2024 reporting year, all emissions are reported in the corresponding scopes for which the necessary information is available. In total, emissions of 498,640 tons of CO₂e were determined (gross = location-based) (2023: 431,424 tons of CO₂e). Scope 3.2 emissions were recorded for the first time in the financial year.

The value of total emissions for 2024 is higher than the value calculated for 2023. Reasons for this increase include the incorporation of the Innovation Center (Scope 3.2) as well as the changed product mix (Scope 3.11).

GHG intensity per net revenue	2023	2024	%
Total GHG emissions (location-based) per net revenue (t CO ₂ e/million EUR)	685	788	115.0%
Total GHG emissions (market-related) per net revenue (t CO ₂ e/million EUR)	677	780	115.2%

The GHG intensity is calculated by dividing the total greenhouse gas emissions by the net sales of the respective reporting period and multiplying by one million. The net sales used in the denominator for calculating the greenhouse gas intensity corresponds to the net Group revenue (ESRS E1-6 44-55; ESRS E1-6 MDR-M).

E1-7 GHG removals and GHG mitigation projects financed through carbon credits

In addition to technical measures for emission reduction, such as the installation of heat pumps and the switch to LED lighting, the gross CO₂ footprint will be reduced to net zero at all sites in 2024, as it was in 2023, through green electricity certificates. To further minimize the ecological footprint from other emission areas, unavoidable emissions are offset by supporting a certified emission reduction project.

CO2 certificates canceled in the reporting year	2023	2024
Total (t CO₂e)	5,169	4,967
Proportion of removal projects (in %)	—%	—%
Proportion of reduction projects (in %)	100.0%	100.0%
GoO (in %)	94.3%	93.9%
REGO (in %)	3.0%	3.5%
IREC (in %)	2.0%	2.3%
US REC (in %)	0.6%	0.3%
Share of projects within the EU (in %)	94.3%	93.9%
Proportion of CO ₂ certificates that are considered to be a corresponding adjustment (in %)	—%	—%
CO₂ certificates to be canceled in the future	Value until March 31, 2025	
Total (t CO₂e)	4,967	

Projects for the storage of greenhouse gases or the direct extraction of greenhouse gases have not yet been carried out.

Two different market-based instruments were used for the gross-to-net CO₂ reduction: On the one hand, green electricity certificates for each AIXTRON site according to the standards GoO/REGO/IREC/US-REC, and on the other hand, an emission reduction project in India according to the Verified Carbon Standard (VCS) to offset unavoidable emissions in Scopes 1 and 2 as well as parts of Scope 3 (ESRS E1-7 56-61).

EU-Taxonomy

The EU Commission's Action Plan on Sustainable Finance aims to make the economic and financial system in the EU more sustainable. Climate neutrality is to be achieved by 2050, i.e. the same amount of CO₂ emissions are to be avoided or eliminated as are emitted. The core of this action plan is the EU Taxonomy Regulation, a standardized classification system for sustainable economic activities. It defines six environmental targets:

Climate change mitigation	Climate change adaptation	Sustainable use and protection of water and marine resources	Transition to a circular economy	Prevention and reduction of environmental pollution	Protection and restoration of biodiversity and ecosystems
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According to EU taxonomy guidelines, economic activities are "environmentally sustainable" if they

- make a significant contribution to achieving one or more of the six environmental objectives mentioned,
- do not significantly harm the five other EU environmental objectives ("Do no significant harm"; DNSH), and
- Comply with minimum requirements in accordance with Art. 18 of the EU Taxonomy, including human rights including occupational safety, corruption prevention, taxes, compliance and antitrust law ("minimum safeguards")

Whether an economic activity makes a significant contribution to one of the objectives and the five other objectives are not significantly impaired must be assessed using technical evaluation criteria. In the 2024 financial year, as in the previous year, information on the assignability to the environmental objectives must be provided for all six objectives.

- Economic activities are "taxonomy-eligible" if they can be assigned to taxonomy descriptions.
- Activities are "taxonomy-compliant" (aligned) if the taxonomy-compliant activities meet the above criteria for environmental sustainability.

Against the backdrop of the EU Taxonomy Regulation, the fiscal year 2024 will report on the eligible and aligned share of revenue, capital expenditures (CapEx), and operating expenses (OpEx) of economic activities. The individual values can be found in the section [Templates EU Taxonomy](#).

Procedure

As in the past two years, the EU taxonomy requirements were reviewed and analyzed in relation to the six EU environmental targets with the help of a project team in the 2024 reporting year.

As a first step, the project team, which consists of experts from various fields, has confirmed that the economic sector "Manufacture of other special-purpose machinery n.e.c." (NACE Code 28.99) is currently applicable to AIXTRON.

In addition, AIXTRON reports 3.6 CapEx and OpEx B in connection with economic activities in accordance with paragraphs 1.1.2.2 and 1.2.3.2. of Annex I of Delegated Act (EU) 2021/2178. This includes investment expenditure for the construction of a new innovation center, which will serve to expand taxonomy-compliant economic activities in the future. In addition, research activities for the expansion of technologies are reported under economic activity 3.6.

Interviews and workshops were then held with the relevant contact persons and experts from the specialist areas to check whether the economic activities could be assigned to the taxonomy descriptions (eligibility check).

The experts' assessments were documented for revenue, CapEx and OpEx and the corresponding evidence and supporting documents were reviewed. The analysis took into account materiality aspects and cost/benefit considerations. AIXTRON identified the environmental objective "1 Climate change mitigation" as applicable. No taxonomy-capable economic activities were identified within environmental objectives 2 to 6. The following economic activities were identified as taxonomy-eligible:

- CCM⁵ 3.1 Production of technologies for renewable energies
- CCM 3.4 Production of batteries
- CCM 3.6 Production of other low-CO₂ technologies
- CCM 6.3 Passenger transportation in local and regional transport, road passenger transport
- CCM 7.3 Installation, maintenance and repair of energy-efficient appliances

Unlike criteria sets 3.1, 3.4, 6.3 and 7.3, criteria set 3.6 contains a larger number of terms requiring interpretation, which are defined below. The criteria set "Production of other low-carbon technologies" is of particular relevance for the supplier industry in mechanical and plant engineering. This set of criteria includes economic activities in the context of which technologies are manufactured that aim to achieve significant savings in greenhouse gas emissions over their life cycle and demonstrably achieve these savings in comparison to the most efficient alternative technology available on the market.

To identify taxonomy-eligible economic activities that fulfill the description of activity 3.6, those technologies were identified from the technology portfolio that have low CO₂ emissions in their application. The reduction in greenhouse gas emissions must be significant. However, no minimum value is specified.

AIXTRON assumes that the purpose of the 'EU Action Plan on Financing Sustainable Growth' is to focus more on technological leaps rather than efficiency improvements within the existing system: A 20% reduction is generally considered significant and thus makes a substantial contribution to climate change mitigation. AIXTRON has set this value as the minimum for a significant reduction in CO₂ emissions. A reference technology is the market-dominant technology, not a potentially very efficient niche technology with only a very small market share. Therefore, only this reference technology was used for the evaluation regarding the reference standard.

The following procedure was used to analyze taxonomy conformity:

⁵ Climate Change Mitigation

- **Substantial contribution:** Compliance with the technical evaluation criteria was checked individually for each taxonomy-eligible business activity. The quantified life cycle GHG emission savings have been verified by an independent auditor.
- **Do no significant harm (DNSH):** DNSH compliance with the EU environmental objectives **2. adaptation to climate change**, **3. sustainable use and protection of water and marine resources** and **6. protection and restoration of biodiversity and ecosystems** was assessed for the sites with taxonomy-enabled economic activities for the Herzogenrath, Cambridge and Turin sites. DNSH compliance with the EU environmental objectives **4. circular economy** and **5. pollution prevention and control** was assessed at Group level and at the level of the business activity.
- **Minimum Safeguards:** A Group-wide approach to ensuring minimum safeguards with regard to corruption, fair competition, taxes and human rights was pursued, which takes appropriate account of AIXTRON's risk situation, circumstances and context. An impact analysis was carried out covering the company's own business unit as well as the upstream and downstream supply chain. As no higher risk was identified for the own business unit and the downstream supply chain, the focus was placed on the upstream supply chain as part of a risk-based approach. In particular, country and product-specific aspects were taken into account. Due to the focused business model and the demanding high-tech requirements, AIXTRON relies on a relatively small number of key suppliers, most of which are located in the border triangle (Belgium/Netherlands/Germany). In fiscal year 2024, 96.3% of the total purchasing volume came from suppliers from OECD countries, which are considered less risky. A detailed risk analysis was carried out for the remaining suppliers from higher-risk countries. The minimum safeguards requirements are ensured using the existing compliance management structures (e.g. Sustainability Policy, Global Employment Standards, Code of Ethics, Conflict Minerals Management System, Declaration of Principles on Human Rights and Environmental Strategy, Supplier Code of Conduct and Whistleblowing Mechanism). No material adverse effects were identified during the final assessment.

Substantial contribution

As part of this analysis, the following taxonomy-capable and/or taxonomy-compliant economic activities were identified at AIXTRON, which make a significant contribution to Environmental Goal **1. Climate change mitigation**.

Production of other low-CO₂ technologies (3.6)

AIXTRON develops, produces and sells equipment for the deposition of compound semiconductors. This deposition is the essential step in the production of compound semiconductors, which contributes significantly to the avoidance of energy losses and thus to a significant saving of CO₂. The savings were determined using life cycle assessments (LCA) and confirmed by an independent assessor.

Wide band gap (WBG) power semiconductors based on gallium nitride (GaN)

GaN power transistors make a significant contribution to energy savings compared to established silicon-based technology due to considerably reduced energy losses in the conversion of current and voltage (e.g. when charging mobile devices or in power supply units and switches in the power grid or in data centers).

AIXTRON enables research into more energy-efficient power transistor designs and enables mass production of the new devices by the industry.

Wide band gap (WBG) power semiconductors based on silicon carbide (SiC)

SiC power transistors make a significant contribution to energy savings compared to established silicon-based technology by significantly reducing energy losses when converting current and voltage (e.g. when charging electric vehicles or switching drives in locomotives).

AIXTRON enables research into more energy-efficient power transistor designs and enables mass production of the new devices by the industry.

Micro LEDs for next-generation displays

Micro LEDs make a significant contribution to saving energy by reducing the energy consumption of displays by up to 90% compared to established LCD technology. Imaging is selective, i.e. light is only generated in the pixels that are required to display the image. Black areas of the image remain dark and consume no energy, whereas conventional technology requires the shading of a permanently bright backlight. AIXTRON enables the mass production of new displays based on Micro LEDs by the industry.

Laser diodes for data communication

The transition from wired to optical telecommunications, especially on the "last mile", contributes significantly to reducing the energy consumption of telecommunications networks while at the same time increasing data throughput.

AIXTRON enables research into more energy-efficient and faster laser diode designs and enables mass production of the new fiber-optic modules by the industry.

Manufacturer data was used to calculate the LCA.

Production of renewable energy technologies (3.1)

AIXTRON develops, produces and sells systems for the production of compound semiconductors.

Solar cells

Compound semiconductors for concentrator photovoltaic (CPV) solar cells are much more efficient at generating electricity from solar energy than conventional solar cells based on crystalline silicon. Solar cells made of compound semiconductors are often used for high-tech applications such as in space travel.

Compliance with the "Do no significant harm" (DNSH) criteria

With regard to EU Environmental Target **2. Adaptation to climate change**, there are no indications that the adverse effects of climate change will adversely affect AIXTRON's business activities. AIXTRON's production sites are not subject to any significant physical climate risks.

The criteria for EU environmental target **3. Water quality** mainly relate to legal and regulatory requirements that AIXTRON is obliged to comply with. Water is not used to any significant extent in the production process at AIXTRON. In fact, the systems must be kept away from water.

With regard to environmental goal **4. Transition to a circular economy**, there are general requirements such as long usability, easy maintenance or dismantling. The majority of components are designed for a very long service life, are recyclable and still have a monetary value at the end of their useful life (e.g. steel, stainless steel, aluminum, copper, electronics).

With regard to EU environmental objective **5. Reduction or prevention of pollution**, there are no indications that AIXTRON is in breach of the relevant requirements. AIXTRON does not manufacture, place on the market or use the substances listed in Appendix C as defined by the taxonomy.

With regard to the EU environmental objective **6. Protection and restoration of biodiversity and ecosystems**, environmental impact assessments and evaluations are carried out where necessary.

Information on compliance with the minimum requirements regarding occupational health and safety and human rights can be found in the [Health and safety](#) and [Responsibility in the supply chain](#) sections of this report and on the [AIXTRON website](#) in the Sustainability section.

Definition of sales, CapEx and OpEx

To determine the key performance indicators (KPIs) to be reported, the taxonomy-eligible and taxonomy-compliant net revenue, capital expenditure (CapEx) and operating expenses (OpEx) are set in relation to the total net revenue, the total capital expenditure and the total operating expenses to be taken into account in accordance with the taxonomy requirements. The definition of the respective KPIs is based on the annexes to the Delegated Act on Article 8 on the content and presentation of information to be disclosed.

Double counting is avoided within an environmental objective by clearly allocating taxonomy-eligible or taxonomy-compliant revenue, CapEx and OpEx to one taxonomy-eligible or taxonomy-compliant economic activity each.

Revenue within the meaning of the EU Taxonomy Regulation is defined as net revenue in accordance with International Financial Reporting Standards (IFRS) as reported in the consolidated income statement and relates to the parent company and fully consolidated subsidiaries. Further detailed information on sales revenues is presented in the [Development of Revenues](#) chapter of the Management Report.⁶

The majority of taxonomy-compliant revenue is allocated to taxonomy criteria set 3.6.

CapEx as defined by the EU Taxonomy Regulation is calculated on a gross basis in accordance with International Financial Reporting Standards (IFRS), i.e. without taking depreciation and amortization into account. CapEx comprises investments in non-current intangible or tangible assets as shown in the statement of changes in non-current assets in the notes to the consolidated financial statements in the annual report. The advance payments for the new innovation center were reported under CapEx B of the EU taxonomy in the current reporting year.

The CapEx plan for the innovation center serves to expand economic activity 3.6 and thus relates to the environmental objective "1 Climate change mitigation", in which the capacities for research and development are expanded. The total investment volume amounts to around EUR 100 million (of which EUR 54.3 million in 2024) and is expected to be completed in 2025. Further information on CapEx can be found in the [Financial position](#) and [Investments](#) sections of the economic report in the management report.⁷

The numerator for taxonomy compliance corresponds to the part of CapEx A and B contained in the denominator as defined in Article 1.1.2.2 of Delegated Regulation (EU) 2021/2178 that relates to assets associated with taxonomy-compliant economic activities.

The numerator for taxonomy eligibility corresponds to the part of CapEx A, B and C contained in the denominator within the meaning of the EU Taxonomy Regulation that relates to assets associated with taxonomy-eligible economic activities. CapEx C was verified on the basis of information provided by the supplier.

OpEx as defined by the EU Taxonomy Regulation includes non-capitalizable research and development costs, which are recognized in the consolidated income statement, as well as expenses for short-term leases and expenses for building renovation measures, maintenance and repair in accordance with International Financial Reporting Standards (IFRS). Expenditure on technologies not yet launched on the market was reported under OpEx B of the EU taxonomy in the current reporting year.

The numerator for taxonomy conformity corresponds to the part of the operating expenses included in the denominator that relates to OpEx A and B within the meaning of the EU Taxonomy Regulation, which are associated with taxonomy-compliant economic activities.

⁶ Not part of the sustainability report

⁷ Not part of the sustainability report

The numerator for taxonomy eligibility corresponds to the part of the operating expenses included in the denominator that relates to OpEx A and B within the meaning of the EU Taxonomy Regulation, which are associated with taxonomy-eligible economic activities.

Other OpEx within the meaning of Article 1.1.3.2. c) of Commission Delegated Regulation (EU) 2021/2178 of July 06, 2021 is not given.

	2024			2023		
in EUR million	Umsatz	CapEx	OpEx	Umsatz	CapEx	OpEx
Total	633.2	100.2	95.0	629.9	63.0	91.6
	100%	100%	100%	100%	100%	100%
Taxonomy eligible	409.8	73.2	77.3	462.5	50.4	59.4
	65%	73%	81%	73%	80%	65%
Taxonomy aligned	409.8	72.1	73.2	462.5	49.6	59.4
	65%	72%	77%	73%	79%	65%
Taxonomy not eligible	223.3	26.9	17.7	167.4	12.6	32.2
	35%	27%	19%	27%	20%	35%

Taxonomy-compliant and taxonomy-compliant revenue, CapEx and shares

In the 2024 reporting year, the taxonomy-compliant share of sales decreased by -8.7pp to 64.7%, which is mainly due to the development of the product mix (2023: 73.4%). Further detailed information on business development can be found in the [Development of Revenues](#) section of the management report.⁸ As in the previous year, taxonomy-compliant sales in the 2024 reporting year amounting to EUR 409.8 million include sales from business activities in accordance with 3.1 and 3.6. As in the previous year, both taxonomy-eligible and taxonomy-compliant sales relate exclusively to revenue from contracts with customers.

The taxonomy-compliant CapEx share decreased by -6.8pp to 72.0% in the reporting year 2024 (2023: 78.7%). In absolute terms, the figure rose to EUR 72.1 million (2023: EUR 49.6 million). This increase is primarily due to advance payments for the new innovation center. Of the taxonomy-compliant shares, additions to property, plant and equipment accounted for EUR 71,0 million (2023: EUR 49,6 million) and additions to intangible assets for EUR 1,1 million (2023: EUR 0,02 million).

The taxonomy-compliant CapEx of 72.1 in the 2024 reporting year includes investments from economic activities in accordance with 3.6 (2023: 3.1 and 3.6). They are made up of CapEx A in the amount of EUR 20.5 million (2023: EUR 18.7 million) and CapEx B in the amount of EUR 51.6 million (2023: EUR 30.9 million).

The taxonomy-eligible CapEx in the 2024 reporting year of EUR 73.2 million (2023: EUR 50.4 million) includes additions to property, plant and equipment of EUR 72.1 million (2023: EUR 50.4 million) and additions to intangible assets of EUR 1.1 million (2023: EUR 0.02 million). The investments eligible for taxonomy in the 2024 financial year relate to business activities 3.6, 6.3, 7.3 and 7.4 (2023: 7.3 and 7.6).

The taxonomy-compliant OpEx share increased by 12.2pp to 77% in the reporting year 2024 (2023: 64.8%). Compared to the previous year (EUR 59.4 million), EUR 13.8 million more research and development expenditure was classified as taxonomy-compliant in the

⁸ Not part of the sustainability report

current reporting year (EUR 73.2 million). As in the previous year, the taxonomy-compliant OpEx in the 2024 reporting year only included research and development expenses and were allocated to economic activities in accordance with 3.1 and 3.6 (2023: 3.1 and 3.6).

Reporting template: Share of turnover from goods or services related to taxonomy-compliant economic activities - Disclosure for the year 2024

Financial year 2024	Year	Sustainable contribution criteria	DNSH ("Does Not Significantly Harm")	MS			
					Category (transitional activity) (20)	Category (enabling activity) (19)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year N-1 (18)
Economic activities (1)	Proportion of Turnover (4)						%
	Absolute Turnover (3)						
	Code (2)						
A. TAXONOMY-ELIGIBLE ACTIVITIES							
A.1. Environmentally sustainable activities (Taxonomy-aligned)							
Manufacturing renewable energy technologies	CCM 3.1	€8,127,506	1.3%				
Manufacturing other low-carbon technologies	CCM 3.6	€401,697,054	63.4%				
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		€409,824,559	64.7%				
Of which Enabling			64.7%				
Of which Transitional			0.0%				
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)							
– (e)			0.0%				
Turnover of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		€—	0.0%				
A. Turnover of Taxonomy eligible activities (A.1+A.2)		€409,824,559	64.7%				
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES							
Turnover of Taxonomy-non-eligible activities (B)		€223,334,161	35.3%				
TOTAL (A + B)		€633,158,720	100%				

0%
0%
73.4%

	Share of sales/turnover	
	Taxonomy-compliant per target	Taxonomy-eligible per target
CCM	64.7%	64.7%
CCA	—%	—%
WTR	—%	—%
CE	—%	—%
PPC	—%	—%
BIO	—%	—%

- a) *The code represents the abbreviation of the relevant objective to which the economic activity can make a significant contribution and the number of the section of the activity in the relevant annex that covers the objective, i.e.*
- Climate change mitigation: CCM (Climate Change Mitigation)
 - Adaptation to climate change: CCA (Climate Change Adaptation)
 - Water and marine resources: WTR (Water)
 - Circular economy: CE (Circular Economy)
 - Pollution prevention and control: PPC (Pollution Prevention and Control)
 - Biodiversity and ecosystems: BIO (Biodiversity and ecosystems)
- b) *Y - Yes, taxonomy-compliant activity in line with the relevant environmental objective*
N - No, taxonomy-compliant activity, but not taxonomy-compliant with the relevant environmental objective
N/EL - 'not eligible', activity not eligible for taxonomy for the respective environmental objective
- c) *Where an economic activity contributes significantly to multiple environmental objectives, non-financial companies shall indicate in bold the most relevant environmental objective for the calculation of the KPIs of financial companies, avoiding double counting. If the use of proceeds from financing is not known, financial entities shall calculate the financing of economic activities contributing to multiple environmental objectives in their respective KPIs according to the most relevant environmental objective indicated in bold by non-financial entities in this template. An environmental objective can only be reported once in bold in a row to avoid double counting of economic activities in the KPIs of financial entities. This does not apply to the calculation of taxonomy compliance of economic activities for financial products as defined in Article 2(12) of Regulation (EU) 2019/2088.*
- d) *One and the same activity can only be compliant with one or more environmental objectives for which it is taxonomy-eligible*
- e) *The same activity may be taxonomic and non-compliant with the relevant environmental objectives*
- f) *EL - Taxonomy-eligible activity for the respective target.*
N/EL - Activity not eligible for taxonomy for the respective target.
- g) *Activities shall only be reported in section A.2 of this template if they are not compliant with an environmental objective for which they are taxonomy-eligible. Activities that are compliant with at least one environmental objective shall be reported in section A.1 of this template*
- h) *To report an activity in section A.1, all DNSH criteria and minimum protection requirements must be met. For the activities listed under A.2, columns 5 to 17 may be completed by non-financial entities on a voluntary basis. Non-financial entities may indicate the material contribution and the DNSH criteria they meet or do not meet in section A.2 with the following codes: a) for material contribution: Y/N and N/EL instead of EL and N/EL and b) for DNSH: Y/N.*

Reporting template: CapEx share from goods or services associated with taxonomy-compliant economic activities - Disclosure for the year 2024

Financial year 2024	Year		Sustainable contribution criteria					DNSH („Does Not Significantly Harm“)					MS	Category (transitional activity) (20)			
	Code (2)	Absolute CAPEX (3)	Proportion of CAPEX (4)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	%	Category (enabling activity) (19)	T	
CAPEX Economic activities (1)																	
A. TAXONOMY-ELIGIBLE ACTIVITIES																	
A.1. Environmentally sustainable activities (Taxonomy-aligned)																	
Manufacturing other low-carbon technologies																	
CAPEX of environmental sustainable activities (Taxonomy-aligned)																	
(A.1.)																	
Of which Enabling																	
Of which Transitional																	
A.2. Taxonomy-Eligible but not environmental sustainable activities (not Taxonomy-aligned activities)																	

	Share of CapEx/CapEx	
	Taxonomy-compliant per target	Taxonomy eligible per target
CCM	72.0%	73.1%
CCA	—%	—%
WTR	—%	—%
CE	—%	—%
PPC	—%	—%
BIO	—%	—%

- a) *The code represents the abbreviation of the relevant objective to which the economic activity can make a significant contribution and the number of the section of the activity in the relevant annex that covers the objective, i.e.*
- Climate change mitigation: CCM (Climate Change Mitigation)
 - Adaptation to climate change: CCA (Climate Change Adaptation)
 - Water and marine resources: WTR (Water)
 - Circular economy: CE (Circular Economy)
 - Pollution prevention and control: PPC (Pollution Prevention and Control)
 - Biodiversity and ecosystems: BIO (Biodiversity and ecosystems)
- b) *Y - Yes, taxonomy-compliant activity in line with the relevant environmental objective
N - No, taxonomy-compliant activity, but not taxonomy-compliant with the relevant environmental objective
N/EL - 'not eligible', activity not eligible for taxonomy for the respective environmental objective*
- c) *Where an economic activity contributes significantly to multiple environmental objectives, non-financial companies shall indicate in bold the most relevant environmental objective for the calculation of the KPIs of financial companies, avoiding double counting. If the use of proceeds from financing is not known, financial entities shall calculate the financing of economic activities contributing to multiple environmental objectives in their respective KPIs according to the most relevant environmental objective indicated in bold by non-financial entities in this template. An environmental objective can only be reported once in bold in a row to avoid double counting of economic activities in the KPIs of financial entities. This does not apply to the calculation of taxonomy compliance of economic activities for financial products as defined in Article 2(12) of Regulation (EU) 2019/2088.*
- d) *One and the same activity can only be compliant with one or more environmental objectives for which it is taxonomy-eligible*
- e) *The same activity may be taxonomic and non-compliant with the relevant environmental objectives*
- f) *EL - Taxonomy-eligible activity for the respective target.
N/EL - Activity not eligible for taxonomy for the respective target.*
- g) *Activities shall only be reported in section A.2 of this template if they are not compliant with an environmental objective for which they are taxonomy-eligible. Activities that are compliant with at least one environmental objective shall be reported in section A.1 of this template*
- h) *To report an activity in section A.1, all DNSH criteria and minimum protection requirements must be met. For the activities listed under A.2, columns 5 to 17 may be completed by non-financial entities on a voluntary basis. Non-financial entities may indicate the material contribution and the DNSH criteria they meet or do not meet in section A.2 with the following codes: a) for material contribution: Y/N and N/EL instead of EL and N/EL and b) for DNSH: Y/N.*

Reporting template: OpEx share of goods or services associated with taxonomy-compliant economic activities - Disclosure for the year 2024

Financial year 2024	Year	Sustainable contribution criteria	DNSh ("Does Not Significantly Harm")	MS	Category (transitional activity) (20)		Category (enabling activity) (19)		Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year N-1 (18)	
OPEX Economic activities (1)	Code (2)									
	Absolute OPEX (3)	EUR								
	Proportion of OPEX (4)	%								
	Climate change mitigation (5)	Y: N; N/EL (b) (c)								
	Climate change adaptation (6)	Y: N; N/EL (b) (c)								
	Water and marine resources (7)	Y: N; N/EL (b) (c)								
	Circular economy (8)	Y: N; N/EL (b) (c)								
	Pollution (9)	Y: N; N/EL (b) (c)								
	Biodiversity and ecosystems (10)	Y: N; N/EL (b) (c)								
	Climate change mitigation (11)	Y/N								
	Climate change adaptation (12)	Y/N								
	Water and marine resources (13)	Y/N								
	Circular economy (14)	Y/N								
	Pollution (15)	Y/N								
	Biodiversity and ecosystems (16)	Y/N								
	Minimum safeguards (17)	Y/N								
A. TAXONOMY-ELIGIBLE ACTIVITIES										
A.1. Environmentally sustainable activities (Taxonomy-aligned)										
OPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1.)	CCM 3.1	€—	0.0%							
	CCM 3.4	€73,194,194.01	77.1%							
	CCM 3.6	€73,194,194.01	77.0%							
			77.0%							
Of which Enabling										
Of which Transitional										
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)										
OPEX of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	CCM 3.4	€438,607.08	0.5%							
	CCM 3.6	€3,639,543.79	3.8%							
A. OpEx of Taxonomy eligible activities (A.1+A.2)		€4,078,150.87	4.3%							
		€77,272,344.88	81.3%							
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES										
OPEX of Taxonomy-non-eligible activities (B)										
TOTAL (A + B)										

0%	0%	0%	64.9%
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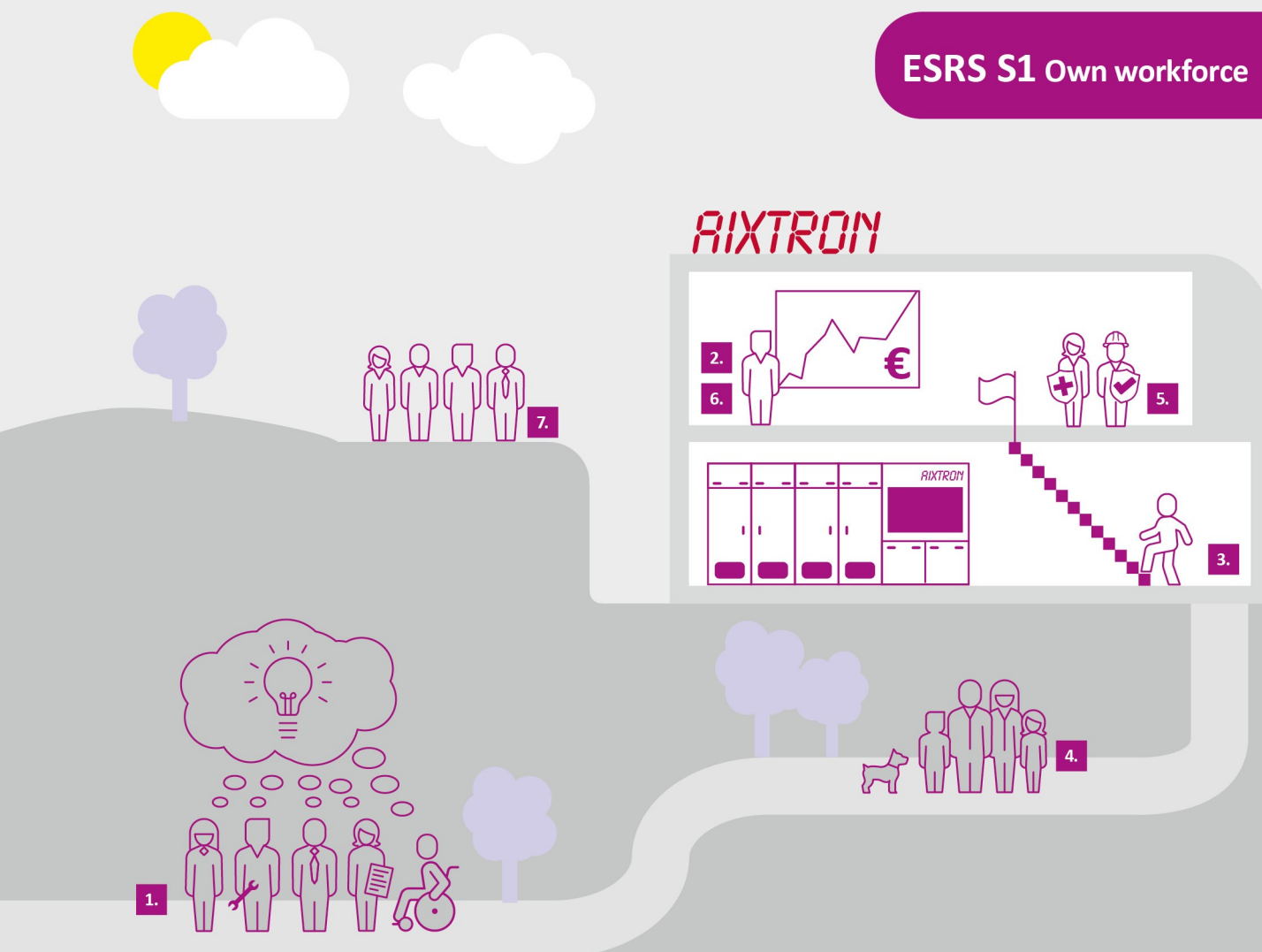
	Share of OpEx/OpEx	
	Taxonomy-compliant per target	Taxonomy eligible per target
CCM	77.0%	81.3%
CCA	—%	—%
WTR	—%	—%
CE	—%	—%
PPC	—%	—%
BIO	—%	—%

- a) The code represents the abbreviation of the relevant objective to which the economic activity can make a significant contribution and the number of the section of the activity in the relevant annex that covers the objective, i.e.
- Climate change mitigation: CCM (Climate Change Mitigation)
 - Adaptation to climate change: CCA (Climate Change Adaptation)
 - Water and marine resources: WTR (Water)
 - Circular economy: CE (Circular Economy)
 - Pollution prevention and control: PPC (Pollution Prevention and Control)
 - Biodiversity and ecosystems: BIO (Biodiversity and ecosystems)
- b) Y - Yes, taxonomy-compliant activity in line with the relevant environmental objective
N - No, taxonomy-compliant activity, but not taxonomy-compliant with the relevant environmental objective
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- c) Where an economic activity contributes significantly to multiple environmental objectives, non-financial companies shall indicate in bold the most relevant environmental objective for the calculation of the KPIs of financial companies, avoiding double counting. If the use of proceeds from financing is not known, financial entities shall calculate the financing of economic activities contributing to multiple environmental objectives in their respective KPIs according to the most relevant environmental objective indicated in bold by non-financial entities in this template. An environmental objective can only be reported once in bold in a row to avoid double counting of economic activities in the KPIs of financial entities. This does not apply to the calculation of taxonomy compliance of economic activities for financial products as defined in Article 2(12) of Regulation (EU) 2019/2088.
- d) One and the same activity can only be compliant with one or more environmental objectives for which it is taxonomy-eligible
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Reporting template 1: Activities in the fields of nuclear energy and fossil gas

Line	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

ESRS S1 Own workforce

**POSITIVE IMPACTS – MATERIAL**

1. Diversity and active idea contribution by employees as the foundation for innovative strength and competitiveness
2. Secure employment and adequate wages
3. Professional development and skills development of own employees
4. Work-life balance
5. Focus on occupational health and safety

NEGATIVE IMPACTS – MATERIAL

6. Employment situation in the context of economic developments
7. Inherent imbalance of gender diversity in the high-tech group

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Note on the social chapter:

In the chapter, all key figures are subject to internal controls, with no validations being carried out by external third parties (beyond the auditor) (ESRS 2 MDR-M 77 b)

Own workforce (ESRS S1)

AIXTRON's workforce

AIXTRON's employees are a key success factor for AIXTRON's long-term market success and ability to innovate. As of December 31, 2024, AIXTRON employed 1,207 people. The majority of employees have permanent contracts. To a lesser extent, there are also fixed-term contracts, which are mainly used for new employees, young professionals, working students and interns. The majority of employees work full-time. Individually tailored part-time employment is also possible.

The market environment in the semiconductor industry is subject to particular fluctuations in demand. In order to be able to absorb peaks in market demand for AIXTRON systems in particular, external workers are also employed. To this end, the company cooperates with established engineering service providers and temporary employment agencies and also employs self-employed persons (ESRS S1 14 a; S1-6 48).

ESRS 2 SBM-3 Material impacts and their interaction with strategy and business model

As a result of the double materiality analysis, seven material positive and negative impacts were identified for the following sub-topics:

- Working conditions
- Equal treatment and equal opportunities for all

1. Diversity and active contribution of ideas by employees as the basis for innovative strength and competitiveness

*Key sub-themes: Diversity and co-determination
(positive effect)*

Diversity and the **active contribution of ideas** by employees are seen as the basis for AIXTRON's innovative strength and competitiveness.

AIXTRON strives to promote **diversity** among its employees and to provide equal employment opportunities to all employees regardless of gender, ethnicity, religion, marital status, age, national origin, ancestry, physical or mental disability, medical condition, genetic information, sexual orientation or any other characteristic protected by law in the countries in which AIXTRON operates.

Since 2015, a **standardized employee suggestion scheme** has been established for all AIXTRON SE sites in Germany as part of the innovation management process. Employees are empowered to contribute their ideas for process and product improvements and cost savings and to participate monetarily in accepted suggestions. The aim of this program is to increase employee motivation and commitment and to create a positive, inspiring working environment.

2. Secure employment and adequate wages

Key sub-themes: Secure employment, fair pay, gender equality and equal pay for equal work, freedom of association, existence of works councils and workers' rights to information, consultation and participation; measures against violence and harassment in the workplace (positive impact)

In AIXTRON's view, **secure employment** and **appropriate remuneration** are of crucial importance for employees. Due to the high value of specialized knowledge and expertise, AIXTRON has a strong interest in retaining employees in the long term.

The aim is to comply at all times with the national legal requirements for the protection of employee rights, internal company agreements and prescribed statutory notification periods. In addition, AIXTRON is committed to the core labor standards of the International Labor Organization (ILO).

The low fluctuation rate at AIXTRON indicates a certain **stability in employment relationships**, which can have a positive effect on employee motivation.

Apprentices in technical and commercial professions as well as in dual study programs are trained to give young people the opportunity to prove themselves, develop their strengths and make a contribution. AIXTRON is proud of the fact that apprentices are repeatedly recognized by the Aachen Chamber of Industry and Commerce for their outstanding performance. There is an agreement to take on apprentices and students on completion of their education or studies. In recent years, all apprentices and dual students who wanted to remain with the company were taken on.

AIXTRON strives to **remunerate its employees appropriately** and pursues the principle of granting remuneration **regardless** of gender or ethnic origin.

3. Professional development and skills development of own employees

Key sub-topics: Further development and competence development (positive effect)

The **further training of employees and their expertise in specialized areas** are seen as the basis for maintaining AIXTRON's leading position in the long term. Great importance is attached to supporting employees competently and in partnership, promoting them individually and supporting them with future-oriented projects (e.g. standardization of annual development meetings, introduction of new tools in travel management and suggestion schemes). Continuous alignment with the company's needs plays just as important a role as the employees' independent involvement in shaping the company.

A **wide range of continuous professional development measures** are offered, including individual training programs. The core component is the **company's own AIXTRON Academy**, which offers general training on topics such as project management, negotiation skills and time and self-management, as well as specialist content. Specialist training courses are also organized in cooperation with external providers. In addition, the development of managers is promoted through management training courses.

Structured **onboarding processes** have been implemented for new employees that are individually tailored to their needs in order to ensure efficient and comprehensive induction so that employees can quickly integrate into the company's processes.

4. Work-life balance

*Key sub-topics: Working hours and work-life balance
(positive effect)*

Today's working world places many demands on employees and their families. For this reason, efforts are made to reconcile the private and family needs of employees with the economic interests of the company wherever possible. In addition to **flexible working time** models that promote the compatibility of work and family, there is a company agreement for **mobile working**. The respective framework depends individually on the type of activity as well as the area and department.

5. Focus on occupational health and safety

*Key sub-topics: Health and safety
(positive effect)*

The principle of occupational safety is "zero tolerance for accidents". A preventative approach is taken here. The aim is to instruct employees regularly, but at least once a year, on occupational health and safety issues. Current aspects from the work areas are included in the instructions. The "Safety, Health and Environmental Protection" (EHS) department and the external company doctor are responsible for advising company management, managers, the works council and employees.

The aim is to provide every employee with a **safe and healthy workplace** in compliance with all applicable laws and regulations. Additional offerings (see S1-14), which are provided by the occupational health and safety committee and in particular by health management, are intended to positively promote the **health and well-being of employees**.

6. Employment situation in the context of economic developments

*Key sub-themes: Secure employment
(negative impact)*

The capacity utilization of AIXTRON's production facilities is dependent on economic developments. For this reason, **external labor** is used in order to be able to react flexibly to the volatile fluctuations in demand in the semiconductor industry market. In the event of a decline in demand, the proportion of external labor is reduced, while the use of external labor is increased in the event of a short-term increase in demand. Although employees who have been with the company for a long time are already used to these cyclical fluctuations, which are associated with an increase or decrease in the number of positions filled by external workers, the motivation of new employees in particular, who have not yet experienced these fluctuations, can be negatively affected.

7. Inherent imbalance of gender diversity in the high-tech group

*Key sub-themes: Diversity
(negative impact)*

AIXTRON is a high-tech manufacturing company in which there is traditionally a higher proportion of men. This affects the entire company and could potentially have a negative impact on future female applicants. A traditionally higher proportion of men in a high-tech manufacturing company like AIXTRON could lead to fewer women applying for jobs, as they may fear a male-dominated corporate culture and a lack of equal opportunities. Equal treatment and equal opportunities are a key issue for AIXTRON. This is reflected, among other things, in the implementation of various measures to promote diversity (e.g. participation in the Career Day for women and the MentorMe program) as well as the

sustainability targets within the remuneration report (ESRS S1 14 b, 15). All overarching topics, such as concepts relating to employees, are managed centrally by our HR department at the company headquarters in Herzogenrath. Within the individual companies in the individual countries, there are also other HR specialists as contact persons.

The above-mentioned material impacts on the workforce do not currently result from specific transition plans to reduce negative environmental impacts or to promote environmentally friendly and climate-neutral activities. However, the company is aware of its responsibility in the area of climate change and is continuously intensifying its efforts in this important area in order to have a positive impact on the reduction of CO₂ emissions. From AIXTRON's perspective, the construction of the Innovation Center is a decisive factor in this regard. It has created the ideal conditions for developing products with which AIXTRON can win the markets of the future. AIXTRON's own employees benefit considerably from this, as the Innovation Center has not only created several additional direct jobs for specialists in the short term, but also offers numerous employees the opportunity to receive further in various future-oriented topics. The construction of the Innovation Center is an important contribution to AIXTRON's sustainable economic success and a commitment to Herzogenrath as AIXTRON's leading development location, which will also create secure jobs for the future. AIXTRON's goal is to make a significant contribution to the fight against climate change through continuous efforts and at the same time to create a positive corporate image with which both existing and potential employees can identify (ESRS S1 14 e). Within the materiality analysis, which considered all employees, AIXTRON did not identify any material risks related to forced labor or illegal child labor (ESRS S1 14 f, g).

Strategies related to the own workforce

S1-1 Policies related to own workforce

AIXTRON pursues various concepts for managing the material impact on its own workforce.

- **AIXTRON Global Employment Standard**

Within the global employment standard, AIXTRON is committed to maintaining high standards of corporate and social responsibility and sound business ethics in all areas of its business activities. This includes strict compliance with all applicable laws and regulations. Employees and managers are expected to comply with these principles of business conduct as well as all policies, procedures and practices. The Executive Board and the HR department are the responsible organizational levels in this regard. This standard is applied, among other things, to the management of material impacts, in particular Safe employment, working hours, freedom of association, existence of works councils and employees' rights to information, consultation and co-determination, health and safety as well as gender equality and equal pay for equal work.

These principles apply to all employees, including temporary and contract workers (ESRS S1-1 24a):

- Respect for human rights
- Exclusion of forced, child and involuntary labor
- Wage and social benefits
- Working hours
- Prohibition of discrimination and harassment
- Respect and dignity
- Health and safety
- Freedom of assembly
- Compliance with laws, regulations and other legal requirements
- Ethics
- Communication

The objective of this standard is to create an orientation framework for all employees in which discriminatory behavior and possible violations of human rights are not tolerated. AIXTRON believes that this framework will promote respect for human rights, reduce discriminatory behavior and raise awareness among employees. AIXTRON believes that a positive working environment for employees contributes significantly to the company's success.

Compliance with these standards of conduct is monitored as part of regular processes (see example description in the Whistleblowing Policy section), in particular by the Executive Board, the Human Resources department and the Compliance department. Channels for reporting violations are explained in the following chapters:

- **ESG Policy of the AIXTRON Group**

AIXTRON's ESG Policy also covers the important topic of human rights. This policy is defined in more detail under the [environmental information \(disclosure requirement E1-2\)](#).

Human rights are regarded as fundamental principles to protect human dignity and to ensure freedom and respect. Therefore, the ESG Policy states that AIXTRON is committed to respecting human rights throughout the AIXTRON Group, the companies with which it works and the communities to which AIXTRON belongs. The commitment to respect human rights also includes compliance with internationally recognized human rights standards and principles (ESRS S1-1 20 a), ensuring fair working conditions and combating human trafficking, forced labor and child labor (ESRS S1-1 22). In accordance with the requirements of the Supply Chain Due Diligence Act (LkSG) and through appropriate supplier monitoring, the processes and mechanisms for compliance with the United Nations Guiding Principles on Business and Human Rights, the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises are monitored (ESRS S1-1 20). The ESG guideline also stipulates that a diverse and inclusive corporate culture is promoted, in which equal opportunities are seen as a basic prerequisite (ESRS S1-1 24 a). In the

countries relevant to AIXTRON, all requirements from this area that have been transposed into national law are integrated into the business processes.

The topics of ethnic origin, skin color, gender, sexual orientation, gender identity, disability, age, religion, political opinion, national origin or social background are of particular importance in the context of combating discrimination. The monitoring process with regard to compliance with the concepts is managed by the HR department (ESRS S1-1 24 b). AIXTRON strives to create a work environment that is free from discrimination or harassment based on the above factors. All policies are approved by the Executive Board, which is responsible for the implementation of the concepts.

AIXTRON's policy on respect for human rights is based on applicable national laws and is aligned with internationally recognized human rights standards and principles. The principles are based in particular on the following internationally recognized human rights standards and principles:

- United Nations Guiding Principles on Business and Human Rights
- ILO Declaration on Fundamental Principles and Rights at Work
- OECD Guidelines for Multinational Enterprises

The aim is to implement these international regulations more extensively in the near future so that there is an obligation to comply (ESRS S1-1 21; ESRS 2 IRO-2 62).

As a result, the priority is to ensure that appropriate management systems are in place to identify, prevent, mitigate and remedy potential adverse impacts on human rights. This applies regardless of whether it concerns the company's own workforce, the workers in the value chain or the affected communities. If potentially adverse impacts on human rights are identified, immediate and effective remedies are planned. The grievance and remediation mechanism (ESRS S1-1 20 c) provides for addressing any adverse impacts on the human rights of individuals, workers and communities that have been caused or materially contributed to. Due to the high relevance of respecting human rights, employees and managers are regularly coached in the form of mandatory training to prevent, curb and combat discrimination. In addition, as part of every induction process and at least once a year in mandatory training sessions or by e-mail, the existing remedial options are pointed out and explained in detail (ESRS S1-1 24 d). The measures described in the sub-chapters "Whistleblowing Policy" and "Human Rights and Environment Grievance Procedure", as well as the channels described in the following chapter (S1-2), can also be used, if necessary, to remedy impacts on the human rights of employees (ESRS S1-1 20 b).

Occupational safety is also a high priority at AIXTRON. For this reason, every accident at work is investigated in order to identify and permanently eliminate potential risks in technical and organizational processes. Occupational health and safety is the responsibility of managers. They are trained in this area at regular intervals in the form of online training courses or handouts. The responsible managers implement all necessary measures and ensure occupational health and safety in the company. Every employee has to undergo safety training as part of their onboarding process, and first aiders and evacuation assistants are also trained. The occupational health and safety committee regularly deals with all aspects of health and safety and further optimizes processes. The aim is to ensure that every employee understands and supports the objectives and

measures in the area of occupational health and safety as part of their job. AIXTRON has set itself the goal of obtaining ISO 45001 certification at its production sites by the end of 2026. Preparations for this started in April 2024 (ESRS S1-1 23).

Due to AIXTRON's global operations and in a working world that is increasingly characterized by diversity and international markets, promoting equal opportunities and supporting disadvantaged groups is a high priority. AIXTRON states in its ESG policy that it promotes an inclusive and diverse corporate culture where fair working conditions are ensured. This also includes combating child labor. For all existing and potential employees, lived equal opportunity is a fundamental prerequisite. AIXTRON sees the diversity of its employees as an important foundation and an essential part of its corporate values and culture (ESRS S1-1 24 c).

- **Diversity Statement**

AIXTRON is committed to promoting diversity and providing equal employment opportunities to all employees regardless of gender, sexual orientation, ethnicity, color, religion, marital status, veteran status, age, national origin, ancestry, physical or mental disability, medical condition, genetic information or any other characteristic protected by the applicable law of any of the countries in which AIXTRON operates. The policy serves to manage the material impacts, in particular: Diversity, Gender Equality and Equal Pay for Equal Work. AIXTRON opposes all forms of unlawful and unfair discrimination and takes positive action to improve diversity among its employees, including promoting qualified female employees within the company at all levels and ensuring equal employment opportunities.

AIXTRON endeavors to treat all employees, whether part-time, full-time or temporary, fairly and in accordance with applicable laws. Selection for employment, promotion, training or any other term or benefit of employment is based, in AIXTRON's view, on legitimate considerations, including and especially suitability and ability. In addition, all employees are supported and encouraged to develop their full potential and the talents and resources of the workforce are fully utilized to maximize the efficiency of the organization and to increase diversity within the organization at all levels. AIXTRON is committed to providing a respectful work environment for all employees, regardless of their location, that promotes dignity and respect for all and is free from intimidation, bullying and harassment. Diversity and equality are core management practices for AIXTRON and are considered commercially viable. Violations of these principles are considered misconduct and may result in disciplinary action up to and including dismissal. This policy is supported by the company's management, regularly monitored, and annually reviewed for compliance with applicable laws. The Vice President HR and the Chief Compliance Officer are responsible for ensuring compliance with the Diversity Statement within the AIXTRON Group.

- **Whistleblowing Policy**

The Whistleblowing Policy applies to the entire AIXTRON Group, i.e. to all employees and temporary workers, to persons who are employed by AIXTRON for the purpose of their vocational training and to persons who, due to their economic dependence, are to be regarded as similar to employees, such as service providers. Compliance with legal regulations and internal rules as well as the principles laid down in the Code of Conduct and Ethics has the highest priority. In order to meet these standards, it is important to

learn of possible misconduct by employees. The members of the Executive Board of AIXTRON SE encourage all employees to report violations of laws and internal compliance regulations. The policy is applied to manage the material impacts, especially in the sub-topic "Secure Employment", as AIXTRON considers compliance with legal regulations and internal rules to be a top priority.

- **Complaints procedure Human rights and the environment**

AIXTRON and the Group companies are committed to respecting human rights and protecting the environment. For this purpose, a complaints procedure has been set up through which persons ("whistleblowers") can report human rights and environmental risks as well as violations of human rights or environmental obligations that have arisen as a result of AIXTRON's business activities in its own business area or those of a direct or indirect supplier ("complaint"). Complaints can be reported to the Complaints Office via an e-mail address set up for this purpose. The complaints procedure is open to the public and is available to all persons, whether in Germany or abroad. Complaints can be submitted by name or anonymously. No retaliation against whistleblowers who have reported a complaint in good faith will be tolerated. The Compliance department is the complaints office responsible for receiving and processing. The Complaints Office is impartial and independent in its handling of complaints, is not bound by instructions and is obliged to maintain confidentiality (MDR-P/A).

S1-2 Processes for engaging with own workforce and workers' representatives about impacts

To ensure good cooperation, great importance is attached to open and cooperative communication. This also includes providing regular and transparent information to the entire workforce. Every quarter, the Executive Board informs all colleagues worldwide about business development, customer requirements, market developments and new company agreements at digital staff meetings. During the digital event, employees can put questions to the Executive Board, which are then answered by the Executive Board at the end of the event or afterwards in writing on the intranet. In addition, all relevant information is published promptly in the appropriate media. The intranet is used to provide regular updates on current topics and developments within the company.

The Executive Board and the Works Council are responsible for developing the framework for employee consultation, incorporating the results into the corporate strategy and managing activities to ensure progress in implementing the ambitions and achieving the targets. Operational responsibility lies primarily with the Vice President Human Resources (ESRS S1-2 27 c).

Various mechanisms have been established to involve the workforce and ensure a flow of information. Both direct channels and indirect channels (ESRS S1-2 27 a) are offered, e.g. through the involvement of the works council, and the following communication channels enable a regular exchange between the various interest groups within the company (ESRS S1-2 27 a, b, 30):

- Annual appraisal interviews between employee and manager (e.g. target agreement and target achievement meetings as well as interim meetings).

- Quarterly all-hands meetings at which all employees have the opportunity to put questions directly to the Executive Board, find out about the company's development and get actively involved.
- Works meetings are held several times a year. At least one member of the Executive Board also attends these meetings. Questions can also be put directly to the Executive Board here.
- As part of employee surveys (last survey in 2024), it is possible to measure employee satisfaction and motivation. Specific suggestions for improvement can be provided. The results of the survey are shared transparently across the organization.
- The Works Council meets with the HR department on a weekly basis to drive issues forward quickly. A meeting between the Executive Board and the Works Council also takes place once a month.

Every employee has the opportunity to contribute their views to decisions and activities via the various channels. Since these channels are used by many employees and the opinions are considered by the decision-makers, comprehensive employee involvement is ensured from AIXTRON's perspective (ESRS S1-2 27 e). Our HR department is in contact with employees, managers, the Executive Board and the Works Council and represents its own workforce in the materiality analysis (ESRS S1-2 27).

Company suggestion scheme

Another channel for integrating employee opinions is the employee suggestion scheme. New ideas and requests often arise in the structured and planned everyday processes, some of which are not implemented or shared throughout the company. However, to ensure that these are accessible and valued by everyone, a unified company suggestion system has been established at AIXTRON SE as part of the innovation management process. By submitting suggestions to the company suggestion scheme, every employee is able to provide impetus for improvement. All employees are encouraged to submit their ideas for process improvements, cost savings, product improvements and the like. The suggestions submitted are first evaluated in advance by the Advanced Technologies department. The review and evaluation committee, which consists of an equal number of members appointed by the Executive Board and the Works Council, then makes the final decision (ESRS S1-2 27 e).

S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns

In the previous chapters, the approach to material negative impacts on the company's own workforce is discussed. In addition to the channels already mentioned to which employees can turn in the event of violations of human rights, discrimination, etc., further additional remedial actions have been established.

This includes a whistleblowing hotline that is freely accessible to all employees. Reports of possible violations of international and national laws, company-wide compliance requirements and the principles set out in the Compliance Code of Conduct and Code of Ethics can be reported via the whistleblowing system. Reports can be sent confidentially by e-mail to sb@aixtron.com. The Chairman of the Supervisory Board of AIXTRON SE

receives this e-mail and the Chief Compliance Officer of the AIXTRON Group receives a copy (ESRS S1-3 32 a, b, c). Depending on the type and scope of the report, a decision is made as to whether other persons or bodies should be involved. In the event of proven violations or grievances, the persons or departments involved develop proposals for solutions in order to remedy these as quickly as possible and, if necessary, impose sanctions and improve the management and monitoring processes. Any information received is treated discreetly, confidentially and anonymously by the persons or bodies involved. Reports from both internal and external stakeholders are taken into account. Information about the whistleblowing system is part of the compliance training for employees and is also communicated to the entire workforce in emails. With the Executive Board's assurance that the reports will be handled confidentially and the very small group of people who have access to the email inbox, AIXTRON wants to ensure that employees trust the channels (ESRS S1-3 33, 32 d).

This also includes our "Complaints Procedure - Human Rights and the Environment". Human rights and environmental risks as well as violations of human rights or environmental obligations resulting from AIXTRON's business activities in its own business area or those of a direct or indirect supplier can be reported via our email address compl-office@aixtron.com. The complaints procedure is publicly accessible and available to all persons. The Compliance department is responsible for receiving and impartially processing complaints (ESRS S1-3 32 a, b, c). Complaints are processed confidentially and can be reported by name or anonymously. If necessary, the complaints office will take appropriate (remedial) measures, such as conducting an investigation. Whistleblowers will receive confirmation within 14 days of receipt of the complaint and will generally be informed of the status of the procedure within three months of confirmation of receipt and informed of the outcome at the latest after the procedure has been completed, to the extent permitted by law. In the rules of procedure for complaints management published on our website, the Executive Board undertakes to protect whistleblowers and to handle complaints confidentially; in this way, AIXTRON aims to ensure that employees report violations and complaints and trust the complaints procedure (ESRS S1-3 32 d, 33). Employees are informed on our intranet page that any violations of legal, regulatory and internal requirements and rules of conduct must be reported immediately.

The channels mentioned are also checked annually by the Compliance department to ensure that they are functioning properly (ESRS S1-3 32 e). Another important procedure for preventing discrimination is raising employee awareness and training. AIXTRON aims to ensure that everyone is familiar with and trusts the procedures and structures through regular mandatory training, regular e-mails and training as part of the induction process. AIXTRON is convinced of their effectiveness through regular reference to the channels and continuous monitoring of their functionality.

S1-4 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

At present, concrete targets with fixed time horizons with regard to the workforce have not yet been defined in all areas (see also S1-5), from which specific action plans can be derived. Nevertheless, numerous actions have been implemented within the Company

with the aim of having a positive impact on the workforce, as this is the foundation of AIXTRON's success. The actions in the various areas are explained in more detail in the following social chapters (ESRS S1-4 37). All of the actions described have already been implemented and will be continued on an ongoing basis. They apply to all AIXTRON employees, unless explicitly stated otherwise in the respective subchapter (MDR-A 68 a, b, c). AIXTRON assumes that the positive actions taken will also have a positive effect on the AIXTRON workforce, unless explicitly stated otherwise in the respective subchapter (ESRS S1-4 38).

AIXTRON is a high-tech manufacturing company in which there is traditionally a higher proportion of men. This could have a negative impact on potential future female applicants. A number of actions have already been implemented to counteract these effects. These include various actions that promote an inclusive working environment. In addition to setting a diversity target within the remuneration components of the Executive Board, the commitment to diversity and inclusion in accordance with the ESG policy is also intended to mitigate potential negative effects. In addition, the global employment standard applies to all employees, which prohibits any discrimination in hiring, promotion or remuneration on the basis of gender (ESRS S1-4 38 a). As the targets within Executive Board remuneration are linked to measurable key figures, the effectiveness of the actions is reflected here. In addition, the number of reported cases of discrimination via the known channels provides an indication of compliance with the policies (ESRS S1-4 38 d).

Increased employee turnover could lead to a loss of reputation and knowledge within the company. Various actions have been taken to counteract increased staff turnover. The focus here is on promoting a high level of employee satisfaction.

AIXTRON is aware that good working conditions, a collegial and constructive environment and a cooperative management style have an important influence on the well-being and health of employees. For this reason, great importance is attached to a constructive feedback culture based on partnership. An open and respectful informal culture, which extends across all hierarchical levels, is used to promote the environment described above. As part of a corporate benefits program, employees also benefit from exclusive discounts and offers from numerous partner companies.

Employees are encouraged by managers to take responsibility for themselves and their colleagues. In addition, employees are given flexibility in their work schedules to reconcile their private and professional lives - as far as operational requirements allow.

Great importance is also attached to a strong sense of togetherness and a positive working atmosphere. To promote this, various events are regularly offered to bring employees together outside of the workplace (ESRS S1-4 38 c):

- Weekly running sessions to stay fit together.
- Weekly soccer training, which not only strengthens team spirit, but also provides lots of fun and exercise.
- Annual traditional festivities (Christmas and summer parties) offer a good opportunity to get together in a relaxed atmosphere and exchange ideas away from the daily work routine.

- Our annual participation in the Aachen company run, where we compete as a team and run together for a good cause.

These events are intended to help employees get to know each other better and strengthen cohesion and a sense of community within the company. The goal is to create a positive and motivating work environment where every employee feels valued and included.

AIXTRON undertakes to comply with the maximum working hours prescribed by law and to compensate for overtime wherever possible. This is to ensure that employees do not work more than legally allowed, including overtime. The regular working hours of 8 hours per day should not be exceeded, except in exceptional business circumstances. In addition, the aim is to grant employees at least one day off per seven-day week. These principles are set out in the global employment standard.

Employees have been taking advantage of the offer of flexible working hours for many years. As a result of the pandemic, a company agreement was proactively adopted that generally allows employees to work up to 80% of their standard working hours on a mobile basis. The respective framework depends individually on the type of activity as well as the area and department. Individual maximum quotas have therefore been agreed in order to take account of the respective operational requirements. With the help of individual time accounts, each employee can structure their working hours individually in line with operational and personal requirements and largely determine them themselves.

Further actions are described in more detail in the following chapters on equal treatment, work-life balance, health and safety, personnel development, training and further education and social protection (ESRS S1-4 38 a, b). The material impacts with regard to the company's own workforce are explained at the beginning of the chapter "Material impacts on the workforce". These actions are described in more detail in the following chapters (ESRS S1-4 38 c).

All implemented actions are not tied to a specific time horizon. They are continuously implemented as part of a long-term process and adjusted as necessary. The effectiveness of the actions is tracked using various KPIs (e.g. rate/number of training hours, apprentices retention rate, number of accidents at work, mobile office sickness rate), taking into account all relevant information, the results of the employee survey and the assessment of other evaluation parameters (ESRS S1-4 38 d). The results of the employee survey are first analyzed internally by the HR department and then presented to the Executive Board. The results are then presented at the global all-hands meeting. This gives every employee the opportunity to make suggestions or ask questions directly. Each line manager then discusses the results with their team. If necessary, actions are derived within the teams and feedback is passed on to the HR department, which contains suggestions for improvement for future surveys. The employee surveys take place twice a year. In the future, trend analyses will be prepared in order to adapt existing actions and define new actions aimed at addressing potential or actual negative effects on the workforce (ESRS S1-4 39). In addition, the existing actions are always analyzed to determine whether they result in or contribute to negative effects on the company's own workforce (ESRS S1-4 41).

Management has various resources at its disposal to effectively deal with material effects on its own workforce, in particular financial and human resources. For example, resources

are used to increase employee satisfaction when organizing and holding the summer party and the Christmas party. Investments are also made in the area of occupational health and safety: Several employees are specifically responsible for occupational health and safety (see also further details under ESRS S1 14). As part of health protection, investments are made several times a year in health weeks, during which leading experts in their field are engaged. In addition, resources are used for further and advanced training, both internally and externally. The additional use of resources for specific actions is described in detail in the following chapters (ESRS S1-4 43).

S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

AIXTRON has not formalized specific objectives to reduce negative impacts on the workforce or to promote positive impacts in all areas. The existing targets were developed together with the department, as a representative for the stakeholders, and approved by the Executive Board and Supervisory Board (ESRS S1-5 47; ESRS 2 MDR-T 79 e, 80 h).

For fiscal year 2024, a measurable **diversity target (LTI 2024)** was set by the Executive Board and Supervisory Board to promote the positive effects of diversity in the workforce and strengthen employee retention, as well as to counteract the negative effects of the inherent gender imbalance at AIXTRON. To this end, employee groups were defined on the basis of which diversity and employee retention are measured over three years and set in relation to the comparative value. The KPI is embedded in the sustainability targets of the LTI reference period for Executive Board remuneration for 2024 to 2026. The specific target, the calculation and the comparative value were resolved at the last Supervisory Board meeting in the 2023 financial year. Target achievement will be tracked and determined annually in the period from 2024 to 2026 by the HR department. In the 2026 financial year, the actual target achievement for Executive Board remuneration will be determined (ESRS S1-5 44-47, ESRS 2 MDR-M 77 a-c, ESRS 2 MDR-T 79 a-c). Diversity and variety are assessed on the basis of the following criteria gender, nationality or ethnicity is taken into account. The target value for diversity and variety in senior management is 35%, which corresponds to 100% target achievement. If the ratio is less than or equal to 25%, the target achievement is set to 0%. If the ratio is 45% or higher, the target achievement is 250%. Linear interpolation is used in between. The target achievement is given as a relative ratio in percent. The values for determining target achievement are calculated by the HR department over the three-year period. At the end of the 2024 financial year, the diversity ratio is 28%, which corresponds to a provisional target achievement of 30% (ESRS 2 MDR-T 80 a-g, j). In the remaining two years, the company's performance to date could be improved through targeted recruitment (ESRS S1-5 47 c). The target value for measuring employee retention is determined on the basis of non-terminated employment contracts in key positions. The rate of 90% corresponds to a target achievement of 100%. If the ratio is less than or equal to 80%, the target achievement is set to 0% and if the ratio is 100%, the target achievement is set to 250%. Linear interpolation is used in between. At the end of the 2024 financial year, the rate for measuring employee retention is 92% and corresponds to a provisional target achievement of 126% (ESRS 2 MDR-T 80 a-g, j). In the remaining two years, the company's performance to date could be improved through development plans (ESRS S1-5 47 c).

For the 2025 financial year, several measurable targets were set in connection with the company's own workforce and approved by the Executive Board and Supervisory Board. These key figures are anchored in the sustainability targets of the LTI reference period for Executive Board remuneration for 2025 to 2027:

- **Diversity (LTI 2025):** A measurable target has been to promote diversity in key functions. At the same time, it is intended to counteract the potential negative effects resulting from the inherent gender imbalance at AIXTRON. To this end, the proportion of women in key functions is measured over three years and set in relation to the comparative value. The specific target, the calculation and the comparative figure were resolved at the last Supervisory Board meeting in fiscal year 2024. Target achievement is tracked annually for the period 2025 to 2027 by the HR department and the key figure is calculated. The actual target achievement for Executive Board remuneration will be determined in the 2027 financial year (ESRS S1-5 44-47; ESRS 2 MDR-M 77 a-c; ESRS 2 MDR-T 79 a-c).
- **Further training and skills development (LTI 2025):** A measurable objective has been implemented to promote further training and skills development for employees and managers. A new competency model is to be introduced and integrated into performance appraisals. The specific target, the calculation and the comparative value were resolved at the last Supervisory Board meeting in the 2024 financial year. Target achievement will be tracked annually for the period 2025 to 2027 by the HR department and the key figure will be calculated. The actual target achievement for Executive Board remuneration will be determined in the 2027 financial year (ESRS S1-5 44-47; ESRS 2 MDR-M 77 a-c; ESRS 2 MDR-T 79 a-c).
- **Occupational health and safety (LTI 2025):** A measurable target has been included to continuously improve the health, safety and well-being of our own workforce. The aim is to achieve ISO 45001 certification for all production sites. The specific target, the calculation and the comparative value were decided at the last Supervisory Board meeting in the 2024 financial year. Target achievement is tracked annually for the period 2025 to 2027 by Controlling and the key figure is calculated. The actual target achievement for Executive Board remuneration will be determined in the 2027 financial year (ESRS S1-5 44-47; ESRS 2 MDR-M 77 a-c; ESRS 2 MDR-T 79 a-c).

Further information on Executive Board remuneration is explained in the general section under Governance.

AIXTRON has not yet formalized concrete targets for all material effects on its own workforce. The topics relating to the workforce are of great importance. Due to the strong growth in recent years, particularly in terms of the number of employees, various internal processes have been and are being further developed and formalized. This may result in even more formalized objectives in the future if this is deemed appropriate (ESRS S1-5 44-47; ESRS 2 MDR-A 72; MDR-T 81).

Great importance is attached to continuously tracking, evaluating and constantly improving the implemented actions and concepts in terms of their material impact. This is based on known KPIs and other evaluation parameters. The number and gender of employees and external workers is analyzed monthly and annually and this data is evaluated together with all relevant background information. The gender distribution is managed and evaluated using KPIs within the remuneration system. Salary levels are

regularly reviewed and compared by the HR department and the Works Council. Random samples are taken to ensure that men and women receive the same salary for the same work. As part of health protection, every reported employee accident is investigated and evaluated by a committee (occupational health and safety committee) in order to take appropriate actions. In addition, various KPIs in the area of health and safety are considered and analyzed in a year-on-year comparison. The actions introduced to combat accidents at work are also checked by external audits. Compliance with working hours is checked monthly by the Works Council and appropriate actions are initiated in the event of violations. The goal is to ensure that complaints received through any of the available channels are promptly addressed by the Compliance Department and, if necessary, by the Executive Board or the Supervisory Board, and that appropriate actions are taken. The progress and impact of the actions taken are tracked in half-yearly employee surveys. The HR department evaluates the results and presents them transparently in an all-hands meeting. actions are derived from the results in order to further increase satisfaction within the company (ESRS 2 MDR-T 81 b).

S1-6 Characteristics of the undertaking's employees

As of December 31, 2024, AIXTRON had 1,207 employees (ESRS S1-6 50 a).

		2024	2023	Δ
GER	Men	732	664	68
	Women	165	162	3
	Divers	0	0	0
	Not reported	0	0	0
	Total	897	826	71
UK	Men	97	107	-10
	Women	15	16	-1
	Divers	0	0	0
	Not reported	0	0	0
	Total	112	123	-11
Asia/ USA	Men	159	159	0
	Women	39	39	0
	Divers	0	0	0
	Not reported	0	0	0
	Total	198	198	0
Total	Men	988	930	58
	Women	219	217	2
	Divers	0	0	0
	Not reported	0	0	0
Total (headcount)		1,207	1,147	60

Today's working world places many demands on employees and their families. The aim is therefore to reconcile the private and family needs of employees with business interests wherever possible. In order to provide employees with the greatest possible flexibility, both full-time and part-time employment is offered (ESRS S1-4 38 c).

	2024					2023				
	Men	Woman	Divers	Not Reported	Total	Men	Woman	Divers	Not Reported	Total
Total Headcount	988	219	0	0	1,207	930	217	0	0	1,147
Permanent	897	193	0	0	1,090	856	189	0	0	1,045
Temporary	91	26	0	0	117	74	28	0	0	102
non-guaranteed hours employees	0	0	0	0	0	0	0	0	0	0
Full-time	913	178	0	0	1,091	865	178	0	0	1,043
Part-time	75	41	0	0	116	65	39	0	0	104

A total of 157 employees left the company in 2024 (2023: 117). This results in a total fluctuation of 12% (2023: 9%) (ESRS S1-6 50 c). When calculating staff turnover, the number of employees leaving the company is divided by the sum of the number of employees at the beginning of the period and the number of employees joining the company.

The key figures in this section are given as the total number of employees (headcount) at the end of the year (ESRS S1-6 50 d i). The key figures are collected centrally for the AIXTRON Group and queried in accordance with globally defined standards. The employee data is determined on the basis of entries from the Group's standard recording system. This system is also used to determine the key financial figures (ESRS S1-6 50 d).

In the last two financial years, the number of employees was increased considerably due to the continuing good order situation. AIXTRON therefore considers itself well-prepared to seize business opportunities in the coming years. As a result, there was only a slight increase (+60 employees) in the number of employees in the 2024 reporting year compared to 2023 (ESRS S1-6 50 e). Further information can be found in the management report in the [Employees](#) subsection (ESRS S1-6 50 f).

S1-7 Characteristics of non-employees in the undertaking's own workforce

Due to the importance of specialized knowledge and expertise, AIXTRON has a strong interest in retaining employees in the long term. At the same time, the products are sometimes subject to strong fluctuations in demand. In order to be able to react flexibly to these fluctuations, AIXTRON works with established engineering service providers and temporary employment agencies ("placement and leasing of labor" NACE code N78) in addition to fixed-term contracts.

External workers are mainly temporary workers who are deployed in production and provided by other companies. This ensures that we can react flexibly to fluctuating demand. In addition, a small number of self-employed persons are employed who can be deployed at short notice, for example, to bridge unplanned vacancies until a suitable new person can be hired. These freelancers are also used for internal optimization projects that are only planned for a certain period of time. The temporary self-employed workers are specialists in their respective fields (ESRS S1-7 56).

In 2024, a total of 53 external workers were employed as at December 31, 19 of whom were temporary workers and 34 of whom were self-employed (ESRS S1-7 55 a). The self-employed are stated as the number of persons as at December 31, 2024 (ESRS S1-7 55 b).

In recent years, a higher number of temporary employees were hired to cover peaks in production and research and development activities. These requirements were adjusted in the course of the financial year, while at the same time some employees were taken on from temporary employment (ESRS S1-7 55 c).

A works agreement has been concluded for these cases at the German sites. Worldwide, AIXTRON is also committed to the principle of "equal pay" and compliance with the principle of equal treatment for temporary and permanent employees after 15 months of employment.

Both employees and temporary workers receive, for example, meal allowances for the use of the canteen and can also take advantage of further training courses offered by the AIXTRON Academy. Temporary workers are also equally welcome at company events such as staff and company meetings as well as summer and Christmas parties.

Diversity and equal opportunity

S1-9 Diversity metrics

Diversity is a material topic for AIXTRON. For this reason, the ESG Policy stipulates that a diverse and inclusive corporate culture is to be promoted. Within the AIXTRON Group, practicing equal opportunities for all current and potential employees is a fundamental requirement. The diversity of the workforce is considered an essential foundation and integral part of the corporate culture and the success of the company.

From AIXTRON's perspective, full innovative power and competitiveness can only be realized through equal opportunity. In the future, the aim is to continuously increase the proportion of female employees in the company, e.g. through targeted recruiting in the area of training, expanding cooperation with local universities, visits to trade fairs or communication on social media channels. There are also plans to specifically increase diversity in key functions.

The gender distribution at the top management level of employees at AIXTRON is as follows (ESRS S1-9 66 a):

HC Top level Management by gender		
	2024	%
Total	104	100
thereof male	88	85
thereof female	16	15
thereof divers	0	0

HC as at 31.12.2024

The top management level below the administrative and supervisory body (Executive Board/Supervisory Board) at AIXTRON comprises the first level, which reports directly to the Executive Board, and the level below. Employees who hold several management

positions are only counted once, as the headcount as at December 31, 2024 is stated here. In 2024, a member of the top management below the administrative and supervisory bodies (Executive Board/Supervisory Board) held two leadership positions across entities.

The age structure of our employees at AIXTRON for fiscal year 2024 is as follows (ESRS S1-9 66 b):

	2024	%	2023	%
< 30 years	183	15	183	16
≥ 30 < 50 years	660	55	618	54
≥ 50 years	364	30	346	30
Total (headcount)	1,207	100	1,147	100

S1-10 Adequate wages

AIXTRON is committed to fairness and equity as articulated in the Global Employment Standard. As a minimum, AIXTRON is committed to complying with all applicable wage and labor laws, regulations and collective bargaining agreements, including those relating to minimum wages, overtime and other compensation components, and to providing legally mandated benefits. If no such laws or agreements apply, market wages and salaries are paid (ESRS S1-10 67, 69). Every year, the average salary level of employees across the Group is compared with the applicable minimum wages in the individual countries. In 2024, all employees across the Group will receive appropriate remuneration in line with the applicable reference values (ESRS S1-10 69). In addition to observing the minimum wage, internal and external benchmark studies are also carried out regularly to define appropriate wages. At no time are wages or bonuses deducted for disciplinary reasons. In addition to equal pay, the gender pay gap must also be taken into account. This also means that equal pay for equal work in the same or comparable functions is enforced for all genders. This principle is set out in the AIXTRON Group's remuneration policy. An annual global review of equal pay throughout the organization identifies equal pay gaps that can be reduced through appropriate actions.

S1-11 Social protection

AIXTRON is committed to ensuring that employees in all countries where AIXTRON operates have access to social protection programs. These programs provide protection against unemployment, work accidents, parental leave, and retirement (ESRS S1-11 72-74). Only in the UK do employees there limited statutory social protection in relation to unemployment. Accordingly, employees are only legally entitled to severance pay if they have worked for their current employer for at least two years but have been dismissed for operational reasons (ESRS S1-11 75). These programs are intended to ensure that employees worldwide are well protected and can focus on their work without worrying about financial uncertainties. In addition to the programs required by law, retirement provision is supported and discounted individual supplementary insurance is offered.

S1-13 Training and skills development metrics

Lifelong learning, the further training of employees and their expertise in specialized fields are the prerequisites for maintaining AIXTRON's leading market position in the long term. For this reason, great importance is attached to supporting employees competently and in partnership, promoting them individually and challenging them with future-oriented projects.

Development and qualification needs as well as the personal interests and needs of employees are recorded in the employee appraisals, which generally take place annually. In 2024, 63% of women and 69% of men took part in a performance and career development reviews (ESRS S1-13 83 a). The participation rate in employee appraisals varies depending on the start of the employment relationship and may therefore deviate from the expected 100%. As part of the data collection for reporting in accordance with ESRS, it was determined that the handling of employee appraisals varies greatly in the individual regions. This has prompted AIXTRON to implement a standardized approach across the Group in the coming years.

Continuous alignment with the company's needs plays just as important a role as the employees' own responsibility for shaping the company (ESRS S1-13 83 b).

Year	Total hours	Number of employees	Ø hours per employee	Number of hours for men	Ø hours for men	Number of hours for women	Ø hours for women
2024	44,801	1,207	37.0	38,905	39.4	5,897	26.9
2023	37,137	1,147	32.0	29,838	32.1	7,299	33.6

Overview of average further training within the AIXTRON Group, broken down by men and women

As part of the personnel development program, employees are offered a wide range of continuous professional development actions (ESRS S1-4 38 c). This also includes individual training actions. The core component of this is the company's own AIXTRON Academy, which offers general training on topics such as project management, negotiation skills and time and self-management, as well as specialist content. Specialist training courses are also organized in cooperation with external providers (ESRS S1-13 81).

In addition, the development of managers and employees is promoted through coaching offers and management training. The exchange of ideas between employees is also increasingly supported.

Health and safety

S1-14 Health and safety metrics

The principle of occupational safety is "zero tolerance for accidents". A preventative approach is taken here. The aim is to instruct employees regularly, but at least once a year, on occupational health and safety issues. Current aspects from the work areas are included in the instructions. The Safety, Health and Environmental Protection (EHS) department with its specialists and managers, in particular two internal safety specialists and the external company doctor, is responsible for advising the company management,

managers, the Works Council and employees. AIXTRON offers every employee a safe and healthy workplace in compliance with all applicable laws and regulations. The aforementioned persons are currently in the evaluation and creation phase of a formalized management system for health and safety, preparations started in April 2024 and are scheduled to be completed in 2026 (ESRS S1-14 88 a). Accident prevention and the minimization of potential risks are of high priority from AIXTRON's perspective.

In addition to the above-mentioned persons responsible for occupational health and safety, there is also an occupational health and safety committee. This consists of representatives of the company management, senior management, members of the works council, the company doctor, the safety specialists and the safety officers. This group of participants in the ASA meetings is supplemented as required by members of the representative body for severely disabled employees. They meet quarterly to discuss all aspects of occupational health and safety.

As in previous years, there were no fatalities (ESRS S1-14 88 b) to report in 2024.

At AIXTRON, around 28% of employees work in production and around 34% in research and development. These are workplaces where the environment must meet the highest safety standards and every - even unconscious - movement must be safe and smooth. For this reason, great importance is attached to regular training, safe equipment and, where necessary, optimum personal protective equipment.

Operational reintegration management after prolonged illness and reintegration assistance after accidents are not only legal obligations but also part of the company culture and, from AIXTRON's perspective, crucial for maintaining the work and employability of employees at all locations (ESRS S1-14 88 c, d, e).

	2024
Quote of accidents at work (88c) *	4.69
Accidents at work (88c)	9
Work-related sickness (88d)	0
Working days lost (work-related sickness and accidents) (88e)**	30

* Rate of occupational accidents; number of occupational accidents involving own employees in relation to the number of hours actually worked (assumption of 8 working hours x 210 working days) in the reporting period, standardized to one million working hours. The assumption of 210 working days takes into account entitlements to absence with continued pay, such as paid vacation, public holidays and absence due to illness.

** Days lost as a result of occupational illnesses, fatalities and accidents at work

Great importance is attached to the physical, social and psychological safety of all employees in the workplace. For this reason, one of the five core topics of AIXTRON's sustainability strategy is "Employees, Employee Safety and Health Protection". AIXTRON is convinced that personal health and well-being are fundamental factors for a balanced life in which people can fulfill their potential. Therefore, it is essential for AIXTRON to promote a culture that supports the health and safety of its employees. The health and well-being of employees is a top priority. To this end, AIXTRON takes into account that:

- The company policy in the areas of occupational health and safety should be implemented effectively and legal requirements and recommendations should be strictly adhered to.
- All necessary technical and organizational actions should be regularly reviewed and continuously improved.

- Potential sources of danger and hazards should be identified in good time and their causes eliminated in order to ensure safe working / a safe workplace.
- The objectives, processes and specific actions in the areas of occupational safety, health and environmental protection as well as global requirements are to be implemented and continuously improved.
- Every employee should understand that supporting the objectives and actions in the area of occupational health and safety is part of their job.

As preventative actions as part of health management, employees are offered regular and ongoing occupational medical examinations, health weeks and flu vaccinations, for example. In addition, subsidized healthy menus and fresh fruit baskets with seasonal products are offered twice a week at the headquarters (ESRS S1-4 38 c).

Work-life balance

S1-15 Work-life balance metrics

In addition, the regulations applicable at the locations worldwide regarding entitlements to time off work for family reasons are supported. These entitlements are country-specific and include the following four reasons: Maternity and paternity leave, parental leave and childcare leave. AIXTRON aims to comply with all legal requirements in the countries in which AIXTRON operates and seeks to exceed standards where possible and appropriate. Within China and Malaysia, not all of the four family entitlements mentioned above apply. In China, for example, there is no entitlement to time off work for carers leave. In Malaysia, there is no entitlement to leave of absence for parental leave and carers leave. It is currently being evaluated how the missing entitlements can be enabled in the specified regions (ESRS S1-15 93 a, 93 b).

Work-life balance metrics in %	2024
<i>Employees entitled to take family-related leave (share of total employees)</i>	94
<i>Employees that took family-related leave (share of entitled employees)</i>	3
<i>Male (share of employees that took family-related leave)</i>	80
<i>Female (share of employees that took family-related leave)</i>	20
<i>Not reported as female or male (share of employees that took family-related leave)</i>	0

Since 2012, a local daycare center (TPHasen) has been funded with the aim of supporting employees at the Herzogenrath site in their search for a daycare center close to their place of work.

Remuneration

S1-16 Remuneration metrics (pay gap and total remuneration)

For fiscal year 2024, AIXTRON calculates the gender pay gap according to ESRS, i.e. the difference the average income of female and male employees, expressed as a percentage of the average income of male employees (predefined calculation method). In addition, the ratio between the remuneration of the highest-paid individual and the median of the total annual remuneration of all employees is determined. This measure is intended to create transparency and contribute to the promotion of equality in the workplace.

When calculating the gender pay gap, the average gross hourly earnings and generally variable remuneration components are taken into account. The recognition bonus, which is paid to employees at AIXTRON for special achievements, is also a variable component of employee remuneration that is included in the calculation. The inventor bonus and the idea bonus are not material components, as the amounts are less than 1% of total personnel expenses and are therefore not taken into account when calculating the gender pay gap. The "Employees recruit employees" bonus is not regarded as remuneration for an original work performance and is therefore omitted. In addition, the amount of this bonus is not material, meaning that this component is also not taken into account (ESRS S1-16 97 c).

The specified calculation method for the gender pay gap according to ESRS does **not** take into account the following factors about the employees included in the calculation:

- the career level of the employee (e.g. inclusion of students)
- the country-specific wage gap (influenced by economic strength, cost of living, labor market conditions and statutory minimum wages),
- the training, professional experience and professional development of employees,
- the responsibility of the employee's area of activity and the associated risk (e.g. routine activities or key function),
- the career path taken, management responsibility and the employee's role profile
- the departmental affiliation
- the length of service with the company,
- the background behind the gender-independent bonuses (such as for outstanding performance or sales commissions),
- other economic and social conditions (ESRS S1-16 97 c).

For a better understanding, the gender pay gap was broken down further into employees with and without a management function (ESRS S1-98). The Executive Board is not included in the calculation of the gender pay gap, as it is an executive body of the company.

	2024
Gender pay gap (S1 97a)	17%
<i>Employees with a management function (S1 98)</i>	24%
<i>Employees without a management function (S1 98)</i>	10%

In the breakdown of the gender pay gap, 168 employees with a management function and 1,037 employees without a management function are considered.

The following key figure shows the ratio of the annual total remuneration of the highest-paid individual to the median annual total remuneration of all employees (ESRS S1-16 97 b).

	2024
CEO / median annual total remuneration for all employees	47 -fold

In the annual total remuneration of the highest-paid individual, the long-term performance-related variable remuneration (LTI) is calculated on the basis of the International Financial Reporting Standards (IFRS 2). Due to market fluctuations, the value of the provisional share awards as at the balance sheet date may differ significantly from the expense recognized in accordance with IFRS 2 (LTI expense).

For the LTI tranche 2024-2026, there are large differences between the value of the provisional share awards at the reporting date price and the expense in accordance with IFRS 2. The reason for this is the sharp fall in the share price in the 2024 financial year.

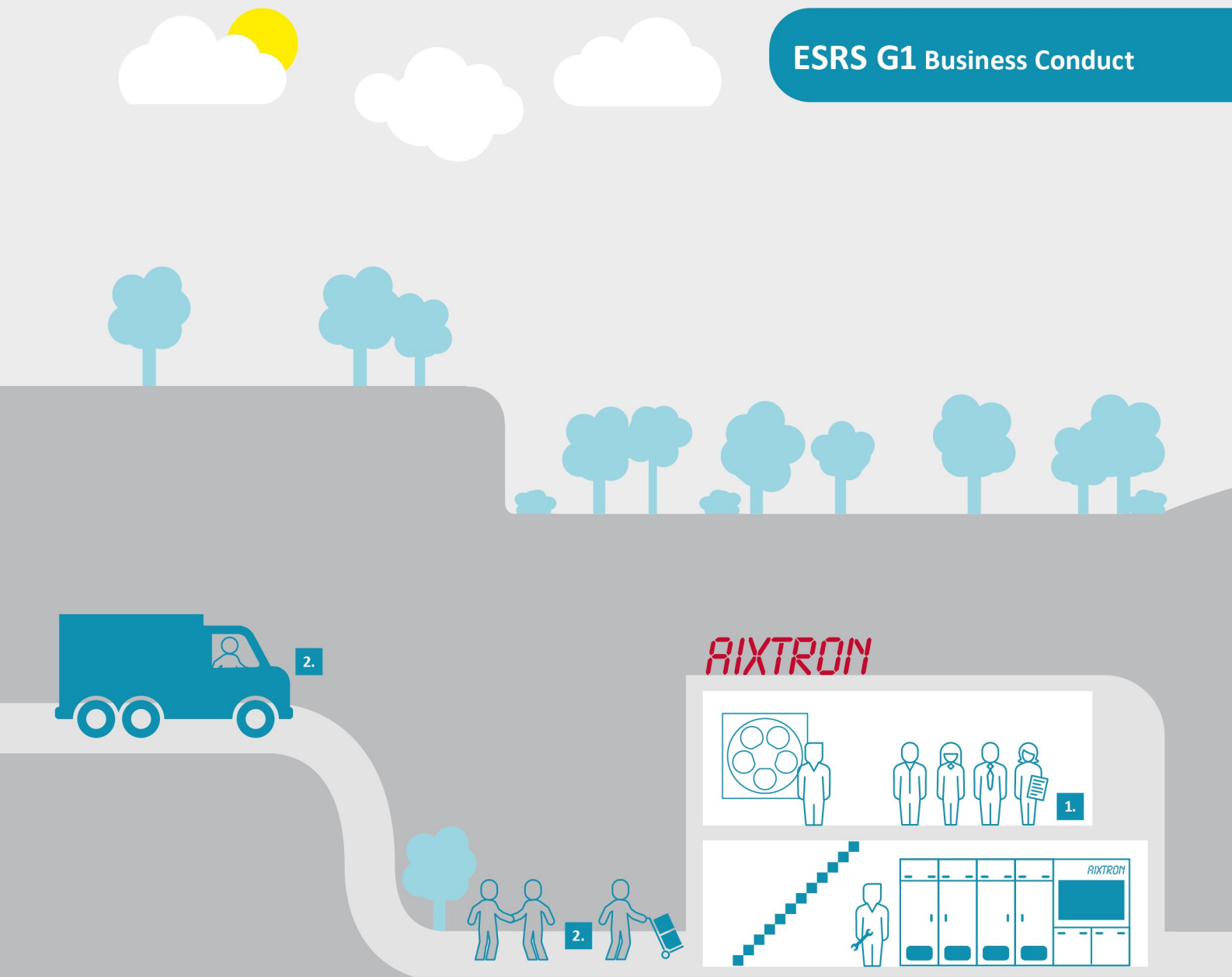
Further detailed information, in particular with regard to the value of the number of shares granted as at the balance sheet date, is presented in the [remuneration report](#).⁹

Incidents and complaints

S1-17 Incidents, complaints and severe human rights impacts

In 2024, no incidents or complaints of discrimination (e.g. based on gender, race or ethnic origin) including harassment or serious incidents related to human rights (e.g. forced labor, human trafficking or child labor) were reported through the channels described above or other channels, resulting in no fines, special payments or sanctions (ESRS S1-17 102-104).

⁹ Not part of the sustainability report



POSITIVE IMPACTS – MATERIAL

1. Responsible action as a core corporate value
2. Partnership-based cooperation with suppliers

Business Conduct

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Business Conduct (ESRS G1)

AIXTRON is committed to the principles of transparent, responsible corporate governance geared towards sustainable value creation. The trust placed in the Company by shareholders, the financial markets, customers, business partners, employees and the public is to be taken into account through appropriate management and monitoring of the Company. Acting responsibly contributes significantly to strengthening the corporate culture.

Material impacts

As a result of the double materiality analysis, two material positive impacts were identified. The material impacts were identified for the following sub-topics:

- Corporate culture
- Management of relationships with suppliers, including payment practices

1. Responsible action as a core corporate value

*Material sub-topic: Corporate culture
(positive effect)*

Responsible conduct is at the core of AIXTRON's corporate values. The fundamental principles for responsible conduct are set out in the Group-wide valid Compliance Code of Conduct. In addition, the Code of Ethics obliges the Executive Board and selected managers to pass these values on to employees. We believe that acting responsibly throughout the Group strengthens and consolidates the corporate culture in the long term.

2. Partnership-based cooperation with suppliers

*Material sub-topic: Management of relationships with suppliers, including payment practices
(positive effect)*

Working in partnership with suppliers is a strategic instrument that not only strengthens supplier loyalty, but also contributes to meeting the high quality standards and expectations of customers in the semiconductor industry. Sustainable supplier management is promoted by selecting suppliers who, in addition to quality, price and availability, also take environmental protection, social responsibility and integrity in business practices into account. Compliance with supplier regulations, applicable laws and the Code of Conduct for Suppliers form the basis for new business relationships and support the transfer of and compliance with human rights and environmental requirements from the guidelines. This selection aims to strengthen relationships and promote a sustainable and responsible supply chain.

Corporate culture

G1-1 Business conduct policies and corporate culture

Corporate culture is a core value for AIXTRON. The Executive Board aims to ensure that corporate decisions, day-to-day activities and business dealings are in accordance with the law, morality and integrity. This includes taking into account the legal and regulatory requirements relevant to AIXTRON, internal company stipulations and behavior as well as the requirements of other interest groups in the corporate culture.

The following guidelines relate to the material impact of **responsible conduct as a core corporate value** in connection with the sub-topic of corporate culture.

Compliance management system

The Group-wide valid compliance management system comprises the entirety of organizational regulations, measures and instruments, including control functions and control mechanisms, which are intended to ensure that the compliance principle for adherence to external and internal company requirements, specifications and principles of conduct is observed and that the compliance objectives are met. The compliance objectives include the protection of the Company, the corporate bodies and all persons associated with the Company against legal, regulatory and/or other comparable compliance risks; the avoidance of potential liability and compensation claims for the Company, the corporate bodies and all persons associated with the Company; the strengthening of trust in the Company among interested parties; and the maintenance and continuous improvement of AIXTRON's positive reputation in the technological market environment and among interested parties.

AIXTRON does not tolerate any criminal and/or corrupt behavior and explicitly distances itself from human rights violations within AIXTRON and beyond the company's borders. In addition to the legal and regulatory requirements, the company's internal guidelines and principles of conduct provide the framework for action.

The Chief Compliance Officer of the AIXTRON Group is responsible for the Group-wide implementation and further development of the Compliance Management System and all related instruments. The Chief Compliance Officer reports at least quarterly to AIXTRON's Chief Financial Officer and to the Audit Committee of AIXTRON's Supervisory Board. At Supervisory Board level, the Audit Committee established by the Supervisory Board is responsible for monitoring the effectiveness of compliance management at AIXTRON.

Compliance Code of Conduct

The Group-wide Compliance Code of Conduct combines two key aspects: On the one hand, the claim to comply with the laws as well as internal stipulations and codes of conduct. On the other hand, the claim for responsible conduct, combined with mutual respect, recognition and appreciation in daily dealings with each other and third parties. To this end, key rules and principles of conduct have been defined that support the correct and appropriate handling of legal and ethical issues in day-to-day activities and decision-making processes throughout the Group. In the international environment, the implementation of the rules and principles of conduct also takes into account the applicable national laws and regulations, individual culture, traditions and other social

norms, as well as respect for human rights within and beyond AIXTRON's corporate boundaries. The Compliance Code of Conduct is the internal standard for the corporate culture and at the same time a promise to interested parties. It should ensure that actions and decisions are transparent and comprehensible. The Compliance Code of Conduct applies to the corporate bodies and Group-wide to all managers and employees. It also applies to persons who are functionally equivalent to employees, such as persons from temporary employment agencies. The Compliance Code of Conduct is further elaborated by additional compliance guidelines with specific guidelines and principles. Participation in compliance training courses is mandatory once a year for members of the Executive Committee and the Senior Management Team throughout the Group. The training sessions cover topics such as the compliance manual, changes to the corporate governance and compliance organization, reporting systems and other compliance-related topics. The members of the Executive Committee and the Senior Management Team are responsible for informing their employees about the training content and ensuring that the content is followed in their area of responsibility. Compliance training is an integral part of the induction process for new employees. In addition, further compliance training is addressed and carried out if necessary - in the course of risk assessment and/or possible compliance violations. The compliance training process is managed and monitored by the Compliance department.

All members of the Executive Committee, the Senior Management Team and selected employees confirm in writing on a quarterly basis that the compliance requirements have been observed throughout the Group in their area of responsibility. When the Compliance Manual is updated, these individuals also declare that they have taken note of the updated version, followed the content, communicated it within their area of responsibility and monitored its implementation. In addition, principles of management responsibility and supervisory duties have been defined for managers and the transfer of duties by these persons has been confirmed (ESRS G1-1 10 g).

Code of Ethics

The Code of Ethics applies throughout the Group and is aimed at members of the Executive Board as well as managers and employees who bear particular responsibility in the area of finance and employees who are responsible for reporting financial results. The Code of Ethics is intended to promote honest and ethical behavior. This includes dealing with conflicts of interest, the timely disclosure of complete, accurate and comprehensible quarterly and annual reports, compliance with applicable laws, regulatory requirements and internal compliance guidelines as well as the immediate internal reporting of violations of the Code of Ethics. It also includes responsibility for compliance with these requirements. Managers can also be held accountable if violations are not recognized in their own area of responsibility and this is due to inadequate monitoring of employees. If there are any doubts, concerns or questions, the Compliance Office provides support and expects to be informed of any breaches of the guidelines so that they can be followed up as quickly as possible. The managers from the Finance department and persons in key functions confirm annually for their area of responsibility that they are aware of the Code of Ethics issued by the Executive Board and that it is observed in their daily activities.

Corruption and bribery

As the prevention and detection of corruption and bribery is considered an important topic in the context of promoting corporate culture and ethical principles, our anti-

corruption policy defines binding rules and principles of conduct to combat corruption and bribery for all company bodies, managers and employees. It is in accordance with national law and is similar to the UN Convention against Corruption (UNCAC) (ESRS G1-1 10 b). Raising awareness of corruption risks and preventive measures are part of compliance training. AIXTRON's materiality analysis indicates that while corruption and bribery are important topics, they are not considered material issues for the company.

Whistleblowing

AIXTRON takes into account the requirements of the German Whistleblower Protection Act (HinSchG) and has set up a corresponding whistleblower system (ESRS G1-1 11). This system can be used to report violations of laws, compliance requirements and the Code of Conduct and Ethics. The Chairman of the Supervisory Board receives the reports and the Chief Compliance Officer receives a copy. Depending on the report, other persons or departments may be involved. Proven violations are rectified as quickly as possible and sanctions are imposed if necessary. Reports are treated discreetly, confidentially and anonymously. Reports from internal and external stakeholders are taken into account. Information on the whistleblowing system is part of the compliance training (ESRS G1-1 10 a, c, e; MDR-P/A).

Supply chain

G1-2 Management of relationships with suppliers

Responsibility in the supply chain

AIXTRON places the same expectations and conditions on its suppliers as it does on itself. These are defined on the website in the Suppliers section, which will be further expanded in the coming reporting period. There, ethical and legal framework conditions for social and ecological standards are defined in various subcategories, e.g. in relation to corruption or conflict minerals such as raw materials and natural resources that are mined or extracted in conflict areas.

Due to the high value-added contribution in the supply chain, the procurement process is of great importance for AIXTRON's long-term success. The company does not manufacture any mechanical or electrical systems and components itself, but concentrates on development, configuration and final assembly. Despite global purchasing, local value creation plays a very important role. The reasons for this include the high technical demands placed on suppliers and the short communication channels.

Great importance is attached to working in partnership with suppliers and customers. This is expressed, for example, through development partnerships in which components and assemblies are developed together with suppliers. Decisive factors in the selection of suppliers are primarily quality, manufacturing expertise, delivery reliability and price.

Furthermore, compliance with applicable laws, regulations and provisions for suppliers is required. In addition, it is required that international minimum standards in the area of sustainability, such as the core labor standards of the International Labor Organization

(ILO), are met. AIXTRON is committed to ensuring that no conflict minerals are used in the supply chain. As part of due diligence, a management system has been introduced that is based on the OECD Guidelines for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. All direct suppliers who may supply materials with potential conflict minerals are contacted and asked to identify and report the countries of origin of the minerals using a standardized template. If there are any indications of a raw material supplier that is associated with human rights violations or environmental pollution, AIXTRON responds immediately. AIXTRON is committed to ensuring that this supplier carefully examines the raw material supplier in question and, if necessary, removes it from the supply chain.

In order to give internal and external persons and interest groups the opportunity to express information, concerns and complaints in connection with conflict minerals - also anonymously - a complaints mechanism has been set up, which is accessible on the website.

AIXTRON is aware that its ability to ensure completely conflict-free smelters worldwide is limited. In order to maximize the influence and impact of its conflict-free sourcing policy, AIXTRON has been a member of the Responsible Minerals Initiative (RMI) for many years.

Suppliers are encouraged to establish management systems in the areas of quality, energy and environment, risk management, data security, sustainability and social and labor law standards.

AIXTRON is committed to respecting human rights, respecting the rights of employees and protecting the environment, which is also explained in the **internal policy statement on human rights and environmental strategy**. AIXTRON does not currently fall within the scope of the Supply Chain Due Diligence Act (LkSG). Nevertheless, AIXTRON strives to maintain a compliance program based on the LkSG to protect human rights and the environment in AIXTRON's business and supply chain in order to promote compliance with human rights and environmental standards as a basis for sustainable development of the planet and to live up to its claim to be a reliable and responsible business partner. It is the declared aim of the company's management to respect, protect and promote human rights and the environment along the entire value chain.

The Declaration of Principles on Human Rights and Environmental Strategy is based on international regulations and applies throughout AIXTRON's business operations, including its subsidiaries in Germany and abroad. The provisions of the Declaration of Principles must be complied with by management and employees in the performance of their duties. They supplement AIXTRON's Code of Conduct, including all other corporate principles, guidelines and instructions.

Local implementation is the responsibility of those responsible at the respective location. Compliance with human rights and environmental obligations is also expected from all business partners. Respect for and observance of human rights and environmental obligations is a basic prerequisite for cooperation with AIXTRON.

From AIXTRON's perspective, the risk analysis process is carried out in accordance with the requirements of the LkSG in a multi-stage procedure in which a large number of qualitative and quantitative data sources are used to assess human rights and environmental risks. The aim of this process is to identify and prioritize risks in the company's own business area, at direct suppliers and, in the event of substantiated

knowledge, at indirect suppliers at an early stage. The structured prioritization enables the filtering out of risk-free business areas and suppliers as well as a focus on a more in-depth examination of critical business areas and suppliers. The process should enable AIXTRON to derive effective and appropriate preventive and remedial measures for prioritized risks or risk areas.

These measures include, for example, sending out topic-related questionnaires and sending out the Supplier Code of Conduct for information and confirmation by the selected suppliers. In addition, the implementation of supplier audits is examined in a further measure if required (ESRS G1-2 15; MDR-P/A).

AIXTRON has an invoice control process. Supplier invoices are checked and verified by Accounts Payable upon receipt. Once this process is completed, an invoice is posted and paid when due within the regular payment runs. Open items are checked weekly by Accounts Payable as part of the payment run. A KPI overview was also developed to check payment punctuality and is used for internal departmental control. This overview enables the KPI to be monitored efficiently, allowing payment punctuality to be measured in a targeted manner and measures to be taken to ensure payment punctuality. As part of our management approaches, equal treatment of all suppliers is envisaged. There is no separate process for small and medium-sized companies. The process is sometimes handled differently at the subsidiaries, as the small number of invoices is easier to keep track of (ESRS G1-2 14).

G1-6 Payment practices

AIXTRON aims to pay all invoices within the agreed payment period. The standard payment terms for all suppliers under the GTC are 60 calendar days after receipt of delivery and receipt of invoice. If payment is made within 14 calendar days, a 3% discount is deductible. These payment terms apply to all suppliers, provided that no payment terms are negotiated separately. However, some suppliers specify their own terms of payment, which AIXTRON takes into account. There are no separate payment terms for SMEs (ESRS G1-6 33 b). In accordance with the applicable payment terms, the average time to settle an invoice is 30 days. For SMEs, the average time to settle an invoice is 27 days (ESRS G1-6 33 a). There are currently no pending legal proceedings for late payment (ESRS G1-6 33 c). The breakdown into SMEs and other suppliers was based on an assessment by an external consultancy. In order to calculate the average time to settle an invoice, the document date was compared with the settlement date. Only invoices that had already been paid were included in the calculation. Individual exceptions were excluded from the calculation, which were checked by the respective responsible parties. No external validation took place (ESRS G1-6 33 d; MDR-T).

GROUP CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Income Statement

in EUR thousands	Note	2024	2023
Revenues	3	633,159	629,879
Cost of sales	3	370,688	350,847
Gross profit		262,471	279,032
Selling expenses		14,182	14,082
General administration expenses		31,870	32,572
Research and development costs	4	91,365	87,681
Other operating income	5	8,954	12,857
Other operating expenses	6	2,775	787
Operating result		131,233	156,767
Finance income		1,389	1,119
Finance expense		429	205
Net finance income	8	960	914
Profit before taxes		132,193	157,681
Taxes on income	9	25,945	12,492
Profit for the year		106,248	145,189
Attributable to:			
Owners of AIXTRON SE		106,283	145,185
Non-controlling interests		-35	4
Earnings per share in EUR	20	0.94	1.29
Diluted earnings per share in EUR	20	0.94	1.29

For explanations, see the accompanying notes to consolidated financial statements.

Consolidated Statement of Other Comprehensive Income

in EUR thousands	Note	2024	2023
Profit for the year		106,248	145,189
Items that will not be reclassified subsequently to profit or loss (after taxes):			
Remeasurement of defined benefit obligation	19	-5	-46
Items that may be subsequently reclassified to profit or loss (after taxes):			
Currency translation adjustment	19	4,134	-1,631
Other comprehensive income/loss		4,129	-1,677
Total comprehensive income for the year		110,377	143,512
Attributable to:			
Owners of AIXTRON SE		110,409	143,507
Non-controlling interests		-32	5

For explanations, see the accompanying notes to consolidated financial statements.

Consolidated Statement of Financial Position

in EUR thousands	Note	31.12.24	31.12.23
Assets			
Property, plant and equipment, and leased assets	11	226,915	147,751
Goodwill	12	73,488	72,292
Other intangible assets	12	7,442	4,436
Other non-current assets	13	3,794	0
Other non-current financial assets	13	675	707
Deferred tax assets	14	34,739	41,092
Total non-current assets		347,053	266,278
Inventories	15	369,123	394,461
Trade receivables	16	193,370	157,570
Current tax receivables	10	120	2,115
Other current assets	16	44,123	27,845
Other financial assets	17	511	83,655
Cash and cash equivalents	18	64,087	98,022
Total current assets		671,334	763,668
Total assets		1,018,387	1,029,946
Liabilities and equity			
Issued Capital	19	112,672	112,535
Additional paid-in capital		400,115	395,131
Retained earnings incl. profit for the year		326,776	265,531
Currency translation reserve		8,302	4,171
Equity attributable to the owners of AIXTRON SE		847,865	777,368
Non-controlling interests		178	210
Total equity		848,043	777,578
Non-current liabilities	27	3,512	3,983
Other non-current provisions	23	2,743	3,098
Deferred tax liabilities	14	1,204	662
Total non-current liabilities		7,459	7,743
Trade payables	24	33,853	57,761
Contract liabilities for advance payments	26	81,719	141,287
Other current provisions	23	33,417	33,755
Other current liabilities	24	5,529	5,375
Current tax payables	10	8,367	6,447
Total current liabilities		162,885	244,625
Total liabilities		170,344	252,368
Total liabilities and equity		1,018,387	1,029,946

For explanations, see the accompanying notes to consolidated financial statements.

Consolidated Statement of Cash Flow

in EUR thousands	Note	2024	2023
Profit for the year		106,248	145,189
Adjustments to reconcile net profit to net cash from operating activities			
Expense from share-based payments	7, 22	4,528	4,762
Depreciation, amortization and impairment expense	11, 12	14,227	11,610
Net result from disposal of property, plant and equipment	5, 6	139	221
Adjustments for fair value valuation of financial assets at fair value through profit or loss	6	929	-2,621
Deferred taxes	9	7,304	-7,191
Interest and lease repayments shown under investing or financing activities	8, 27	635	765
Change in			
Inventories		31,753	-170,852
Trade receivables		-35,818	-38,758
Other assets		-17,798	-5,631
Trade payables		-24,249	12,267
Current provisions and other liabilities		523	3,787
Non-current liabilities and provisions		-1,410	-1,406
Advance payments from customers		-60,786	569
Net cash provided by operating activities		26,225	-47,289
Capital expenditures in property, plant and equipment	11	-94,079	-60,169
Capital expenditures in intangible assets	12	-4,620	-2,476
Proceeds from disposal of fixed assets		57	282
Interest received	8, 27	1,389	1,105
Repayment of bank deposits with a maturity of more than 90 days	17	0	0
Sale (+) / Purchase (-) of other financial assets	2(S)	82,216	139,376
Net cash provided by (used in) investing activities		-15,037	78,118
Proceeds from the issue of equity shares		593	827
Interest paid	8, 27	-264	-3
Repayment of lease liabilities	27	-1,761	-1,866
Dividend paid		-45,033	-34,839
Net cash provided by (used in) financing activities		-46,465	-35,881
Effect of changes in exchange rates on cash and cash equivalents		1,343	-1,677
Net change in cash and cash equivalents		-33,935	-6,729
Cash and cash equivalents at the beginning of the period		98,022	104,751
Cash and cash equivalents at the end of the period	18	64,087	98,022
Net cash provided by operating activities includes:			
Income taxes paid		-14,927	-12,378
Income taxes received		181	108

For explanations, see the accompanying notes to consolidated financial statements.

Consolidated Statement of Changes in Equity

in EUR thousands	Issued capital	Additional paid-in capital	Retained Earnings incl. profit for the year	Currency translation reserve	Equity attributable to the owners of AIXTRON SE	Non-controlling interests	Total
Balance January 01, 2023	112,383	389,694	155,231	5,804	663,112	205	663,317
Dividends			-34,839		-34,839		-34,839
Share-based payments		4,762			4,762		4,762
Issue of shares	152	675			828		828
Profit for the year			145,185		145,185	4	145,189
Other comprehensive income			-46	-1,633	-1,678	1	-1,677
Total comprehensive income for the year			145,139	-1,633	143,507	5	143,512
Balance December 31, 2023 and January 01, 2024	112,535	395,131	265,531	4,171	777,368	210	777,578
Dividends			-45,033		-45,033		-45,033
Share-based payments		4,528			4,528		4,528
Issue of shares	137	456			593		593
Profit for the year			106,283		106,283	-35	106,248
Other comprehensive income			-5	4,131	4,126	3	4,129
Total comprehensive income for the year			106,278	4,131	110,409	-32	110,377
Balance December 31, 2024	112,672	400,115	326,776	8,302	847,865	178	848,043

For explanations, see the accompanying notes to consolidated financial statements.

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1. General Principles

AIXTRON SE (“Company”) is incorporated as a European Company (Societas Europaea) under the laws of the Federal Republic of Germany. The Company is domiciled at Dornkaulstraße 2, 52134 Herzogenrath, Germany. AIXTRON SE is registered in the commercial register of the District Court (“Amtsgericht”) of Aachen under HRB 16590.

The consolidated financial statements of AIXTRON SE and its subsidiaries (“AIXTRON” or “Group”) have been prepared in accordance with, and fully comply with

- International Financial Reporting Standards (IFRS) as adopted for use in the European Union; and
- the requirements of Section 315e of HGB (German Commercial Law).

The Group is a leading provider of deposition equipment to the semiconductor industry. It offers its customers high-tech systems for the production of high-performance compound semiconductor components for power electronics and optoelectronics. The devices are used in a variety of innovative applications and industries. These include for example laser, LED, display technologies, optical and wireless data transmission, SiC and GaN power electronics, and many other leading-edge applications. The Group’s products are used by a broad range of customers.

These consolidated financial statements have been prepared by the Executive Board and have been submitted to the Supervisory Board at its meeting held on February 26, 2025 for approval and publication.

li2. Significant Accounting Policies

(A) Companies Included in Consolidation

Companies included in consolidation are AIXTRON SE, and companies controlled by AIXTRON SE. The balance sheet date of all consolidated companies is December 31. A list of all consolidated companies is shown in [Note 31](#).

(B) Basis of Accounting

The consolidated financial statements are presented in Euro (EUR). The amounts are rounded to the nearest thousand Euro (EUR thousand).

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain financial instruments.

The preparation of financial statements in conformity with IFRS, as they are to be applied in the EU, requires management to make estimates and judgements that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the balance sheet date and the reported amounts of income and expenses during the reported period. Actual results may differ from these estimates.

The estimates and judgements are reviewed on an ongoing basis. Revisions to accounting estimates and judgements are recognized in the period in which the estimate is revised if this revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Estimates and judgments which have a significant effect on the Group's financial statements are described in [Note 36](#).

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

The accounting policies have been applied consistently by each consolidated company.

(C) Bases of Consolidation

(I) Subsidiaries

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to December 31 each year. Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affects its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Entities over which AIXTRON SE has control are treated as subsidiaries (see [Note 31](#)). The results of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(II) Transactions Eliminated on Consolidation

All intercompany income and expenses, transactions and balances have been eliminated in the consolidation.

(D) Foreign Currency

The consolidated financial statements have been prepared in Euro (EUR). In the translation of financial statements of subsidiaries outside the Eurozone the local currencies are also the functional currencies of those companies. Assets and liabilities of those companies are translated to EUR at the exchange rate as of the balance sheet date. Income and expenses are translated to EUR at average exchange rates for the year or at average exchange rates for the period between their inclusion in the consolidated financial statements and the balance sheet date. Net equity is translated at historical rates. The differences arising on translation are disclosed in the consolidated statement of changes in equity.

Exchange gains and losses resulting from fluctuations in exchange rates in the case of foreign currency transactions are recognized in the income statement in [Note 5](#) or [Note 6](#).

(E) Property, Plant and Equipment

(I) Acquisition or Manufacturing Cost

Items of property, plant and equipment are stated at cost, plus ancillary charges such as installation and delivery costs, less accumulated depreciation (see below) and impairment losses (see [accounting policy \(J\)](#)).

Costs of internally generated assets include not only costs of material and personnel, but also a share of directly attributable overhead costs, such as employee benefits, delivery costs, installation, and professional fees.

Where parts of an item of property, plant and equipment have different useful lives, they are depreciated as separate items of property, plant and equipment.

(II) Subsequent Recognition of Costs

AIXTRON recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing components or enhancement of such an item when that cost is incurred if it is probable that the future economic benefits embodied in the item will flow to the Group and the cost of the item can be measured reliably. All other costs such as repairs and maintenance are expensed as incurred.

(III) Government Grants

Government grants related to the acquisition or manufacture of owned assets are deducted from original cost at the date of capitalization.

(IV) Depreciation

Depreciation is charged on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Useful lives, depreciation method and residual values of property, plant and equipment are reviewed at the year-end date or more frequently if circumstances arise which are indicative of a change. The estimated useful lives are as follows:

- | | |
|---|---------------|
| • Buildings | 25 - 45 years |
| • Machinery and equipment | 3 - 19 years |
| • Other plant, factory and office equipment | 2 - 20 years |

The useful lives of leased assets do not exceed the expected lease periods.

(V) Leased Assets

The Group only has contracts in which it is the lessee.

AIXTRON assesses whether a contract is, or contains, a lease, at inception of the contract. The Group recognizes a lease asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

AIXTRON recognizes a leased asset and a lease liability at the lease commencement date. The leased asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The leased asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the asset or the expected end of the lease term. The estimated useful lives of leased assets are determined on the same bases as those of property, plant and equipment. In addition, the leased asset is periodically tested and reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The right-of-use assets are presented in property, plant and equipment, and leased assets in the consolidated statement of financial position.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the

lease or, if that rate cannot be readily determined, the company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed payments, less any lease incentives and variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.

The lease liabilities are included in other non-current payables and other current liabilities in the consolidated statement of financial position.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in index or rate, or if the company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the leased asset, or is recorded in profit or loss if the carrying amount of the leased asset has been reduced to zero.

The Group did not make any such adjustments during the periods presented.

(F) Intangible Assets

(I) Goodwill

Business combinations are accounted for by applying the purchase method.

Goodwill is stated at cost less any accumulated impairment loss. Goodwill is allocated to cash-generating units and is tested at least once per year for impairment, regardless there are any indications of impairment. For the purposes of the impairment test, goodwill is allocated to the cash-generating unit. An impairment loss is recognized if the carrying amount exceeds the higher of the fair value less costs to sell and the value in use of the cash-generating unit. Details of the impairment test are presented in [Note 12 \(see accounting policy \(J\)\)](#). Impairment losses on goodwill are not reversed.

(II) Research and Development

Expenditure on research activities, undertaken with the prospect of gaining new technical knowledge and understanding using scientific methods, is recognized as an expense as incurred.

Expenditure on development comprises costs incurred with the purpose of using scientific knowledge technically and commercially. As not all criteria of IAS 38 are met AIXTRON does not capitalize such costs.

(III) Other Intangible Assets

Other intangible assets that are acquired are stated at cost less accumulated amortization (see below) and impairment losses ([see accounting policy \(J\)](#)).

Intangible assets acquired through business combinations are stated at their fair value at the date of purchase.

Expenditure on internally generated goodwill, trademarks and patents is expensed as incurred.

(IV) Amortization

Amortization is charged on a straight-line basis over the estimated useful lives of intangible assets, except for goodwill. Goodwill has a useful life which is indefinite and is tested annually in respect of its recoverable amount. Other intangible assets are amortized from the date they are available for use. Useful lives and residual values of intangible assets are reviewed at the year-end date or more frequently if circumstances arise which are indicative of a change.

The estimated useful lives are as follows:

- | | |
|---|--------------|
| • Software | 2 - 5 years |
| • Patents and similar rights | 4 - 18 years |
| • Customer base and product and technology know how | 6 - 10 years |

(G) Financial Instruments

(I) Financial Assets

Financial assets are classified into the following specific categories:

- financial assets 'at fair value through profit or loss' (FVTPL),
- 'at amortized cost'.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

(II) Financial Assets at Amortized Cost

Financial assets are measured at amortized cost as they are held within a business model to collect contractual cash flows and these cash flows consist solely of payments of principal and interest on the principal amount outstanding.

(III) Financial Assets at FVTPL

All financial assets not classified as measured at amortized cost or at fair value through other comprehensive income under IFRS 9 are measured at fair value through profit and loss (FVTPL).

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss. The gain or loss including dividends earned on financial asset and is included in [profit and loss](#) account and in [Note 5](#) or [6](#) respectively. Fair value is determined in accordance with IFRS 13.

(IV) Trade Receivables

Trade receivables and other receivables are measured at amortized cost as they are held within a business model to collect contractual cash flows and these cash flows consist solely of payments of principal and interest on the principal amount outstanding.

(V) Impairment of Financial Assets

The Group recognizes a loss allowance for expected credit losses (ECL) on trade receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group always recognizes lifetime ECL for trade receivables, and contract assets. The expected credit losses on these financial assets are estimated using a provision analysis based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

For all other financial instruments, the Group recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(VI) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and deposits with banks with a maturity of less than three months at inception. The valuation and accounting of cash and cash equivalents are carried out at fair value upon initial recognition and subsequently at amortized cost.

(VII) Equity Instruments

Equity instruments, including share capital, issued by the Group are recorded at the proceeds received, net of direct issue costs.

(VIII) Financial Liabilities

Other financial liabilities, including trade payables, are measured at amortized cost.

(H) Inventories

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses. Cost is determined using weighted average cost.

The cost includes expenditures incurred in acquiring the inventories and bringing them to their existing location and condition. In the case of work in progress and finished goods, cost includes direct material and production cost, as well as an appropriate share of

overheads based on normal operating capacity. Scrap and other wasted costs are expensed on a periodic basis either as cost of sales or, in the case of beta tools as research and development expense.

Allowance for slow moving, excess and obsolete, and otherwise unsaleable inventory is recorded based primarily on either the estimated forecast of product demand and production requirement or historical usage. When the estimated future demand is less than the inventory, AIXTRON writes down such inventories.

(I) Operating Result

Operating result is stated before finance income, finance expense and tax.

(J) Impairment of Property, Plant and Equipment and Intangible Assets

Property, plant and equipment as well as other intangible assets are tested for impairment, where there is any indication that the asset may be impaired. The Group assesses at the end of each period whether there is an indication that an asset may be impaired. Impairment losses on such assets are recognized, to the extent that the carrying amount exceeds both the fair value that would be obtainable from a disposal in an arm's length transaction, and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments and the risks associated with the asset.

Impairment losses of property, plant, equipment or other intangible assets are reversed if there has been a change in the estimates used to determine the recoverable amount. Reversals are made only to the extent that the carrying amount of the asset does not exceed the carrying amount that would have been determined if no impairment loss had been recognized. Reversal of previously recognized impairment losses on goodwill is not permitted in subsequent periods.

(K) Earnings Per Share

Basic earnings per share are calculated by dividing net income (loss) by the weighted average number of issued common shares for the year. Diluted earnings per share reflect the potential dilution that could occur if options issued under the Company's stock option plans were exercised unless such exercises had an anti-dilutive effect.

(L) Employee Benefits

(I) Defined Contribution Plans

Obligations for contributions to defined contribution pension plans are recognized as an expense in the income statement as incurred.

(II) Share-based Payment Transactions

Stock Option Programs

As part of the share option programs from 2007 and 2012, share options were issued to members of the Executive Board, managers and employees of the Group. The contractual terms of these share programs are presented in [Note 22](#). These stock option programs are accounted for according to IFRS 2 for equity-settled share-based payment transactions. The fair value of options granted were recognized as personnel expense with a corresponding increase in additional paid-in capital.

Long-term Incentive of the Executive Board and the Executive Committee (LTI)

Executive Board and Executive Committee remuneration system at AIXTRON SE consists long-term variable remuneration incentives (LTI) granted in shares of AIXTRON SE. These equity-settled share-based payments are measured at fair value of the equity instruments at the grant date. The fair value of the shares granted is measured using a mathematical model, taking into account the terms and conditions upon which the shares were granted. Further details regarding the equity-settled share-based transactions are set out in [Note 22](#) and [31](#).

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the performance period, based on the Group's estimate of the number of equity instruments expected to vest. For non-market-based vesting conditions, the Group reviews its estimate of number of equity instruments at each reporting date during vesting period. The impact of the revision of the original estimates, if any, is recognized in profit or loss and a corresponding adjustment is recognized to equity.

(M) Provisions

A provision is recognized when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle this obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax interest rate that reflects current market assessments of the time value of money and, where appropriate, the risks associated with the liability.

(I) Warranties

The Group normally offers one- or two-year warranties on all of its products. Warranty expenses generally include cost of labor, material and related overhead necessary to repair a product free of charge during the warranty period. The specific terms and conditions of those warranties may vary depending on the equipment sold, the terms of the contract and the locations from which they are sold. The Group establishes the costs that may be incurred under its warranty obligations and records a liability in the amount of such costs at the time revenue is recognized.

Factors affecting the warranty obligation include the historical and expected number of warranty claims and the estimated cost per warranty claim.

The Group accrues warranty cost for systems shipped based upon historical experience. The Group periodically assesses the adequacy of its recorded warranty provisions and adjusts the amounts as necessary.

Extended warranties, beyond the normal warranty periods, are treated as maintenance services in accordance with [Note 2\(N\)](#) below.

(N) Revenue

AIXTRON enters contracts with customers for goods and services, including combinations of goods and services. Contracts are usually for fixed prices and do not offer any unilateral right of return to the customer.

Revenue is generated from the following major sources:

- sale of equipment
- installation of equipment
- sale and installation of customer specific equipment
- spare parts
- services

Revenue is recognized when the Group satisfies a performance obligation in contracts with its customers by transferring control of promised goods or services to the customer and it is probable that the economic benefits associated with the transaction will flow to the entity.

The sale of equipment involves acceptance tests at AIXTRON's production facility. After successful completion of this test, the equipment is dismantled and packaged for shipment.

Revenues from the sale of products that have been demonstrated to meet product specification requirements are recognized at a point in time upon shipment to the customer if full acceptance tests have been successfully completed at the AIXTRON production facility and control has passed to the customer and the customer can benefit from the product either on its own or with other resources that are readily available.

Upon arrival at the customer site the equipment is reassembled and installed, which is a service generally performed by AIXTRON engineers. Revenue relating to the installation of the equipment is recognized at the point in time when AIXTRON has fulfilled its performance obligations under the contract and control of the goods has passed to the customer.

Revenue related to equipment where meeting the product specification requirements has not yet been demonstrated or the customer cannot benefit from the product either on its own or with other resources that are readily available, or where specific rights of return have been negotiated, is recognized only at the point in time when the customer finally accepts the equipment and has control.

Revenue related to spares is recognized at the point in time at which the customer obtains control of the goods, generally at the point of delivery.

Revenue related to services such as repair works is recognized at the point in time as the customers accepts the equipment.

As part of the payment terms, AIXTRON does not grant any general right of return, cash discount, credit notes or other sales incentives. Generally, payment terms for advance payments and customer invoices are short-term and contracts do not include a financing component.

The consideration from contracts which include combinations of different performance obligations such as equipment, spares and services is allocated to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for transferring the goods or services to the customer. Discounts from list price are proportionately allocated to each performance obligation. The transaction price is allocated to each performance obligation based on a relative stand-alone selling price basis. As the stand-alone selling prices are usually not directly observable, AIXTRON uses the expected cost plus a margin approach to estimate the stand-alone selling price.

The portion of equipment revenue related to installation services is determined based on either the method described above or, if the Group determines that there may be a risk that the economic benefits of installation services may not flow to the Group, the portion of the contract amount that is due and payable upon completion of the installation.

Contract assets may arise for contracts with different performance obligations if the revenue recognized exceed the amounts for received advance payments and customer invoices ([see Note 16](#)).

(O) Expenses

(I) Cost of Sales

Cost of sales includes such direct costs as materials, labor, and related production overheads.

(II) Research and Development

Research and development costs are expensed as incurred. Costs of beta tools which do not qualify to be recognized as an asset are expensed as research and development costs.

Project funding received from governments (e.g. state funding) is recorded in other operating income, if the research and development costs are incurred and provided that the conditions for the funding have been met.

(III) Lease Payments

Payments made under leases for assets which have not been capitalized are recognized as expense on a straight-line basis over the term of the lease.

(P) Government Grants

Government grants awarded for project funding are recorded in other operating income if the research and development costs are incurred and provided that the conditions for the funding have been met. Government grants awarded to support continued employment where work is not allowed are recorded as a reduction in the related expense, as this presents the underlying reason for the grant better.

(Q) Income Tax

The tax expense represents the sum of the current and deferred tax.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits can be set off against timing differences and tax losses carried forward or taxable temporary differences exist. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit can be realized. The recoverability of deferred tax assets is reviewed at least annually.

Deferred tax assets and liabilities are recorded for temporary differences between tax and commercial balance sheets and for losses brought forward for tax purposes as well as for tax credits of the companies included in consolidation. Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current income taxes for the current and prior periods are recognized as a liability to the extent that they have not yet been paid. If the amount attributable to the current and prior periods and already paid exceeds the amount due for those periods, the difference is recognized as an asset. The amount of the expected tax liability or tax receivable reflects the best estimate of the amount, considering tax uncertainties, when applicable.

The Group evaluates income tax uncertain treatments on a regular basis. In making this assessment, the Group assumes that a tax authority will review the matter in question and that it has all the relevant information to do so. If it is probable that an uncertain tax treatment will not be accepted by the tax authorities, the best estimate (expected value or most likely value of the tax uncertainty) is used to determine the impact and a tax liability is recognized or, in the case of existing loss carryforwards, the deferred tax attributable to them is reduced accordingly.

(R) Segment Reporting

An operating segment is a component of the Group that is engaged in business activities and whose operating results are reviewed regularly by the Chief Operating Decision Maker, which AIXTRON considers to be its Executive Board, to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. AIXTRON has only one reportable segment.

Accounting standards applied in segment reporting are in accordance with the general accounting policies as explained in this section.

(S) Cash Flow Statement

Cash flows from operating activities are determined using the indirect method.

Cash flows from taxes are allocated to operating activities.

Cash flows from other financial assets (fund investments) are presented in cash flow from investing activities as the assets are not traded for trading purposes.

(T) Adoption of New and Revised Accounting Standards

New and Amended IFRS Standards Effective for the Current Year

In the current year, the Group has applied the below amendments to IFRS standards and interpretations issued by the International Accounting Standards Board (IASB) that are effective for an annual period that begins on or after January 01, 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these consolidated financial statements.

Non-current liabilities with ancillary conditions - Amendments to IAS 1	Classification of debt as current or non-current and non-current debt as a secondary condition
Amendments to IFRS 16	Lease liability in a Sale and Leaseback transaction
Amendment to IAS 7 and IFRS 7	Supplier arrangements

New standards that are not yet applied

At the time these consolidated financial statements were prepared, the following standards or amendments to standards had been published, but their application is not yet mandatory. The Group has not applied these regulations early.

IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 18 will replace IAS 1 Presentation of Financial Statements and is to be applied in financial years beginning on or after January 01, 2027. The new standard introduces the following significant new requirements.

- Income and expenses in the income statement must be divided into five categories: the operating category, the investing category, the financing category, the income tax category and the discontinued operations category. In addition, a newly defined subtotal “operating result” must be presented. The result for the period will not change.
- Certain company-specific key performance indicators (so-called management-defined performance measures, MPMs) are disclosed in a separate note in the financial statements.
- Improved guidelines for grouping information within the financial statements will be introduced.

In addition, all companies are required to use the operating result as the starting point for the cash flow statement if they determine the cash flow from operating activities using the indirect method.

AIXTRON is currently evaluating the potential impact of the new standard, particularly with regard to the structure of the consolidated income statement, the statement of cash flows and the additional disclosure requirements for MPMs. The Group is also assessing the impact on the way in which information is grouped in the financial statements, including items currently designated as “Other”.

Other standards

The following new and amended standards are not expected to have a material impact on the consolidated financial statements.

Amendments to IAS 21	Lack of exchangeability ¹⁾
Amendments to IFRS 9 and IFRS 7	Classification and measurement of financial instruments ²⁾
Version 11	Contracts for nature-based electricity ²⁾ Annual improvement to IFRS Accounting Standards ²⁾
IFRS 19	Subsidiaries that are not subject to public accountability ³⁾
Amendment to IFRS 10 and IAS 28	Sale or contribution of assets between an investor and an associate or joint venture ⁴⁾

1) Initial application to annual reporting periods beginning on or after January 01, 2025.

2) Initial application to annual reporting periods beginning on or after January 01, 2026.

3) Initial application to annual reporting periods beginning on or after January 01, 2027.

4) still pending.

3. Segment Reporting and Revenues

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Executive Board, as chief operating decision maker, in order to allocate resources to the segments and to assess their performance.

In the period 2023 and 2024 the Executive Board regularly reviewed financial information to allocate resources and assess performance only on a consolidated Group basis since the various activities of the Group are largely integrated from an operational perspective. In accordance with IFRS, AIXTRON has only one reportable segment.

The Group's reportable segment is based around the category of goods and services provided to the semiconductor industry.

Revenues are recognized as disclosed in [Note 2 \(N\)](#).

Segment revenues and results

in EUR thousands	Note	2024	2023
Equipment revenues		522,412	532,289
Spares revenues		103,015	92,329
Services revenues		7,732	5,261
Revenue from external customers		633,159	629,879
Inventories recognized as an expense	15	258,983	252,271
Reversals of inventory provisions on sold systems	15	2,499	3,081
Obsolescence and valuation allowance expense for inventories*	15	146	1,353
Personnel expense	7	125,439	114,974
Depreciation and impairment	11	12,615	10,303
Amortization	12	1,612	1,308
Other expenses*		113,158	108,648
Foreign exchange losses*	5	1,426	193
Other operating income	5	8,954	12,857
Segment profit		131,233	156,767
Finance income	8	1,389	1,119
Finance expense	8	429	205
Profit before tax		132,193	157,681

*The previous year's figure was adjusted due to better information

Reversals of impairment allowances are included in other operating income as described in [Note 5](#).

The accounting policies of the reportable segment are identical to the Group's accounting policies as described in [Note 2](#). Segment profit represents the profit earned by the segment without the allocation of investment revenue, finance costs and income tax expense. This is the measure reported to the Executive Board for the purpose of resource allocation and assessment of performance.

The transaction price allocated to (partially) unsatisfied performance obligations at December 31, 2024 is EUR 289.3 million (December 31, 2023: EUR 353.7 million). Management expects that approximately 63% of the transaction price allocated to the unsatisfied contracts as of the year ended 2024 will be recognized as revenue during 2025. The remaining amount will be recognized during the next fiscal year.

Segment assets and liabilities

in EUR thousands	31.12.24	31.12.23
Semi-conductor equipment segment assets	918,931	805,063
Unallocated assets	99,456	224,883
Total Group assets	1,018,387	1,029,946

in EUR thousands	31.12.24	31.12.23
Semi-conductor equipment segment liabilities	160,773	245,259
Unallocated liabilities	9,571	7,109
Total Group liabilities	170,344	252,368

For the purpose of monitoring segment performance and allocating resources all assets other than tax assets, deferred tax assets, cash and cash equivalents and other financial assets are treated as allocated to the reportable segment. All liabilities are allocated to the reportable segment apart from tax liabilities and post-employment benefit liabilities.

Additions and changes to property, plant and equipment, to goodwill and to intangible assets, and the depreciation and amortization expenses are given in [Notes 11](#) and [12](#). Other non-current financial assets were essentially unchanged during 2024 compared to previous year (2023: unchanged).

Information on income tax expense or income is contained in [Note 9](#). Information concerning other material items of income and expense for personnel expenses and R&D expenses can be found in [Notes 7](#) and [4](#).

Geographical Information

The Group's revenue from continuing operations from external customers and information about its non-current assets by geographical location are detailed below. Revenues from external customers are attributed to individual countries based on the country in which it is expected that the products will be used.

in EUR thousands	2024	2023
Asia	416,761	314,356
<i>thereof China*</i>	187,142	170,659
<i>thereof Japan</i>	85,689	20,783
<i>thereof Korea</i>	66,226	24,323
<i>thereof Malaysia</i>	51,893	52,025
<i>thereof Taiwan</i>	24,666	42,595
Europe	149,894	189,420
<i>thereof Germany</i>	58,093	28,839
Americas	66,503	126,103
Total	633,159	629,879

*The previous year's figure was adjusted due to better information

Revenues from all countries outside Germany were EUR 575,066 thousand and EUR 601,040 thousand for the years 2024 and 2023 respectively.

In 2024 no customer accounted for at least 10% of Group revenue. In the 2023 financial year, one customer accounted for 15% and one customer for 10% of Group sales.

in EUR thousands	31.12.24	31.12.23
Germany	272,852	194,592
Europe excluding Germany	25,283	17,671
Asia	1,819	1,158
USA	11,685	11,057
Total Group non-current assets	311,639	224,478

Non-current assets exclude deferred tax assets, financial instruments, post-employment benefit assets and rights arising under insurance contracts.

4. Research and Development

Research and development costs, before deducting project funding received which is included in other operating income, were EUR 91,365 thousand and EUR 87,681 thousand for the years ended December 31, 2024 and 2023 respectively.

After deducting project funding received and not repayable, net expenses for research and development were EUR 85,970 thousand and EUR 80,923 thousand for the years ended December 31, 2024 and 2023 respectively.

The project funding received amounting to EUR 5,395 thousand (2023: EUR 6,758 thousand) are government grants.

In addition, EUR 0 thousand (2023: EUR 15 thousand) government grants were deducted from the carrying amount of an asset in property, plant and equipment.

5. Other Operating Income

in EUR thousands	2024	2023
Research and development funding	5,395	6,758
Gains from financial assets at FVTPL	1,971	4,846
Foreign exchange gains	86	952
Other	1,502	301
Other Operating Income	8,954	12,857

The amounts for research and development funding are government grants.

The item Other mainly includes income from the reversal of non-refundable of customer prepayments, claims for damages and government grants.

In 2024 total net exchange losses of EUR 1,340 thousand were recognized in profit or loss (2023: gain EUR 759 thousand) (see also [Note 6](#)).

Financial assets measured at fair value through profit or loss resulted in net income of EUR 1,043 thousand in 2024 (2023: net gain of EUR 4,846 thousand).

6. Other Operating Expenses

in EUR thousands	2024	2023
Foreign exchange losses	1,426	193
Losses from financial assets at FVTPL	929	0
Other	259	361
Losses from the disposal of fixed assets	139	221
Additions to allowances for receivables or write-off of receivables	22	12
Other Operating Expense	2,775	787

in EUR thousands	2024	2023
Foreign exchange gains (see Note 5)	86	952
Foreign exchange losses	-1,426	-193
Net foreign exchange losses (-)/gains (+)	-1,340	759

The item “Losses from financial assets at FVTPL” includes unrealized losses of EUR 929 thousand (2023: EUR 0 thousand) and no realized losses.

7. Personnel Expense

in EUR thousands	2024	2023
Payroll	104,313	95,902
Social insurance contributions	14,887	12,685
Expense for defined contribution plans	1,711	1,625
Share-based payments	4,528	4,762
Total	125,439	114,974

8. Net Finance Income

in EUR thousands	2024	2023
Finance income		
Interest income on bank deposits	1,389	1,119
On financial assets measured at amortized cost	1,389	1,119
Finance expense		
Interest expense on bank overdrafts and balances	-264	-18
Interest expense on lease liabilities	-165	-187
On financial liabilities not at fair value through profit or loss and on financial assets	-429	-205
Net finance income	960	914

9. Income Tax Expense / Benefit

The following table shows income tax expenses and income recognized in the consolidated income statement:

in EUR thousands	2024	2023
Current tax expense (+)/current tax income (-)		
for current year	18,678	20,241
for prior years	-182	-531
Total current tax expense	18,496	19,710
Deferred tax expense (+)/deferred tax income (-)		
- from temporary differences	-3,611	-5,460
- from changes in local tax rate	1	273
- from tax losses carried forward	11,058	-2,030
Total deferred tax income (+)/deferred tax income (-)	7,449	-7,218
Income tax expense	25,945	12,492

The Group's effective tax rate is different from the German statutory tax rate of 32.80% (2023: 32.80%) which is based on the German corporate income tax rate (incl. solidarity surcharge) and trade tax.

The following table shows the reconciliation from the expected to the reported tax expense:

in EUR thousands	2024	2023
Net result before taxes	132,193	157,681
Expected income tax expense (German tax rate)	43,359	51,719
Effect from differences to foreign tax rates	-540	-1,248
Non-deductible expenses	285	282
Tax losses not recognized as assets	12	1
Recognition of deferred tax assets / utilization of tax losses carried forward	-18,338	-36,676
Effect from changes in local tax rate / taxes prior years	298	-349
Effect of permanent differences	87	0
Tax exempt	-568	-2,567
Other	1,349	1,330
Income tax expense	25,945	12,492
Effective tax rate	19.6%	7.9%

In the item "Recognition of deferred tax assets / utilization of tax losses carried forward", an amount of EUR 574 thousand is attributable to the effects from the utilization of tax loss carryforwards for which no deferred taxes were recognized.

In addition to the amount charged to profit or loss, the following amounts relating to tax have been recognized in other comprehensive income (OCI):

in EUR thousands	2024	2023
Deferred tax from remeasurement of defined benefit obligation	13	16
Deferred tax related to items recognized in other comprehensive income	13	16

The law implementing Council Directive (EU) 2022/2523 to ensure a global minimum level of taxation for groups of companies (Minimum Tax Act) and other accompanying measures was promulgated in the Federal Law Gazette on December 27, 2023 and came into force on December 28, 2023. AIXTRON SE is not subject to the application of these regulations in fiscal year 2024.

Therefore, the corresponding IAS 12 Tax Amendments do not apply either.

10. Current Tax Receivable and Payable

As of December 31, 2024 the current tax receivable and payable, arising because the amount of tax paid in the current or in prior periods was either too high or too low, are EUR 120 thousand (2023: EUR 2,115 thousand) and EUR 8,367 thousand (2023: EUR 6,447 thousand) respectively.

11. Property, Plant and Equipment and Leased Assets

in EUR thousands	Land and buildings	Technical equipment	Other equipment	Assets under construction and prepayments	Leased land and buildings	Leased equipment	Total
Cost							
Balance at January 01, 2023	64,842	93,803	23,101	20,764	10,333	784	213,627
Additions	336	6,895	2,372	50,566	0	356	60,525
Disposals	7	2,981	866	0	1,084	51	4,989
Transfers	49	12,758	277	-13,084	0	0	0
Effect of movements in exchange rates	14	64	-74	55	-46	-13	0
Balance at 31. December 2023	65,234	110,539	24,810	58,301	9,203	1,076	269,163
Balance at January 01, 2024	65,234	110,539	24,810	58,301	9,203	1,076	269,163
Additions	336	9,734	2,013	81,996	1,450	11	95,540
Disposals	0	3,414	1,122	2,138	2,086	109	8,869
Transfers	126	7,104	266	-7,496	0	0	0
Effect of movements in exchange rates	146	460	145	24	243	-10	1,008
Balance at 31. December 2024	65,842	124,423	26,112	130,687	8,810	968	356,842
Depreciation and impairment losses							
Balance at January 01, 2023	31,467	64,928	15,366	9	2,477	400	114,647
Depreciation charge for the year	1,357	5,009	2,001	0	1,711	225	10,303
Disposals	7	2,565	781	0	82	49	3,484
Effect of movements in exchange rates	24	32	-61	0	-43	-6	-54
Balance at 31. December 2023	32,841	67,404	16,525	9	4,063	570	121,412
Balance at January 01, 2024	32,841	67,404	16,525	9	4,063	570	121,412
Depreciation charge for the year	1,492	6,773	2,283	0	1,821	246	12,615
Disposals	0	1,555	1,116	9	1,880	96	4,656
Effect of movements in exchange rates	117	219	103	0	122	-5	556
Balance at 31. December 2024	34,450	72,841	17,795	0	4,126	715	129,927
Carrying amounts							
At January 01, 2023	33,375	28,875	7,735	20,755	7,856	384	98,980
At December 31, 2023	32,393	43,135	8,285	58,292	5,140	506	147,751
At January 01, 2024	32,393	43,135	8,285	58,292	5,140	506	147,751
At December 31, 2024	31,392	51,582	8,317	130,687	4,684	253	226,915

Depreciation

Depreciation expense amounted to EUR 12,615 thousand for 2024 and EUR 10,303 thousand for 2023 respectively.

The useful lives and residual values of assets are reviewed at least at the end of each financial year. If the expected useful lives and residual values differ from previous estimates, the effects of the changes are recognized in the current financial year.

Impairments

No impairment expense was incurred in the fiscal year 2024 or for the previous year.

Assets Under Construction and Prepayments

Assets under construction amounted to EUR 130,687 thousand in 2024 (2023: EUR 58,292 thousand) and mainly relate to the building of the new innovation center and internally generated laboratory facilities under construction.

Leased Assets

Disclosures in respect of the underlying leases are shown in [Note 27](#).

12. Intangible Assets

in EUR thousands	Goodwill	Other intangible assets	Total
Cost			
Balance at January 01, 2023	89,403	49,719	139,122
Additions	0	2,476	2,476
Disposals	0	362	362
Effect of movements in exchange rates	-79	-787	-866
Balance at 31. December 2023	89,324	51,046	140,370
Balance at January 01, 2024	89,324	51,046	140,370
Additions	0	4,621	4,621
Disposals	0	211	211
Effect of movements in exchange rates	1,383	1,657	3,040
Balance at 31. December 2024	90,707	57,113	147,820
Amortization and impairment losses			
Balance at January 01, 2023	16,951	46,452	63,403
Amortization charge for the year	0	1,308	1,308
Disposals	0	362	362
Effect of movements in exchange rates	81	-788	-707
Balance at 31. December 2023	17,032	46,610	63,642
Balance at January 01, 2024	17,032	46,610	63,642
Amortization charge for the year	0	1,612	1,612
Disposals	0	209	209
Effect of movements in exchange rates	187	1,658	1,845
Balance at 31. December 2024	17,219	49,671	66,890
Carrying amounts			
At January 01, 2023	72,452	3,267	75,719
At December 31, 2023	72,292	4,436	76,728
At January 01, 2024	72,292	4,436	76,728
At December 31, 2024	73,488	7,442	80,930

Other intangible assets amounted to EUR 7,442 thousand in 2024 (2023: EUR 4,436 thousand) and includes patents, other rights and software.

Amortization and Impairment Expenses for Other Intangible Assets

Amortization and impairment expenses for other intangible assets are recognized in the income statement as follows:

in EUR thousands	2024 Amortization	2023 Amortization	2024 Impairment	2023 Impairment
Cost of sales	142	126	0	0
General administration expenses	1,419	1,129	0	0
Research and development costs	51	53	0	0
Total	1,612	1,308	0	0

As in the previous year no impairment expense was incurred in 2024. No reversal of impairment were recognized in fiscal years 2024 and 2023.

Impairment of Goodwill

At the end of 2024 the Group assessed the recoverable amount of goodwill and determined that as in 2023 no impairment loss had to be recognized.

As at the end of 2024 the cash generating unit, to which the goodwill has been allocated, is the AIXTRON Group Semiconductor Equipment segment.

The recoverable amount of the cash-generating unit is determined through a fair value less cost to sell calculation. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As AIXTRON has only one cash generating unit (CGU), market capitalization of AIXTRON, adjusted for a control premium, has been used to determine the fair value less cost to sell of the cash generating unit. This is level 2 in the hierarchy of fair value measures set out in IFRS 13.

As at December 31, 2024 the market capitalization of AIXTRON was EUR 1,715 million, based on a share price of EUR 15.22 and issued shares (excluding Treasury Shares) of 112,671,861.

In an orderly selling process costs are incurred. AIXTRON has used 1.5% to account for the costs to sell.

A control premium typically in the range 20% - 40% is incurred in the acquisition of a company. A 20% premium has been applied in this test to adjust the market capitalization to the fair value. Market capitalization was also adjusted for net debt and tax assets prior to comparing it to the carrying amount of the CGU. The analysis shows that the fair value less costs to sell of the CGU AIXTRON exceeds its carrying amount and that Goodwill is not impaired.

Euro millions, except share price	Impairment Test 2024	Impairment Test 2023
Share price - Euros	15.22	38.66
Market capitalization as of December 31 (excluding treasury shares)	1,714.9	4,350.6
Costs to sell in percentage	1.5%	1.5%
Costs to sell	-25.7	-65.3
Market capitalization less cost to sell	1,689.2	4,285.3
Control premium in percentage	20%	20%
Control premium	337.8	857.1
Market capitalization and control premium less cost to sell	2,027.0	5,142.4
Net financial assets not allocated to CGU	-64.6	-181.7
Tax assets not allocated to CGU	-25.3	-36.1
Fair value less costs to sell of CGU	1,937.1	4,924.6
Carrying amount of the CGU	754.4	559.8
Surplus of fair value less cost to sell over carrying amount	1,182.7	4,364.8
Surplus of fair value less cost to sell over carrying amount as a percentage	157%	780%

The fair value less costs to sell, which is the recoverable amount, exceeds the carrying amount of the CGU by 157% (2023: 780%).

13. Other Non-Current Financial Assets

Other non-current financial assets amounting to EUR 675 thousand (2023: EUR 707 thousand) mainly consist of deposits for buildings.

The other long-term assets amounting to EUR 3,794 thousand (2023: EUR 0 thousand) consist of research services to be provided long-term by the respective contractual partners.

14. Deferred Tax Assets and Deferred Tax Liabilities

Recognized Deferred Tax Assets and Deferred Tax Liabilities

Deferred tax assets and liabilities are attributable to the following items:

in EUR thousands	Deferred tax assets		Deferred tax liabilities		Total	
	2024	2023	2024	2023	2024	2023
Property, plant and equipment	32	21	-1,857	-1,820	-1,825	-1,799
Trade receivables	37	39	-458	-157	-421	-118
Inventories	5,171	1,518	-1,284	-635	3,887	883
Employee benefits	503	155	0	0	503	155
Provisions and other liabilities	6,704	6,768	0	0	6,704	6,768
Advance payments	504	0	0	-220	504	-220
Other	18	2	-2	-378	16	-376
Tax losses	24,167	35,137	0	0	24,167	35,137
Netting amount	-2,397	-2,548	2,397	2,548	0	0
Total	34,739	41,092	-1,204	-662	33,535	40,430

Deferred tax assets are recognized at the level of individual consolidated companies. The forecast for taxable income for the fiscal year 2025 is below the taxable income of the fiscal year 2024. Accordingly, the utilization of tax loss carryforwards in 2025 is only possible to a lesser extent, so the corresponding deferred tax assets were reduced in the fiscal year 2024.

Deferred tax assets at group companies that incurred a loss in the fiscal year 2024 or the previous fiscal year are only recognized to the extent that there are substantial indications that sufficient taxable income will be available in future periods and that deferred tax assets can be utilized. As evidence for the likelihood of utilization, planning calculations as well as the current business development and future order situation of the relevant companies are examined. In fiscal year 2024, deferred tax assets in the amount of EUR 6,104 thousand (due to better insights, the prior year's figure for 2023 EUR 652 thousand was adjusted to EUR 1,130 thousand) were recognized, which were attributable to companies that reported a loss in fiscal year 2024 or in the previous fiscal year. The losses reported at the local company level are solely due to timing effects. In individual group companies, the revenues from the sale of assets are offset by disproportionately high cost of sales at the local company level. This effect will only be resolved with the installation of the asset at the customer's site and the corresponding revenue recognition at a later date. Due to the strong growth of the respective local companies, this effect has intensified in the fiscal year 2024. Accordingly, the reversal of the effect will occur in the future, and the tax profits in the local group companies will be realized.

No deferred tax assets were recognized for the following items (gross values):

in EUR thousands	2024	2023
Tax loss carry-forwards	108,861	119,792
Thereof expire within the next five years	12,119	8,477
Thereof expire after more than five years	33,343	25,299
Tax credits	10,601	10,054
Thereof expire within the next five years	1,051	711
Thereof expire after next five years	4,434	4,552
Deductible temporary differences	59	1,619
Total	119,520	131,465

No deferred tax liabilities were recognized on temporary differences in relation to investments in subsidiaries amounting to EUR 1,314 thousand (2023: EUR 859 thousand) in accordance with IAS 12.39.

The following table shows the development of deferred tax assets and liabilities during the fiscal year:

in EUR thousands	Balance at January 01, 2024	Recognized in income statement	Directly recognized in other comprehensive income	Balance at December 31, 2024
Property, plant and equipment	-1,799	25	0	-1,825
Trade receivables	-118	-301	0	-421
Inventories	883	3,006	0	3,887
Employee benefits	155	348	-3	503
Currency translation	0	69	556	0
Provisions and other liabilities	6,768	-439	0	6,704
Advance payments	-220	725	0	504
Other	-376	177	0	16
Tax losses	35,137	-11,058	0	24,167
Total	40,430	-7,448	553	33,535

in EUR thousands	Balance at January 01, 2023	Recognized in income statement	Directly recognized in other comprehen	Balance at December 31, 2023
Property, plant and equipment	-2,178	398	0	-1,799
Trade receivables	337	-453	0	-118
Inventories	393	470	0	883
Employee benefits	143	44	-25	155
Currency translation	0	-68	-202	0
Provisions and other liabilities	1,429	5,422	0	6,768
Advance payments	22	-242	0	-220
Other	93	-383	0	-376
Tax losses	33,200	2,030	0	35,137
Total	33,439	7,218	-227	40,430

15. Inventories

in EUR thousands	2024	2023
Raw materials and supplies	225,733	216,829
Work in process	120,613	146,726
Customer-specific work in process	4,309	5,252
Inventories at customers' locations	18,468	25,654
Inventories	369,123	394,461

in EUR thousands	Note	2024	2023
Inventories recognized as an expense during the period	3	258,983	252,271
Reversals of inventory provisions on sold systems	3	-2,499	-3,081
Total		256,484	249,190

The reversals of inventory provisions on sold systems during the year in both 2024 and 2023 mainly relates to inventories which had been written down to their net realizable value and subsequently were sold.

The inventories valued at net realizable value in the fiscal year 2024 amount to EUR 14,433 thousand (2023: EUR 7,755 thousand). In the fiscal year 2024, EUR 217 thousand (2023: EUR 21 thousand) of impairments were recovered following a change in estimates.

Additionally, write-downs to net realizable value amounting to EUR 1,562 thousand (2023: EUR 1,353 thousand) were recorded. These write-downs were recognized as an expense in 2024.

Customer-specific work in process relates to work performed at the customers' site, typically to install equipment or to upgrade customers' existing equipment. Completion of installation is the final contractual deliverable in most customer contracts which typically allows any remaining payments to be received from the customer.

16. Trade Receivables and Other Current Assets

in EUR thousands	2024	2023
Trade receivables	159,423	134,977
Contract assets receivable	33,968	22,593
Allowances for doubtful accounts	-21	0
Trade receivables - net	193,370	157,570
Prepaid expenses	4,645	4,393
Reimbursement of research and development costs	3,673	1,651
Advance payments to suppliers	17,760	11,143
VAT recoverable	14,694	9,772
Other assets	3,351	886
Other current assets	44,123	27,845
Total trade receivables and other current assets	237,493	185,415

The change in other receivables is mainly due to a compensation claim.

Additions to allowances against trade receivables are included in other operating expenses, releases of allowances are included in other operating income. In 2024, impairments on receivables amounting to EUR 21 thousand were recognized. In both the fiscal year 2024 and the previous year, no reversals of impairments were recorded.

The impairments have developed as follows:

in EUR thousands	2024	2023
Allowance at January 01	0	0
Additions	21	0
Allowance at December 31	21	0

Ageing of past due but not impaired receivables:

in EUR thousands	2024	2023
1-90 days past due	2,384	3,372
More than 90 days past due	1,385	1,290

Due to the worldwide spread of risks, there is a diversification of the credit risk for trade receivables. Generally, the Group demands no securities for financial assets. In accordance with usual business practice for capital equipment however, the Group mitigates its exposure to credit risk by requiring payment by irrevocable letters of credit and substantial payments in advance from most customers as conditions of contracts for sale of major items of equipment.

In 2024 one customer accounted for 11% of net trade receivables respectively. In 2023 one customer accounted for 13% of net trade receivables respectively. In determining concentrations of credit risk, the Group defines counterparties as having similar characteristics if they are part of the same external group of entities.

Included in the Group's trade receivable balance are debtors with a carrying amount of EUR 3,769 thousand (2023: EUR 4,662 thousand) which are past due at the reporting date for which the Group has not provided. As there has not been a significant change in credit quality, and although the Group has no collateral, the amounts are considered recoverable.

The Group measures the loss allowance for trade receivables at an amount equal to the lifetime expected credit loss. Based on its experience, the Group uses a negligible risk of default for lifetime, adjusted for factors which are specific to the debtors, general economic conditions, and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

In determining receivables which may be individually impaired the Group has taken into account the likelihood of recoverability based on the past due nature of certain receivables, and our assessment of the ability of all counterparties to perform their obligations.

17. Other Financial Assets

In 2024 other current financial assets comprise fund investments.

The composition of the other financial assets were as below:

in EUR thousands	2024	2023
Financial assets measured at FVTPL	511	83,655
Other Financial Assets	511	83,655

The fair value of fund investments is determined using the quoted prices in active markets at reporting date which is level one of the fair value hierarchy.

18. Cash and Cash Equivalents

in EUR thousands	2024	2023
Cash-in-hand	1	1
Bank balances	64,086	98,021
Cash and Cash equivalents	64,087	98,022

Cash and cash equivalents comprise short-term bank deposits with an original maturity of 3 months or less and financial assets that are convertible to cash at any time and are subject to only minor fluctuations in value. The carrying amount and fair value are the same.

No bank balances were given as security either as of the balance sheet date of the fiscal year or in the previous year.

19. Shareholders' Equity

Share Capital

in EUR	2024	2023
Share capital as of January 01	113,411,020	113,348,420
Shares issued	45,100	62,600
Share capital fully paid as of December 31	113,456,120	113,411,020
Treasury shares	-784,259	-876,402
Issued capital	112,671,861	112,534,618

The share capital of AIXTRON SE consists of no-par value shares and was fully paid-up during 2024 and 2023. Each share represents a portion of the share capital in the amount of EUR 1.00.

Authorized Share Capital

Authorized share capital, including issued capital, amounted to EUR 169,927,020 (2023: EUR 169,927,020).

Additional Paid-In Capital and Other Reserves

Additional paid-in capital mainly includes the premium on increases of subscribed capital as well as cumulative expenses from stock option plans and for share-based payments.

In 2024 45,100 new shares were issued within the scope of AIXTRON stock option plans (2023: 62,600 shares). 92,143 treasury shares were transferred in 2024 as part of the share-based payments scheme (2023: 88,822 shares).

A dividend of EUR 0.40 per share was paid in May 2024. Total dividend amount of EUR 45,033 thousand was paid to shareholders of AIXTRON SE (2023: EUR 34,839 thousand).

The Group regards its shareholders' equity as capital for the purpose of managing capital. In order to ensure the sustainable development of the AIXTRON Group and to maintain the confidence of investors and stake holders, AIXTRON's capital management aims to maintain a strong capital base. This is also taken into account when determining dividend distributions. The Group considers its capital resources to be adequate.

Income and Expenses Recognized in Other Comprehensive Income

Income and expenses recognized in other comprehensive income are shown in the statement of other comprehensive income.

The foreign currency translation adjustment comprises all foreign exchange differences arising from the translation of the financial statements of foreign subsidiaries whose functional currency is not the Euro.

During 2024 an expense of EUR 5 thousand (2023: expense EUR 46 thousand) was recorded from the remeasurement of defined benefit obligations in other comprehensive income.

20. Earnings Per Share

Basic Earnings Per Share

The calculation of the basic earnings per share is based on the weighted-average number of common shares outstanding during the reporting period.

Diluted Earnings Per Share

The calculation of the diluted earnings per share is based on the weighted-average number of outstanding common shares and of common shares with a possible dilutive effect resulting from share options being exercised under the share option plan.

	2024	2023
Earnings per share		
Net profit attributable to the shareholders of AIXTRON SE in EUR thousand	106,283	145,185
Weighted average number of common shares for the purpose of earnings per share	112,621,622	112,465,961
Basic earnings per share (EUR)	0.94	1.29
Earnings per share (diluted)		
Net profit attributable to the shareholders of AIXTRON SE in EUR thousand	106,283	145,185
Weighted average number of common shares for the purpose of earnings per share	112,621,622	112,465,961
Dilutive effect of share options	0	31,881
Weighted average number of common shares for the purpose of earnings per share (diluted)	112,621,622	112,497,842
Diluted earnings per share (EUR)	0.94	1.29

In 2024 and 2023 no share options existed that would be anti-dilutive.

Amounts recognized as distributions to shareholders during the fiscal year and the proposed dividend for the year ended December 31, 2024 are set out in the table below:

in EUR thousands	2024	2023
Final dividend payment for the financial year 2023: EUR 0.40 per share (2022: EUR 0.31 per share)	45,033	34,839
Proposed dividend for the financial year ending on December 31, 2024: EUR 0.15 per share (2023: EUR 0.40 per share)	16,901	45,014

21. Employee Benefits

Defined Contribution Plan

The Group grants retirement benefits to qualified employees through various defined contribution pension plans. In 2024 the expense recognized for defined contribution plans amounted to EUR 1,711 thousand (2023: EUR 1,625 thousand).

In addition to the Group's retirement benefit plans, the Group is required to make contributions to state retirement benefit schemes in the countries in which it operates. AIXTRON is required to contribute a specified percentage of payroll costs to the retirement schemes in order to fund the benefits. The only obligation of the Group is to make the required contributions.

Defined Benefit Plan

Provisions for defined benefit pension plans in the amount of EUR 114 thousand (2023: EUR 123 thousand) are reported under other non-current provisions.

22. Share-Based Payment

The Company has different fixed option plans which reserve shares of common stock for issuance to members of the Executive Board, management, and employees of the Group. The Executive Board remuneration system and, since 2024, the remuneration system for Executive Committee at AIXTRON SE also consists long-term variable remuneration components (long-term incentive, LTI) that are granted in shares of AIXTRON SE.

The fair value of services received in return for shares or stock options granted is measured by reference to the fair value of the equity instruments or stock options granted which are determined using mathematical valuation models.

AIXTRON Stock Option Plans

The fair value of the shares and stock options is determined on the basis of a mathematical model. In the fiscal years 2024 and 2023, no new stock option programs were initiated. There were no expenses recognized for the existing program in 2024 and 2023.

AIXTRON Stock Option Plan 2012

In May 2012, options were authorized to purchase shares of common stock. The granted options may be exercised after a waiting period of not less than four years. The options expire 10 years after they have been granted. Under the terms of the 2012 plan, options are granted at prices equal to the average closing price over the last 20 trading days on the Frankfurt Stock Exchange before the grant date, plus 30%. Options to purchase — common shares were outstanding under this plan as of December 31, 2024.

Summary of Stock Option Programs

AIXTRON- share options	Number of share options	Average exercise price EUR	Number of share options	Average exercise price EUR
	2024	2024	2023	2023
Balance at January 01	48,300	—	112,100	13.18
Exercised during the year	45,100	13.14	62,600	13.21
Forfeited during the year	3,200	13.14	1,200	13.14
Outstanding at December 31	—	13.14	48,300	13.14
Exercisable at December 31	—	13.14	48,300	13.14

AIXTRON Stock Options as of December 31, 2024

Year of emission	Exercise price per share EUR	Underlying shares represented by outstanding options	Average option life (in years)
2014	13.14	0	0.0

Long-Term Incentive of the Executive Board and the Executive Committee (LTI)

The long-term, performance-related variable remuneration (LTI) for Executive Board members and, from fiscal year 2024, also for AIXTRON's Executive Committee, is determined on the basis of the AIXTRON Group's performance at the end of a three-year reference period and is granted entirely in AIXTRON shares. The Executive Board members and the Executive Committee can dispose of these shares after a four-year vesting period, calculated from the beginning of the reference period. The long-term targets are set by the Supervisory Board before the start of the reference period. At this time, each Executive Board member and member of Executive Committee is allocated forfeitable share awards to the value of the target LTI as a percentage of the approved budget for the coming financial year. The number of forfeitable share awards is calculated based on the average closing price on all stock exchange trading days in the last quarter of the previous year.

LTI target achievement is determined using the indicators consolidated net income for the year and total shareholder return (TSR), as well as sustainability targets. The TSR is defined as the total shareholder return over the reference period and is calculated as the ratio of the share price development including dividends paid at the end of the reference period to the value at the beginning of the reference period.

In this regard, the relative weighting of the targets amounts to 50% for consolidated net income for the year, 40% for TSR, and 10% for sustainability targets. After the expiry of the three-year reference period, the degree of LTI target achievement is determined by the Supervisory Board for each member of the Executive Board and the Executive Committee. Depending on the degree of target achievement, the forfeitable stock awards are then converted into vested stock awards or otherwise lapse. The maximum number of vested stock awards that may be granted in connection with LTI is capped at 250% of the number of forfeitable stock awards granted at the start of the reference period.

The shares are transferred to the Executive Board member or the relevant members of the Executive Committee after the four-year restriction period.

The fair value of equity-settled share-based payment transactions is recognized as an expense over the vesting period and a corresponding adjustment is made to equity. The fair value of the shares granted is measured based on a valuation model taking into account the vesting conditions at which the shares are granted. The calculation takes into account estimates for future dividends. The TSR ratio is used as a market condition in estimating the fair value at the valuation date. For the other non-market-based vesting conditions, the Group reviews its estimate of the number of equity instruments during the vesting period. Adjustments in the original estimates, if any, are recognized in profit or loss and a corresponding adjustment is made to equity.

The following table shows the main parameters of the valuation model (Monte Carlo simulation) for the long-term variable remuneration for the LTI Tranche 2024 and 2023:

	LTI Tranche 2024		LTI Tranche 2023
	I	II	I
Grant date	11.12.2023	26.11.2024	12.12.22
Share price at grant date	36.07€	13.66€	31.27€
Index level Peer Group	106.76	107.95	111.27
Risk-free interest rate	2.20%	1.93%	1.94%
Volatility AIXTRON	46.57%	46.39%	50.59%
Volatility Peer Group	34.20%	34.24%	34.26%
Correlation AIXTRON / Index	0.58	0.54	0.58
Fair Value TSR	47.96€	4.28€	41.24€
Fair Value Plain-Tranche	34.29€	12.43€	29.96€

There are two grant days for the 2024 financial year, as the LTI component for the Executive Committee was not concluded until a later date. Assumptions regarding volatility and correlation between the AIXTRON share and the Peer Group were determined based on historical share price developments.

Within the scope of the LTI Tranche 2024 168,992 forfeitable share awards were granted with the weighted average fair value of EUR 39.76 per award on grant date (LTI Tranche 2023: 236,101 forfeitable share awards with the weighted average fair value of EUR 34.47 per award). As part of LTI Tranche II 2024 37,707 forfeitable share awards were granted on the grant date to members of the Executive Committee with a weighted average fair value of EUR 9.17 per award (LTI Tranche 2023: EUR 0). At the end of the reference period, the forfeitable share awards of LTI Tranche 2024 or 2023 are converted into vested stock awards or partially forfeited.

In 2024, the personnel expenses from share-based payments, all of which were equity settled share-based payments, were EUR 4,528 thousand (2023: EUR 4,762 thousand). Personnel expenses from share-based payments include the expense of long-term incentive of the Executive Board and the Executive Committee which is paid in shares (see [Note 30](#)).

23. Provisions

Development and breakdown of provisions:

in EUR thousands	01.01.2024	Exchange rate	Usage	Reversal	Addition	31.12.2024	Current	Non-current
Personnel expenses	20,048	169	19,065	898	17,503	17,757	17,540	217
Warranties	8,039	24	5,970	6	6,608	8,695	6,973	1,722
Other	8,766	47	7,158	603	8,656	9,708	8,904	804
Total	36,853	240	32,193	1,507	32,767	36,160	33,417	2,743

Personnel Expenses

These include mainly provisions for holiday pay, payroll, severance payments and other variable element of pay, which are financial liabilities.

Warranties

Warranty provisions are the estimated unavoidable costs of providing parts and service to customers during the normal warranty periods.

Other Provisions

Other provisions consist mainly of the estimated cost of services received and also include pension provisions.

For provisions existing at both December 31, 2024 and December 31, 2023, the economic outflows resulting from the obligations that are provided for are expected to be settled within one year of the respective balance sheet date for current provisions and within two years of the respective balance sheet date, but more than one year, for the main non-current provisions (excluding pension provisions).

24. Trade Payables and Other Current Liabilities

The liabilities consist of the following:

in EUR thousands	2024	2023
Trade payables	33,853	57,761
Liabilities from grants	921	829
Short-term lease liabilities	1,919	1,633
Payroll taxes and social security contributions	1,409	1,543
VAT and similar taxes	133	1,033
Other liabilities	1,147	337
Other current liabilities	5,529	5,375
Trade payables and other current liabilities	39,382	63,136

The change in other liabilities is mainly due to various license liabilities.

The carrying amount of trade payables and other current liabilities approximates their fair value. Trade payables, grant liabilities, taxes and other liabilities fall due for payment within 32 days of receipt of the relevant goods or services.

Short-term lease liabilities are explained in [Note 25](#).

25. Financial Instruments

Details of the significant accounting policies and methods, the basis of measurement that are used in preparing the financial statements and the other accounting policies that are relevant to an understanding of the financial statement are disclosed in [Note 2](#) to the financial statements.

Financial Risk Management Objectives

The Group seeks to minimize the effects of any risk that may occur from any financial transaction. Key aspects are the exposures to liquidity risk, credit risk, interest rate risk and currency risk arising in the normal course of the Group's business.

The AIXTRON Group's central management coordinates access to domestic and international financial institutions and monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposure to risk by likelihood and magnitude. These risks cover all aspects of the business, including financial risks.

Liquidity Risks

Liquidity risk is the risk that the Group is unable to meet its existing or future obligations due to insufficient availability of cash or cash equivalents. Managing liquidity risk is one of

the central tasks of AIXTRON SE. In order to be able to ensure the Group's solvency and flexibility at all times cash and cash equivalents are projected on the basis of regular financial and liquidity planning.

As of December 31, 2024 the Group did not have any borrowings (2023: nil). The unused credit facility, which was first established in the fiscal year 2024, amounted to EUR 200,000 thousand (2023: EUR — thousand). Financial liabilities, all due within one year, of EUR 39,382 thousand (2023: EUR 63,136 thousand) consisting of trade payables and other liabilities and are shown in [Note 24](#), together with an analysis of their maturity. Non-current payables consist of lease liabilities and other payables. Long term lease liabilities of EUR 3,103 thousand (2023: EUR 3,803 thousand) are shown with an analysis of their maturity in [Note 27](#). Other non-current payables of EUR 409 thousand (2023: EUR 181 thousand) are due after more than one year.

As of December 31, 2024 the Group had EUR 64,848 thousand (2023: EUR 181,928 thousand) of bank deposits and investments as described in [Notes 13, 17 and 18](#).

Credit Risks

Financial assets generally exposed to a credit risk are trade receivables, financial investments, and cash and cash equivalents.

The Group's cash and cash equivalents and financial investments are kept with financial institutions that have a good credit standing. Central management of the Group assesses the counter-party risk of each financial institution dealt with and sets limits to the Group's exposure to those institutions. These credit limits are reviewed from time to time so as to minimize the default risk as far as possible and to ensure that concentrations of risk are managed.

The maximum exposure of the Group to credit risk is the total amount of receivables, financial assets and bank deposits as described in [Notes 13, 16, 17 and 18](#).

For contract assets measured at fair value, the maximum amount of the exposure to credit risk is the amount of contract assets measured at fair value as disclosed in [Note 25](#). There are no credit derivatives or similar instruments which mitigate the maximum exposure to credit risk and there has been no change during the period or cumulatively in the fair value of such receivables that is attributable to changes in the credit risk.

Market Risks

The Group's activities expose it to the financial risks of changes in foreign currency exchange rates and interest rate risks. Interest rate risks are not material as the Group only receives a minor amount of interest income. The Group does not use derivative financial instruments to manage its exposure to interest rate risk. Cash deposits are made with the Group's bankers at the market rates prevailing at inception of the deposit for the period and currency concerned. The Group's financial investments are made into funds bases in the European Union and are exposed to changes in the market value of those funds. There has been no change to the Group's exposure to market risk or the manner in which it manages and measures the risk.

Foreign Currency Risk

The Group can enter into a variety of derivative financial instruments to manage its exposure to foreign currency risk, including forward exchange contracts to hedge the exchange rate risk arising on the export of equipment. The main exchange rates giving rise to the risk are those between the US Dollar, GB Pound, Chinese Renminbi, Japanese Yen and Euro. No forward exchange contracts were entered into in the fiscal year or in the previous year.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

in EUR thousands	Assets		Liabilities	
	2024	2023	2024	2023
US Dollars	48,583	82,266	25,465	68,126
GB Pounds	3,233	4,916	710	7,184
Chinese Renminbi	10,581	12,575	3,178	6,058
Japanese Yen	34,966	17,140	5,831	1,398

Exposures are reviewed on a regular basis and are managed by the Group through sensitivity analysis.

Foreign Currency Sensitivity Analysis

The Group's global operations expose it primarily to foreign exchange risks by the US Dollar, GB Pound, Japanese Yen and Chinese Renminbi.

The following table details the Group's sensitivity to a 10% change in the value of the Euro against the US Dollar, GB Pound, Japanese Yen and Chinese Renminbi. Since this year, the Group's sensitivity to a 10% change in the value of the US dollar against the euro, pound sterling, Chinese Renminbi and Japanese yen has also been shown. A positive number indicates an increase in profit, a negative number indicates a reduction in profit.

Increase in value of Euro by 10%	USD Currency Effect		GBP Currency Effect		RMB Currency Effect		JPY Currency Effect	
	2024	2023	2024	2023	2024	2023	2024	2023
Profit or loss	2,133	928	192	-216	-11	-77	292	25

Increase in value of USD by 10%	EUR Currency Effect		GBP Currency Effect		RMB Currency Effect		JPY Currency Effect	
	2024	2023	2024	2023	2024	2023	2024	2023
Profit or loss	-2,133	-928	255	-48	0	0	1,344	-595

	USD Currency Effect		GBP Currency Effect		RMB Currency Effect		JPY Currency Effect	
Decrease in value of Euro by 10%								
in EUR thousands	2024	2023	2024	2023	2024	2023	2024	2023
Profit or loss	-2,133	-928	-192	216	11	77	-292	-25

	EUR Currency Effect		GBP Currency Effect		RMB Currency Effect		JPY Currency Effect	
Decrease in value of USD by 10%								
in EUR thousands	2024	2023	2024	2023	2024	2023	2024	2023
Profit or loss	2,133	928	-255	48	0	0	-1,344	595

The sensitivity analysis represents the foreign exchange risk at the year-end date only. It is calculated from a 10% revaluation of the financial assets and liabilities denominated in US dollars, British pounds, Chinese Renminbi, Japanese yen and Euros as at December 31, which are translated into the local currency and recognized in profit or loss at the respective Group companies. The sensitivity analysis describes the effect resulting from a 10% deviation in the exchange rate applicable on the balance sheet date. It does not reflect the effect of a sustained 10% change in exchange rates over the entire financial year.

Fair Values and Contract Assets

Cash and cash equivalents, receivables are stated at amortized cost. Other financial assets in 2024 and 2023 comprise financial assets measured at FVTPL.

Trade Receivables / Payables

For trade receivables/payables due within less than one year, measured at amortized cost, the fair value is equivalent to the carrying amount.

Financial Assets 2024

in EUR thousands	At amortized cost*	At fair value	Total carrying amount and fair value
Cash and cash equivalents	64,087	0	64,087
Other financial assets	0	511	511
Other non-current financial assets	425	250	675
Trade receivables (excluding contract assets)	159,423	0	159,423
Contract assets included in trade receivables	33,968	0	33,968
Total	257,903	761	258,664

Financial Liabilities 2024

in EUR thousands	At amortized cost*	At fair value	Total carrying amount and fair value
Trade payables	33,853	0	33,853
Non-current lease liabilities and other liabilities	3,512	0	3,512
Short-term lease liabilities	1,919	0	1,919
Total	39,284	0	39,284

Financial Assets 2023

in EUR thousands	At amortized cost*	At fair value	Total carrying amount and fair value
Cash and cash equivalents	98,022	0	98,022
Other financial assets	0	83,655	83,655
Other non-current financial assets	457	250	707
Trade receivables (excluding contract assets)	134,989	0	134,989
Contract assets included in trade receivables	22,593	0	22,593
Total	256,061	83,905	339,966

Financial Liabilities 2023

in EUR thousands	At amortized cost*	At fair value	Total carrying amount and fair value
Trade payables	57,761	0	57,761
Non-current lease liabilities and other liabilities	3,983	0	3,983
Short-term lease liabilities	1,633	0	1,633
Total	63,377	0	63,377

*For the financial assets and financial liabilities at amortized cost the carrying amount is a reasonable approximation of fair value.

26. Advance Payments – Contract Liabilities

Contract liabilities for advance payments from customers occur when a contract requires the customer to pay a deposit to the Group and the deposit has actually been paid, typically near the commencement of the contract, or if it reflects an unconditional payment claim. Usually, advance payments are up to 50% of the total contract price.

The Group records the liability as the advance payment is received and eliminates the liability at the same time and up to the same amount as it records revenue until the liability is fully extinguished. Changes in contract liabilities for advance payments in the year reflect the changing level of outstanding customer orders.

If the contract liabilities from prepayments received of EUR 141,287 thousand recognized at the end of the 2023 financial year, revenue of EUR 104,846 thousand was recognized in 2024. Of the contract liabilities from advance payments received of EUR 141,237 thousand recognized at the end of the 2022 financial year, revenue of EUR 93,079 thousand was recognized in 2023. In the 2024 financial year, no revenue was recognized from performance obligations that were fulfilled in previous years.

27. Leases

Leases as Lessee

The undiscounted lease liabilities are payable as follows:

in EUR thousands	2024	2023
Not later than one year	2,019	1,819
Later than one year and not later than five years	3,281	3,776
Later than five years	0	194
Total	5,300	5,789

Note 11 includes the disclosures required by IFRS 16 concerning the depreciation charge for leased assets by underlying class of asset, additions to leased assets and the carrying value of leased assets at the end of the reporting period.

in EUR thousands	2024	2023
Expenses for:		
Short-term and low-value leases	292	337
Payments made in respect of:		
Short-term and low-value leases	292	337
Lease liabilities	1,761	1,853
Interest on lease liabilities	165	187
Total cash outflow for leases	2,218	2,377

The Group has applied paragraph 6 of IFRS 16 when accounting for short-term leases and low-value leases and has expensed these on a straight-line basis. A similar portfolio of short-term leases exists at the reporting date.

The Group leases certain buildings, equipment and vehicles under various leases. For individual leasing agreements, the group has lease extension options that will not lead to any significant cash outflows in the future. The leases typically run for a period between one and ten years. None of the leases include contingent rentals.

28. Capital Commitments

in EUR thousands	2024	2023
Capital expenditures for property, plant & equipment	4,918	61,773
Other expenditures	110,370	292,054
Capital Commitments	115,288	353,827

29. Contingencies

AIXTRON is occasionally involved in legal proceedings or can be exposed to a threat of legal proceedings in the normal course of business. The Executive Board regularly analyses these matters, considering any possibilities of avoiding legal proceedings or of covering potential damages under insurance contracts and has recognized, where required, appropriate provisions. It is not expected that such matters will have a material effect on the Group's net assets, results of operations and financial position.

30. Related Parties

The related parties of AIXTRON SE are the fully consolidated subsidiaries according to [Note 31](#).

Related parties of the Group are members of the Executive Board and members of the Supervisory Board and their close relatives.

SBG Beteiligung GmbH is also a related party because the company is controlled by a related person of AIXTRON SE. There were no transactions with AIXTRON in the fiscal year or in the previous year.

The disclosures of key management personnel compensation are as follows:

in EUR thousands	2024	2023
Executive Board:		
Short-term employee benefits	3,433	4,363
Share-based payments	4,406	4,762
	7,839	9,125
Supervisory Board:		
Short-term benefits from fixed remuneration	641	530
	641	530
Total	8,479	9,655

The disclosure of share-based compensation refers to the fair value of the forfeitable share awards at the grant date. The number of shares granted and their fair value at the time they were granted can be found in [Note 22](#).

Individual amounts and further details regarding the remuneration of the members of the Executive Board and Supervisory Board are disclosed in the Remuneration Report.

For former board members, there are pension provisions amounting to EUR 114 thousand (2023: EUR 123 thousand).

31. Consolidated Entities

AIXTRON SE controls the following subsidiaries:

Wholly owned subsidiaries	Place of incorporation and operation	Percentage control December 31, 2024	Percentage control December 31, 2023
AIXTRON Ltd.	Great Britain	100%	100%
AIXTRON Korea Co. Ltd.	South Korea	100%	100%
AIXTRON K.K.	Japan	100%	100%
AIXTRON China Ltd.	China	100%	100%
AIXTRON Taiwan Co. Ltd.	Taiwan	100%	100%
AIXTRON Inc.	USA	100%	100%
AIXinno Ltd.	Great Britain	100%	100%
AIXTRON Malaysia Sdn. Bhd.	Malaysia	100%	100%
AIXTRON S.R.L.	Italy	100%	100%
AIXTRON B.V.	Netherlands	100%	100%

Non-wholly owned subsidiaries of APEVA Group	Place of incorporation and operation	Percentage control December 31, 2024	Percentage control December 31, 2023
APEVA Holdings Ltd.	Great Britain	87%	87%
APEVA SE*	Germany	87%	87%
APEVA Co. Ltd.	South Korea	87%	87%

* In liquidation since January 01, 2023

Proportion of voting rights and ownership interests held by non-controlling interests	Profit allocated to non-controlling interests 2024 EUR thousands	Profit allocated to non-controlling interests 2023 EUR thousands	Accumulated non-controlling interests 2024 EUR thousands	Accumulated non-controlling interests 2023 EUR thousands
APEVA Group				
13%	-35	4	178	210

32. Events After the Reporting Period

After the balance sheet date of December 31, 2024, a voluntary program for staff reduction was agreed upon in 2025. Expenses amounting to a mid-single-digit million EUR figure are expected in 2025.

33. Auditors' Fees

Fees expensed in the income statement for the services of the Group auditor, KPMG AG Wirtschaftsprüfungsgesellschaft are as follows:

in EUR thousands	2024	2023
for audit	433	356
for other confirmation services	215	212
for tax advisory services	0	0
for other services	0	0
Total	648	568

In the fiscal years 2024 and 2023, the fees for other assurance services include fees for the audit of the non-financial group report, which is integrated into the management report as an integrated sustainability report starting from the fiscal year 2024. In the current fiscal year, the fees for other assurance services include EUR 30 thousand, which relate to the previous fiscal year.

34. Employees

Compared to last year, the average number of employees during the current year was as follows:

	2024	2023
Sales	64	59
Research and Development	370	342
Manufacturing and Service	567	499
Administration	114	103
Employees	1,115	1,003
Executive board members	2	3
	1,117	1,006
Apprentices	18	13
Total employees	1,135	1,019

35. Supervisory Board and Executive Board

Supervisory Board

- **Kim Schindelhauer**

Chairman of the Supervisory Board since 2002 until February 28, 2017 and since September 01, 2017
Entrepreneur

- **Frits van Hout**

Vice Chairman of the Supervisory Board since 2019
Entrepreneur

Membership of Supervisory Boards and Controlling Bodies:

- Bambi Belt Holding BV, Eindhoven/Netherlands (Member of the Supervisory Board)
- Kendrion NV, Amsterdam/Netherlands (Chairman of the Supervisory Board)
- Stichting PhotonDelta, Eindhoven/Netherlands (Member of the Supervisory Board)
- Deep Tech Fund (InvestNL), Amsterdam/Netherlands, (Chairman of the Investment Committee)
- SmartPhotonics BV, Eindhoven/Netherlands (Member of the Supervisory Board)

- **Alexander Everke**

Member of the Supervisory Board since 2024
Entrepreneur

Membership of Supervisory Boards and Controlling Bodies:

- ASML, Veldhoven/Netherlands (Member of the Supervisory Board)
- Duagon, Dietikon/Swiss (Deputy Chairman of the Board of Directors)

- **Karen Florschütz**

Member of the Supervisory Board since 2024
Executive Vice President Connected Intelligence, Airbus Defence and Space

- **Prof. Dr. Anna Weber**

Member of the Supervisory Board since 2019
German Public Auditor (Wirtschaftsprüferin), German Tax Advisor (Steuerberaterin)

Membership of Supervisory Boards and Controlling Bodies:

- Wacker Chemie AG, Munich (Member of the Supervisory Board)

- **Dr. Stefan Traeger**

Member of the Supervisory Board since 2022
Chairman of Executive Board, JENOPTIK AG

Membership of Supervisory Boards and Controlling Bodies:

- Group-internal mandates, JENOPTIK Group, Jena, Germany

Executive Board

The composition of the Company's Executive Board in 2024 is:

- **Dr. Felix Grawert**
Aachen, Chairman of the Executive Board and Chief Executive Officer (CEO),
member of the Executive Board since 2017
- **Dr. Christian Danninger**
Cologne, member of the Executive Board and Chief Financial Officer (CFO),
member of the Executive Board since 2021

36. Critical Accounting Judgements and Key Sources of Estimation and Uncertainty

The preparation of AIXTRON's Consolidated Financial Statements requires management to make certain estimates, judgments, and assumptions that the Group believes are reasonable based upon the information available. These estimates and assumptions affect the reported amounts and related disclosures and are made in order to fairly present the Group's financial position and results of operations. The following accounting policies are significantly impacted by these estimates and judgments that AIXTRON believes are the most critical to aid in fully understanding and evaluating its reported financial results:

Revenue Recognition

Revenue for the supply of most equipment to customers is generally recognized in two stages, partly on delivery and partly on final installation and acceptance (see [Note 2 \(N\)](#)). When allocating the transaction price to the two performance obligations, delivery of the tool and installation of the tool, assumptions are made regarding individual margins as part of the cost-plus method. The Group believes, based on past experience, that this method of recognizing revenue fairly states the revenues of the Group. For the reporting periods 2024 and 2023, 10% of the installation revenue was allocated to installation performance.

The judgements made by management include an assessment of the point at which control has passed to the customer.

Valuation of Inventories

Inventories are stated at the lower of cost and net realizable value. This requires the Group to make judgments concerning obsolescence of materials. This evaluation requires estimates, including both forecasted product demand and pricing environment, both of which may be susceptible to significant change. The carrying amount of inventories and details on impairment losses and reversals of impairment losses in the fiscal year are disclosed in [Notes 3](#) and [15](#). In future periods, impairment losses may be necessary due to various factors such as decreasing product demand or technological obsolescence. These

factors could result in adjustment to the valuation of inventory in future periods, and significantly impact the Group's future operating results.

Income Taxes

At each balance sheet date, the Group assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the exercise of judgement on the part of management with respect to future taxable income. The parent company AIXTRON SE does generally not exceed a planning horizon of twelve months. The recorded amount of total deferred tax assets could be reduced or increased if estimates of projected future taxable income are lowered or increased, or if changes in current tax regulations are enacted that impose restrictions on the timing or extent of the Group's ability to utilize future tax benefits. The carrying amount of deferred tax assets is disclosed in [Note 14](#).

Significant external influences

The global impact of the Russia/Ukraine conflict on business operations is explained in the combined management report. The impact on the 2024 consolidated financial statements is immaterial and it is also expected that the impact on fiscal year 2025 will be immaterial. Climate risks also did not have a material impact on the business operations of AIXTRON.

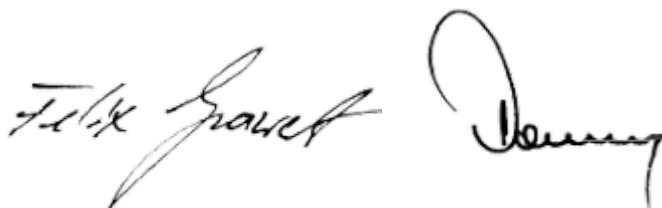
37. Disclosures according to Section 161 German Stock Corporation Act (“Aktiengesetz”)

The current Declaration of Conformity according to section 161 German Stock Corporation Act (“Aktiengesetz”), which was adopted by the Executive Board and the Supervisory Board in February 2025, is permanently available on AIXTRON's website under [Investors/Corporate Governance](#).

Herzogenrath, February 26, 2025

AIXTRON SE

Executive Board

The image shows two handwritten signatures in black ink. The signature on the left is 'Felix Grawert' and the signature on the right is 'Christian Danninger'.

Dr. Felix Grawert
Chairman

Dr. Christian Danninger
Member

FURTHER INFORMATION

Responsibility Statement by the Executive Board

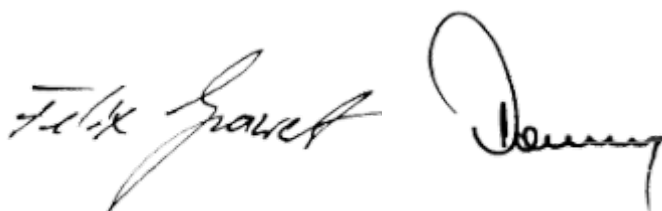
Responsibility Statement required by Sections 297(2) sentence 4 and 315 (1) sentence 5 of the Handelsgesetzbuch (HGB – German Commercial Code) for the Consolidated Financial Statements:

“To the best of our knowledge, and in accordance with the applicable reporting principles, the Consolidated Financial Statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Group Management Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group.”

Herzogenrath, February 26, 2025

AIXTRON SE

The Executive Board

The image shows two handwritten signatures in black ink. The signature on the left is 'Felix Grawert' and the signature on the right is 'Christian Danninger'.

Dr. Felix Grawert
Chairman

Dr. Christian Danninger
Member

Independent Auditor's Report

To AIXTRON SE, Herzogenrath

Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report

Opinions

We have audited the consolidated financial statements of AIXTRON SE, Herzogenrath, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as of December 31, 2024, and the consolidated income statement, consolidated statement of other comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the financial year from January 01 to December 31, 2024, and notes to the consolidated financial statements, including a significant information on the accounting policies. In addition, we have audited the management report of the Company and the Group (combined management report) of AIXTRON SE for the financial year from January 01 to December 31, 2024.

In accordance with German legal requirements, we have not audited the content of those components of the combined management report specified in the "Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply in all material respects with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB), as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as of December 31, 2024, and of its financial performance for the financial year from January 01 to December 31, 2024, and
- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the combined management report does not cover the content of those components of the combined management report specified in the Section "Other Information".

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

Basis for the Opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2)(f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the combined management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from January 01 to December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Existence of revenues and revenue recognition cut-off for spare parts

Please refer to Note 2 (N) of the notes to the consolidated financial statements for further information on the accounting policies applied and the assumptions used. For a breakdown of revenues, please refer to Note 3 of the notes to the consolidated financial statements.

THE FINANCIAL STATEMENT RISK

The Company generated revenues from spare parts of EUR 103 million in the financial year from January 1 to December 31, 2024.

AIXTRON recognizes revenues from the sale of spare parts when the risk in the products sold has passed to the customers.

Revenues from spare parts are based on a large number of business transactions. Revenues are one of the Group's most important indicators of target achievement and additionally form a significant basis for decisions for the users of the financial statements. There is the risk for the annual financial statements that revenues from spare parts are recognized without deliveries having been rendered. Further, there is the risk that revenues from spare parts are recognized in 2024, even though the services were not rendered in 2024.

OUR AUDIT APPROACH

In order to examine the recognition of revenues from spare parts, we assessed the design, setup and, on a case-by-case basis, the effectiveness of internal controls relating to order acceptance, outgoing goods and invoicing, in particular the determination and verification of the actual transfer of risk.

In addition, we used mass data analyses for revenue transactions recognized in financial year 2024 in the area of spare parts to reconciling invoices, purchase orders, external delivery notes and, if available, incoming payments. We selected a sample for the at-risk portion of the population using a mathematical-statistical procedure. We evaluated this sample by reconciling it with the underlying purchase orders, invoices and external proof of delivery and, if possible, with payment records.

In order to evaluate the recognition of revenues on an accrual basis, we assessed the applicable point in time and the amount of revenues recognized by reconciling invoices and external delivery records. The basis for this were revenues that were selected using a mathematical and statistical procedure which were recognized in a set period before the year-end closing date. We examined the credits issued for a risk-based period after the closing date and verified that they were allocated to the correct period.

OUR OBSERVATIONS

The procedure used for the recognition of revenues and the revenue recognition cut-off for spare parts is appropriate.

Other Information

The Executive Board and/or the Supervisory Board are/is responsible for the other information. The other information comprises the following components of the combined management report, whose content was not audited:

- the sustainability report, including the combined non-financial statement of the Company and the Group in accordance with §§ 315b, 315c in conjunction with §§ 289b (1), 289c HGB, which is included in the summarized management report,
- the combined corporate governance statement for the Company and the Group referred to in the combined management report, and
- information extraneous to combined management reports and marked as unaudited.

The other information also includes the remaining parts of the annual report. The other information does not include the consolidated financial statements, the combined management report information audited for content and our auditor's report thereon.

Our opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information.

- is materially inconsistent with the consolidated financial statements, with the combined management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Executive Board and the Supervisory Board for the Consolidated Financial Statements and the Combined Management Report

The Executive Board is responsible for the preparation of consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the Executive Board is responsible for such internal control as it has determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the Executive Board is responsible for assessing the Group's ability to continue as a going concern. It also has the responsibility for disclosing, as applicable, matters related to going concern. In addition, the Executive Board is responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the Executive Board is responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the Executive Board is responsible for such arrangements and measures (systems) as it has considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an

appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control or of these arrangements and measures.
- Evaluate the appropriateness of accounting policies used by the Executive Board and the reasonableness of estimates made by the Executive Board and related disclosures.
- Conclude on the appropriateness of the Executive Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated

financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

- plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express opinions on the consolidated financial statements and on the combined management report. We are responsible for directing, supervising and reviewing the audit procedures performed for the purpose of the Group audit. We remain solely responsible for our opinions.
- Evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the Executive Board in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the Executive Board as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Combined Management Report Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the consolidated financial

statements and the combined management report „aix-2024-12-31-de.zip“ (SHA256-Hashwert: 93807cf7c51a28b515ece855c9731299d75762e858513ae0671317a7e3c42488) made available and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained in these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the combined management report contained in the electronic file made available, identified above and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying combined management report for the financial year from January 01 to December 31, 2024, contained in the "Report on the Audit of the Consolidated Financial Statements and the Combined Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

We conducted our assurance work on the rendering of the consolidated financial statements and the combined management report contained in the file made available and identified above in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW AsS 410 (06.2022)). Our responsibility in accordance therewith is further described below. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QMS 1) (09.2022).

The Company's Executive Board is responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the combined management report in accordance with Section 328 (1) sentence 4 item 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 (1) sentence 4 item 2 HGB.

In addition, the Company's Executive Board is responsible for such internal control that it has considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance

procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.

- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e. whether the file made available containing the ESEF documents meets the requirements of the Commission Delegated Regulation (EU) 2019/815, as amended as of the reporting date, on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and the audited combined management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Commission Delegated Regulation (EU) 2019/815, as amended as of the reporting date, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor at the Annual General Meeting on May 15, 2024. We were engaged by the Supervisory Board on July 28, 2024. We have been the Group auditor of AIXTRON SE without interruption since financial year 2022.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Other Matter – Use of the Auditor's Report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined management report as well as the examined ESEF documents. The consolidated financial statements and combined management report converted to the ESEF format – including the versions to be entered in the German Company Register [Unternehmensregister] – are merely electronic renderings of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents made available in electronic form.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Dr. Kathryn Ackermann.

Essen, February 26, 2025

KPMG AG

Wirtschaftsprüfungsgesellschaft

[Original German version signed by:]

Dr. Ackermann
Wirtschaftsprüferin
[German Public Auditor]

Dr. Ohmen
Wirtschaftsprüfer
[German Public Auditor]

Assurance report of the independent German Public Auditor on a limited assurance engagement in relation to the integrated Sustainability Statement

To the AIXRON SE

Assurance Conclusion

We have conducted a limited assurance engagement on the integrated Sustainability Statement, included in section Management Report of the group management report, of AIXRON SE for the financial year from January 01, 2024, to December 31, 2024. The Group Sustainability Statement was prepared to meet the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852 as well as Sections 315b and 315c of the German Commercial Code (HGB) for a non-financial Group statement and Sections 289b to 289e of the German Commercial Code (HGB) for a non-financial statement of the Company.

The prior year's disclosures marked as unassured contained in the integrated Sustainability Statement and as referred to in the integrated Sustainability Statement (see appendix to this Assurance Report) are not subject to our assurance engagement.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying integrated Sustainability Statement is not prepared, in all material respects, in accordance with the requirements of the CSRD and Article 8 of Regulation (EU) 2020/852, Sections 315b and 315c HGB for a consolidated non-financial statement, and the supplementary criteria presented by the executive directors of the Company. This assurance conclusion includes that nothing has come to our attention that causes us to believe that:

- the accompanying integrated Sustainability Statement does not comply, in all material respects, with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the entity to identify information to be included in the integrated Sustainability Statement (the materiality assessment) is not, in all material respects, in accordance with the description set out in section Sustainability Statement of the integrated Sustainability Statement, or
- that the disclosures in the Group Sustainability Statement in the section Sustainability Report – Environmental Information – EU Taxonomy in the combined management report do not comply with Article 8 of Regulation (EU) 2020/852 in all material respects.

We do not express an assurance conclusion on the prior year's disclosures marked as unassured and on references in the Consolidated Sustainability Statement to assurance reports or reports of other assurance practitioners (see appendix to this Assurance Report).

Basis for the Assurance Conclusion

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in the section “German Public Auditor’s Responsibilities for the Assurance Engagement on the integrated Sustainability Statement”.

We are independent of the entity in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements for a system of quality control as set forth in the IDW Quality Management Standard issued by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW): Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)) if conducive to the understanding of the report in an international context: and International Standard on Quality Management (ISQM) 1 issued by the IAASB. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Responsibilities of the Executive Directors and the Supervisory Board for the integrated Sustainability Statement

The executive directors are responsible for the preparation of the integrated Sustainability Statement in accordance with the requirements of the CSRD and the applicable German legal and other European requirements as well as with the supplementary criteria presented by the executive directors of the Company and for designing, implementing and maintaining such internal control that they have considered necessary to enable the preparation of a integrated Sustainability Statement in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e., fraudulent sustainability reporting in the integrated Sustainability Statement) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the integrated Sustainability Statement, as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The Supervisory Board is responsible for overseeing the process for the preparation of the integrated Sustainability Statement.

Inherent Limitations in Preparing the integrated Sustainability Statement

The CSRD and the applicable German legal and other European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative, comprehensive interpretations have yet been published. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of sustainability matters based on these interpretations is uncertain.

These inherent limitations also affect the assurance engagement on the integrated Sustainability Statement.

German Public Auditor's Responsibilities for the Assurance Engagement on the integrated Sustainability Statement

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the integrated Sustainability Statement has not been prepared, in all material respects, in accordance with the CSRD, the applicable German legal and other European requirements and the supplementary criteria presented by the company's executive directors, and to issue an assurance report that includes our assurance conclusion on the integrated Sustainability Statement.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also:

- obtain an understanding of the process used to prepare the integrated Sustainability Statement, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the integrated Sustainability Statement.
- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. In addition, the risk of not detecting a material misstatement in information obtained from sources not within the entity's control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in information obtained from sources within the entity's control, as both the entity's executive directors and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information.
- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the German Public Auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgment.

In performing our limited assurance engagement, we:

- evaluated the suitability of the criteria as a whole presented by the executive directors in the integrated Sustainability Statement
- inquired of the executive directors and relevant employees involved in the preparation of the integrated Sustainability Statement about the preparation process, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the integrated Sustainability Statement, and about the internal controls relating to this process
- evaluated the reporting policies used by the executive directors to prepare the integrated Sustainability Statement
- evaluated the reasonableness of the estimates and related information provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors were unable to obtain
- performed analytical procedures and made inquiries in relation to selected information in the integrated Sustainability Statement
- conducted site visits
- considered the presentation of the information in the integrated Sustainability Statement
- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the integrated Sustainability Statement.

Restriction of Use / Clause on General Engagement Term

This assurance report is solely addressed to AIXTRON SE.

The engagement, in the performance of which we have provided the services described above on behalf of AIXTRON SE, was carried out on the basis of the General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften (Allgemeine Auftragsbedingungen für Wirtschaftsprüferinnen, Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) dated as of January 01, 2024 (www.kpmg.de/AAB_2024). By taking note of and using the information as contained in our report each recipient confirms to have taken note of the terms and conditions stipulated in the aforementioned General Engagement Terms (including the liability limitations specified in item No. 9 included therein) and acknowledges their validity in relation to us.

Düsseldorf, 26 February 2025

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Wirtschaftsprüferin

Bersching
Wirtschaftsprüfer

Appendix

Combined management report of AIXTRON SE as of December 31, 2024

Appendix 1

General Engagement Terms

Appendix 2

Financial Calendar

April 30th, 2025	Publication of the results for the 1st quarter of 2025
May 15th, 2025	Annual General Meeting 2025, Aachen
July 31th, 2025	Publication of the results for the 1st half of 2025
October 30th, 2025	Publication of the results for the 3rd quarter of 2025

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Forward-Looking Statements

This document may contain forward-looking statements regarding the business, results of operations, financial condition and earnings outlook of AIXTRON. These statements may be identified by words such as “may”, “will”, “expect”, “anticipate”, “contemplate”, “intend”, “plan”, “believe”, “continue” and “estimate” and variations of such words or similar expressions. These forward-looking statements are based on the current assessments, expectations and assumptions of the executive board of AIXTRON, of which many are beyond control of AIXTRON, based on information available at the date hereof and subject to risks and uncertainties. You should not place undue reliance on these forward-looking statements. Should these risks or uncertainties materialize or should underlying expectations not occur or assumptions prove incorrect, actual results, performance or achievements of AIXTRON may materially vary from those described explicitly or implicitly in the relevant forward-looking statement. This could result from a variety of factors, such as those discussed by AIXTRON in public reports and statements, including but not limited those reported in the chapter “Risk Report”. AIXTRON undertakes no obligation to revise or update any forward-looking statements as a result of new information, future events or otherwise, unless expressly required to do so by law.

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