

# **CORPORATE GOVERNANCE**

## ***Declaration of Corporate Governance***

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

The declaration of corporate governance in accordance with the German Commercial Code (HGB) as well as the current joint declaration of conformity by the Executive Board and the Supervisory Board in accordance with Section 161 of the German Stock Corporation Act (AktG) are published in the Annual Report and on the AIXTRON website in German and English language.

### ***Declaration of Conformity***

The German Corporate Governance Code was revised on December 16, 2019 and became the basis for the Declaration of Conformity upon publication in the Federal Gazette on March 20, 2020 ("DCGK 2020"). The Executive Board and the Supervisory Board of AIXTRON SE declare that AIXTRON SE has complied with the recommendations of the DCGK 2020 and will continue to comply with them in the future, in each case with the following exception:

#### **Consideration of the Chairmanship and Deputy Chairmanship of the Supervisory Board as well as the Chairmanship and Membership of Committees in Supervisory Board Compensation (G.17 DCGK 2020)**

According to G.17 DCGK 2020, Supervisory Board compensation shall take into account the Chair and Deputy Chair of the Supervisory Board as well as the Chair and membership of committees. The Supervisory Board compensation resolved by the Annual General Meeting on May 16, 2018, only takes into account the chairmanship and deputy chairmanship of the Supervisory Board and the chairmanship of the Audit Committee in addition to membership of the Supervisory Board.

Further consideration of the deputy chairmanship of the Audit Committee and a chairmanship and deputy chairmanship of the other committees is not considered appropriate, as the time and effort involved in these activities is already adequately covered by the Supervisory Board compensation.

Herzogenrath, February 23, 2022  
AIXTRON SE

The Executive Board of AIXTRON SE



**Dr. Felix Grawert**  
Chairman



**Dr. Christian Danninger**  
Member



**Dr. Jochen Linck**  
Member

For the Supervisory Board of AIXTRON SE



**Kim Schindelhauer**  
Chairman of the Supervisory Board

## ***Information on Corporate Governance Practices***

AIXTRON SE has defined a **Code of Ethics** which applies to Executive Board members as well as Group-wide managers and key employees from the area of finance. The aim of this Code is to promote upright and ethical conduct, including the ethical handling of conflicts of interest, the timely disclosure of complete, accurate and clear quarterly and annual reports, compliance with prevailing laws, rules and regulations and the immediate internal reporting of breaches of the Code where necessary and to ensure accountability for compliance with the Code.

In addition, a **Compliance Code of Conduct** applies to the Executive and Supervisory Boards, to the senior management team as well as to all employees group-wide, holding them accountable for conscientious conduct in conformity with the law. Among the topics addressed, this Code covers the following issues: responsibility and respect towards people and the environment, compliance with the legal conditions, legal and ethical conduct by each individual employee, loyalty to the Company, fair and respectful treatment of fellow employees, rejection of any form of discrimination, dealing responsibly with corporate risks, acting in an environmentally responsible manner, security in all operating areas, working in a professional manner, reliability and fairness in all business relationships, compliance with guidelines on giving / accepting unfair advantages, dealing with insider information and the treatment of Company property. The full texts of the Compliance Code of Conduct can be downloaded from the AIXTRON website in the Investors / Corporate Governance section under “Code of Conduct”.

Furthermore, AIXTRON issued a group-wide **Compliance Manual** which applies to all members of the Executive and Supervisory Boards as well as senior management and which further sets out the principles of the of the Compliance Code of Conduct. The Compliance Manual provides detailed explanations on the compliance organization at AIXTRON, the legal and regulatory requirements and on the resulting conduct requirements applicable to the Executive Board, Supervisory Board, senior management and employees. This Compliance Manual is regularly updated to reflect new / amended legal and regulatory requirements as well as company internal specifications, most recently in January 2022. The teaching of the contents is an elementary component of the Company-wide compliance training offer. Compliance training is mandatory group-wide for members of the senior management team as well as for all other employees of the Group. This is controlled and monitored by our Compliance Department.

In addition, every quarter the group-wide members of the senior management, as well as select key staff members declare in writing that the compliance requirements were observed in their area of responsibility. If the Compliance Manual has been updated, they also declare that they will take note of the updated version and follow and communicate its contents within their area of responsibility. In addition, management principles were defined for the Company’s senior managers which include what is required of senior managers when dealing with employees.

AIXTRON has a **whistleblower hotline**. Notifications of violations of legal, regulatory and internal company requirements can be sent confidentially to the Chairman of the Supervisory Board of AIXTRON SE via a specified e-mail address or in the form of a letter. The Chairman of the Supervisory Board decides together with the Compliance Department, depending on the subject matter and scope of the report, whether to involve other persons and / or bodies. In the event of proven violations or grievances, the involved persons / body will work out proposed solutions with the aim of a prompt remedy, including any necessary sanctions and improvements to the management and monitoring processes. Any reports or indication received will be treated discreetly, confidentially and anonymously by the persons / bodies involved. AIXTRON will not impose any reprisals against employees who report violations.

Furthermore, AIXTRON has established a **Vendor Code of Conduct**, which defines ethical, moral and legal standards related to the purchase and use of what are known as conflict minerals (gold, tantalum, tungsten, tin) within the AIXTRON supply chain. The key content of this code includes information on U.S. rules regarding the use of conflict minerals, the expectations placed on suppliers and the consequences in the event of non-compliance.

The Vendor Code of Conduct is summarized in the **Supplier Manual**, which can be found on the AIXTRON website under the menu item Company / Suppliers in the Supplier Management section.

### ***Executive Board and Supervisory Board Operating Procedures as well as Composition and Mode of Operation of Committees***

AIXTRON SE is a European stock company (Societas Europaea) and is subject not only to the German stock corporation law but also to the superordinate European SE regulations and the German SE Implementation Act. The Company 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 and informs the Supervisory Board regularly, comprehensively and without delay about all relevant issues involving strategy, planning, business development, the risk situation, risk management and compliance.

The Supervisory Board appoints the Executive Board members and oversees and advises the Executive Board in its management duties. To perform certain transactions and measures specified by law, in the Articles of Association of AIXTRON SE or the Executive Board's by-laws, the Executive Board must obtain the prior approval of the Supervisory Board. The Executive Board is required to report to the Supervisory Board on the conclusion, amendment or termination of important agreements that do not require approval under the Articles of Association or the Executive Board's by-laws. The Executive Board is also required to notify the Supervisory Board of all material events, even those that do not require the approval of the Supervisory Board.

As in previous years, the Executive Board and the Supervisory Board worked closely together throughout 2021 for the benefit of the Company. The shared objective is to secure and expand AIXTRON's leading market positions in the long term in order to benefit from growing end markets.

No committees have been set up by AIXTRON SE's Executive Board.

The Supervisory Board of AIXTRON SE has established four committees, an Audit Committee, a Capital Market Committee, a Nomination Committee, and a Remuneration Committee. The Supervisory Board is authorized to establish additional committees from among its members.

The **Audit Committee** consists of a Chairwoman and two other members. As an independent member, the Chairwoman of the Audit Committee, Prof. Dr. Anna Weber, has expertise in the areas of accounting and auditing (Section 107 para. 4, Section 100 para. 5 AktG) and special knowledge and experience in the application of internal control procedures. The members are also familiar in their entirety with the sector in which AIXTRON is represented, which is partially due to their many years of experience. The Audit Committee deals in particular with the audit of the accounting, the monitoring of the accounting process, corporate governance & compliance, the effectiveness of the internal control system, the risk management system, the internal audit system. The Audit Committee also deals with the audit of the financial statements, the assessment of the quality of the audit, and the review of the sustainability report to be prepared by the Company. Furthermore, the Audit Committee submits to the full Supervisory Board a reasoned recommendation for the appointment of the auditor. This was done in November 2021 after the audit mandate for 2022 was retendered and a comprehensive selection process was conducted. The Audit Committee monitors the necessary 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 auditing focal points and the fee agreement. The committee chairwoman, Prof. Dr. Anna Weber, reports regularly to the Supervisory Board on the work of the Audit Committee.

For the purpose of evaluating, supporting and implementing projects with capital market relevance, a **Capital Market Committee** has existed since 2014, consisting of two members, the Chairman of the Supervisory Board and another member of the Supervisory Board.

The **Nomination Committee**, which consists of three members of the Supervisory Board, makes election proposals to the full Supervisory Board in the event of new appointments to executive bodies and discusses issues relating to the replacement of members of the Supervisory Board.

In addition, a **Remuneration Committee** has been established, consisting of the same members as the Nomination Committee. This committee deals with the application of the compensation system in accordance with the DCGK.

Further details on the work of the Executive Board, Supervisory Board and committees during fiscal year 2021 can be found in the Report of the Supervisory Board, which is part of the Annual Report and can be downloaded from the AIXTRON website. Full details of the composition of the committees can be found in the section “Supervisory Board and its composition”.

### **Executive Board and its composition**

According to Article 8 of AIXTRON SE’s Articles of Association, the Executive Board consists of two or more people. The Supervisory Board determines the precise number of Executive Board members. It also decides whether there should be a Chairman and whether deputy members or a Deputy Chairman should be appointed.

Following the retirement of Dr. Schulte from the Executive Board of AIXTRON SE as of March 31, 2021, the Executive Board consists of three persons at the time of reporting:

#### **Executive Board**

(as of December 31, 2021)

<b>Name</b>	<b>Position</b>	<b>Since</b>	<b>End of Term</b>
Dr. Felix Grawert	Chairman	August 14, 2017	August 13, 2025
Dr. Christian Danninger	Member	May 1, 2021	April 30, 2024
Dr. Jochen Linck	Member	October 1, 2020	September 30, 2023

The appointment of Executive Board member Dr. Bernd Schulte regularly ended at the close of March 31, 2021. Dr. Bernd Schulte retired on April 1, 2021. The Supervisory Board appointed Dr. Christian Danninger as a new member of the Executive Board in the function of Chief Financial Officer (CFO) effective May 1, 2021. The appointment was made for three years.

Furthermore, the Supervisory Board appointed Executive Board member Dr. Felix Grawert as Chairman of the Executive Board effective April 1, 2021.

Notwithstanding the Executive Board's overall legal responsibility and the obligation of the Executive Board members to collaborate closely and in confidence with their colleagues, the assigned responsibilities of the individual members of the Executive Board are as follows in accordance with the currently valid **business distribution plan** as of December 15, 2021:

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, and Innovation within the AIXTRON Group.

**Executive Board member Dr. Danninger** is responsible for the Group's Finance and Reporting, Human Resources, Investor Relations & Communications, ESG (Environment, Social and Governance), Corporate Governance, Compliance & Risk Management, and Information Security and Legal departments.

**The Executive Board member Dr. Linck** has Group-wide responsibility for Procurement, Product Cost Management, Manufacturing and Logistics, Quality Management, IT, Facility Management, and Research and Development.

With the approval of the Supervisory Board, the Executive Board has adopted Rules of Procedure which are regularly reviewed for their appropriateness and topicality. Among other things, they contain a list of matters of fundamental or significant importance on which the Executive Board must formally resolve. This concerns, for example, decisions on: the Company's strategies, business plans and budgets; material changes to the Company and Group organization; the commencement or cessation of the Company's activities; the acquisition and sale of land or land rights; the conclusion, amendment and termination of corporate or significant license agreements; the award of major external consulting and research contracts; fundamental issues relating to human resources and personnel policy; determining 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; initiating lawsuits and legal disputes; providing collateral and assuming guarantees.

The Rules of Procedure for the Executive Board and the Articles of Association each contain a catalog of significant transactions and measures that additionally require the prior approval of the Supervisory Board. The transactions and measures requiring approval under the Articles of Association or the Rules of Procedure include, for example, decisions on the establishment or sale of business premises, the acquisition or sale of land, the commencement or discontinuation of business activities or the granting or taking out of loans.

In accordance with the Rules of Procedure, meetings of the Executive Board take place at least twice a month and when the well-being of the Company so requires. Meetings of the Executive Board are convened and chaired by the Chairman of the Executive Board. Each member of the Executive Board can arrange 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 chai-

red by the member of the Executive Board designated for this purpose by the Chairman of the Executive Board or by the oldest member of the Executive Board. The Executive Board constitutes a quorum if all members have been invited and more than half of its members are present at the time the resolution is adopted, whereby members of the Executive Board connected by telephone or video conference are deemed to be present. Unless otherwise provided by law, the Articles of Association or the Rules of Procedure, the Executive Board shall decide by a simple majority of the votes cast. In the case of a tie, the Chairman of the Executive Board shall cast the deciding vote.

Each member of the Executive Board will disclose conflicts of interest to the Supervisory Board without delay and inform the other members of the Executive Board accordingly. Members of the Executive Board may only take on secondary 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. Therefore, it is of strategic importance for AIXTRON to have a competent Executive Board and to appoint suitable candidates to the Executive Board. After the complete change of generation in the Executive Board, the Supervisory Board will also pursue a long-term succession planning. As part of the succession planning, the Supervisory Board and the Executive Board will also discuss suitable internal candidates to be appointed to the Executive Board. The age limit for the Executive Board is 65 years and is set out in the Executive Board's Rules of Procedure.

### **Supervisory Board and its composition**

Pursuant to Article 11 of AIXTRON SE's Articles of Association, the Supervisory Board consists of five members. The members of the Supervisory Board are generally appointed until the end of the Annual General Meeting in which the shareholders represented ratify the approval of the Supervisory Board's activities for the fourth fiscal year after the term of office begins, whereby the fiscal year in which the appointment was made is not included.

The Supervisory Board elects a Chairman and a Deputy Chairman from among its members. The Supervisory Board Chairman or – if he is unable to do so – his Deputy convenes and conducts the Supervisory Board meetings.

The Supervisory Board has adopted Rules of Procedure. They govern the tasks, rights and obligations of the Supervisory Board, the organization of meetings and resolutions and the formation of committees. The Rules of Procedure of the Supervisory Board were last revised in fiscal year 2021. The Audit Committee has separate Rules of Procedure established by the



Supervisory Board.

The Chairman of the Supervisory Board is generally available for discussions with investors but only to the extent that such discussions take place within a reasonable framework and the topics fall within the sole competence of the Supervisory Board. No discussions with the Chairman of the Supervisory Board were requested in the past fiscal year. Accordingly, no such discussions took place.

Currently, the composition of the Supervisory Board in accordance with the Articles of Association and as determined by the General Meeting is as follows:

### **Composition of the Supervisory Board**

(as of December 31, 2021)

<b>Name</b>	<b>Position</b>	<b>Since</b>	<b>End of Term</b>
Kim Schindelhauer <sup>1)2)3)4)5)</sup>	Chairman of the Supervisory Board	2002	AGM 2022
Prof. Dr. Anna Weber <sup>1)</sup>	Chairwoman of the Audit Committee, independent financial expert	2019	AGM 2024
Prof. Dr. Andreas Biagosch <sup>1)2)</sup>		2013	AGM 2024
Prof. Dr. Petra Denk <sup>3)4)</sup>		2011	AGM 2024
Frits van Hout <sup>3)4)</sup>	Deputy chairman of the Supervisory Board Chairman of the Nomination Committee/Remuneration Committee	2019	AGM 2024

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**

<b>Audit Committee</b>	<b>Capital Market Committee</b>	<b>Nomination Committee</b>	<b>Remuneration Committee</b>
Prof. Dr. Anna Weber (Chair)	Kim Schindelhauer	Frits van Hout (Chair)	Frits van Hout (Chair)
Kim Schindelhauer	Prof. Dr. Andreas Biagosch	Prof. Dr. Petra Denk	Prof. Dr. Petra Denk
Prof. Dr. Andreas Biagosch		Kim Schindelhauer	Kim Schindelhauer

## **Independence of Supervisory Board Members and cooperation between the Supervisory Board and the Executive Board**

The Supervisory Board shall comprise what it considers to be a sufficient number of independent members (Recommendation C.6 DCGK 2020). Accordingly, the Supervisory Board has set itself the goal that more than half of its members shall be independent (recommendation C.7 DCGK 2020). AIXTRON considers Mr. Schindelhauer to be independent despite the period of time he has been a member of the Supervisory Board. During his time as Chairman of the Supervisory Board, Mr. Schindelhauer has always maintained a professional distance from the Company and the Executive Board and has always fulfilled his monitoring and advisory duties by applying an appropriate critical attitude (recommendation C.8 DCGK 2020).

As all members of the Supervisory Board, which consists exclusively of elected shareholder representatives, are therefore to be regarded as independent, this objective is also met or declared.

The Supervisory Board includes Mr. Schindelhauer, a former member of the Executive Board, whose term of office as a member of the Executive Board, however, was more than two years ago (see also C.7 DCGK 2020). The Supervisory Board therefore complies with recommendation C.11 of the DCGK 2020 that it should not include more than two former members of the Executive Board.

The Supervisory Board must include at least one member with expertise in the field of auditing and at least one other member with expertise 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 2021, the members of the Supervisory Board received the self-evaluation questionnaire prepared annually by the Chairman of the Supervisory Board. After evaluation of the questionnaire, the Supervisory Board determined that the Supervisory Board performs its activities effectively in accordance with recommendation D.13 of the DCGK 2020.

Further mandates of the members of the Executive Board and the Supervisory Board are listed in the notes to the consolidated financial statements in section 36 "Supervisory Board and Management Board".

The Company did not enter into or carry out any material transactions with any related parties in the 2021 fiscal year.

The Audit Committee is chaired by Prof. Dr. Weber, an independent and expert member of the Supervisory Board in accordance with Recommendation D.4 DCGK 2020. She is not the same person as the Chairman of the Supervisory Board. In the persons of Prof. Dr. Weber and Mr. Schindelhauer, the Audit Committee includes one member with expertise in the field of auditing and one further member with expertise in the field of accounting.

Like the Audit Committee, the Supervisory Board holds four regular meetings per calendar year. Extraordinary Supervisory Board meetings as well as meetings of the Nomination Committee and the Capital Market Committee are convened as required.

At the request of the Chairman of the Supervisory Board or the Chairmen of the Committees, the Executive Board regularly attends the ordinary meetings (generally four times a year) of the Supervisory Board or individual committee meetings, reports in writing and orally on the individual agenda items and draft resolutions and answers the questions of the individual Supervisory Board members. Between meetings, all members of the Supervisory Board receive detailed quarterly reports from the Executive Board on the situation of the Company. In addition, the Chairman of the Supervisory Board or the Chairwoman of the Audit Committee are informed by the Executive Board about important developments and upcoming important decisions in telephone calls and personal discussions. In accordance with recommendation D.7 DCGK 2020, meetings are also held regularly without participation of the Executive Board.

As a rule, resolutions of the Supervisory Board and its committees are passed at the meetings. In justified exceptional cases, Supervisory Board members may also participate in a meeting of the Supervisory Board or a committee by telephone or video conference. The Supervisory Board and its committees shall each constitute a quorum if two thirds of its members participate in the adoption of the resolution (outside of meetings by means of a vote conducted in writing, by fax, by telephone or by e-mail or by a combination of these aforementioned communication media, provided that no member of the Supervisory Board objects to this procedure). Resolutions require a simple majority of the votes cast. In the event of a tie, the chairman of the meeting has the casting vote.

Each member of the Supervisory Board shall disclose to the Supervisory Board any conflicts of interest, in particular those that may arise as a result of a consultancy or directorship function with customers, suppliers, lenders or other third parties. Material and not only temporary conflicts of interest in the person of a member of the Supervisory Board result in that person having to resign from office.

### **Self-evaluation of the Supervisory Board**

In fiscal year 2021, the Supervisory Board conducted an internal self-evaluation based on a questionnaire, taking into account AIXTRON-specific topics. The results were discussed by the Supervisory Board and confirmed that the cooperation both within the Supervisory Board and with the Executive Board was characterized by a high degree of trust and openness and was always professional and constructive. The Supervisory Board and its committees were also considered to be adequately informed and effective in their work. Hence there is no fundamental need for change.

## **Information on the equal representation of men and women as per Section 76 para. 4 and Section 111 para. 5 AktG**

Pursuant to Sections 76 para. 4, 111 para. 5 of the German Stock Corporation Act (AktG), the Supervisory boards and Executive Boards of companies that are listed on the stock exchange or subject to co-determination must set target figures for the proportion of women on the Supervisory Boards, Executive Boards and the two management levels below the Executive Board. The DCGK reflects these regulations in principle 3 and principle 9 sentence 2 DCGK 2020 for the Executive Board and in recommendation C.1 sentence 2 DCGK 2020 for the Supervisory Board.

AIXTRON aims to increase both the proportion of women and the internationality of its employees and managers. In doing so, the Company is primarily committed to the professional and social qualification of all employees.

The **Supervisory Board** of AIXTRON SE had set the following **target figures for the proportion of women** to be reached by **31 December 2025**:

Level	Target per 31.12.2025	Target per 31.12.2021	Women's quota as of 31.12.2021	Determined by
Supervisory Board	20%	16.7%	40%	Supervisory Board
Executive Board	0%	0%	0%	Supervisory Board

Since the initial determination of the target figures for achievement by December 31, 2021, the Supervisory Board of AIXTRON SE has been reduced from six to five members. The five-member Supervisory Board includes two women, bringing the proportion of female Supervisory Board members to 40%. The current composition of the Executive Board is in line with the target set for the Executive Board.

The **Executive Board** of AIXTRON SE has set itself the goal of specifically promoting women in the Company. In line with this, the Executive Board has raised the **targets for the proportion of women** now to 10% for the first level below the Executive Board and to 20% for the second level below the Executive Board. These targets are to be achieved by **December 31, 2025**.

Level	Target per 31.12.2025	Target per 31.12.2021	Women's quota as of 31.12.2021	Determined by
1. tier management	10%	3%	4%	Executive Board
2. tier management	20%	17%	17%	Executive Board

In the year 2021, the Company has therefore achieved the targets set.

Following the successful appointment of vacant positions on the Executive Board, in which the Supervisory Board took the diversity concept into account and as part of which female candidates were also considered, the generational transition on the Executive Board has been completed. Based on the structure now in place, no changes in composition are plan-

ned, so the target for the proportion of women on the Executive Board valid until December 31, 2025, has been set consistently at 0%. The proportion of women on the Executive Board is taken into account as part of the long-term succession planning.

## ***Diversity concept for Executive Board and Supervisory Board***

### **Executive Board**

As provided for by the DCGK 2020, AIXTRON has addressed diversity objectives (“diversity”) in corporate governance (recommendations B.1 and C.1).

When proposing the appointment of new members to the Executive Board by the Nominating Committee, the Supervisory Board takes into account their personal and professional suitability, international experience and leadership quality, the age limit set for members of the Executive Board, and diversity, including aspects such as age, gender, and educational and professional background. The Executive Board should consist of members with different, complementary competence profiles as well as a sufficient age mix and possess different personalities.

In addition to the above-mentioned qualities, members of the Executive Board should, as far as possible, have different knowledge and experience as well as educational and professional backgrounds, both individually and in their entirety as a team. In view of the Company’s international orientation, experience abroad is an advantage. In its search for suitable candidates to fill vacant positions on the Executive Board, the Supervisory Board took account of the diversity concept and, as part of this, also considered female candidates.

### **Supervisory Board**

The Supervisory Board had set the target for the proportion of women on the Supervisory Board at 16.7% and the deadline for achieving this target on December 31, 2021. With Prof. Dr. Petra Denk and Prof. Dr. Anna Weber, two of the five members of the Supervisory Board are women currently (40%).

The targets for the compositions of the Supervisory Board are shown 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. Furthermore, the members should be independent. In this way, the nomination committee contributes to increasing the efficiency and transparency of the selection process. As a general rule, Supervisory Boards should be elected for the longest period of time permitted by the statutes.

- AIXTRON is strongly export-oriented. Experience in AIXTRON's specific electronics and semiconductor markets is therefore a great advantage.
- As a general rule, an age limit of 70 years should be appropriate for Supervisory Board members upon retirement. New Supervisory Board members should be available to the Company for at least two election periods.
- It is desirable that the individual members of the Supervisory Board have the most diverse education, qualifications, expertise and international experience possible in order to have the knowledge, skills and professional experience necessary to properly perform their duties. Company- and product-oriented coverage with an understanding of the business model, the industry-specific features and the processes in the various corporate areas of business administration, accounting, auditing, corporate development, capital market, technology, equipment business, markets / distribution, semiconductor market etc. are advantageous.
- It is in the best interests of the company to utilize the potential of well-trained and motivated employees of different nationalities and genders. The Supervisory Board considers appropriate participation of women on the Supervisory Board to be very important, which is reflected in the current proportion of women on the Supervisory Board of 40%.
- In its opinion, the Supervisory Board should have a sufficient number of independent members, whereby a member of the Supervisory Board shall not 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 material and not merely temporary conflict of interest.
- More than half of the Supervisory Board shall consist of independent members.
- No more than two former members of the Executive Board shall be members of the Supervisory Board.
- The members of the Supervisory Board shall not exercise directorships or similar positions or advisory tasks for important competitors of the enterprise.
- At least one member of the Supervisory Board must have expertise in the field of accounting and at least one other member of the Supervisory Board must have expertise in the field of auditing. These two members shall then also be members of the Audit Committee.
- Due to the increased demands on the professionalization of the Supervisory Board and in order to simultaneously ensure the greatest possible efficiency of the Supervisory Board's activities as in previous years, new Supervisory Board members should not hold more than five mandates in other listed companies or other companies if they have comparable requirements.

In addition to the goals set 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 addressed by the Company, the Supervisory Board shall have competencies in the areas of technology, finance / accounting, capital markets, strategy and corporate governance. Furthermore, a grown network of contacts and many years of experience in the respective disciplines are advantageous.

The requirement for diversity within the Supervisory Board (recommendation C.1 sentence 2 DCGK 2020) is taken into account, among other things, as a result of the diverse competencies of the individual Supervisory Board members (with regard to areas such as finance, capital markets, M&A, and technology and markets).

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

### **Information on the remuneration of the Executive Board and Supervisory Board and on the remuneration system of the Executive Board**

Detailed information on the structure and amount of remuneration paid to the individual Executive Board members in accordance with principle 25 DCGK 2020 and on the remuneration of the members of the Supervisory Board as well as an exact list of the outstanding Board stock options can be found in the **remuneration report** as part of the Group's consolidated management report.

The remuneration system pursuant to Section 87a (1) and (2) sentence 1 AktG approved by the 2020 Annual General Meeting pursuant to Section 113 (3) AktG with an approval rate of 90.3% is publicly available on the Company's website at [Remuneration Policy](#). A remuneration report prepared in accordance with Section 162 of the German Stock Corporation Act (AktG) for the past fiscal year together with an auditors' report in accordance with Section 162 of the German Stock Corporation Act (AktG) is also available on the [Company's website](#).

## Shareholders and Annual General Meeting

As in 2020, the Annual General Meeting in the 2021 fiscal year was held in completely virtual form again on May 19, 2021, due to the COVID-19 pandemic and the associated contact restrictions. The invitation to the Annual General Meeting was published in due time in the German Federal Gazette (Bundesanzeiger) in accordance with the statutory requirements and contained, among other things, the agenda with the proposed resolutions of the administration or 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 from the time the General Meeting was convened. Immediately after the Annual General Meeting, AIXTRON published the attendance and voting results on its website.

Six out of seven agenda items were put to the vote. All resolutions were passed with clear majorities, with slightly more than 63% of AIXTRON's share capital being represented at the Annual General Meeting (AGM).

## Transparency

To ensure maximum transparency, AIXTRON regularly and promptly informs interested parties such as customers, suppliers, shareholders, shareholder associations, potential investors, financial analysts and the media of the Group's business developments. The internet is the primary communication channel used for this purpose.

Reports on the business situation and financial results of AIXTRON SE and the AIXTRON Group are made available in German and / or English, in the form of:

- The Annual Report with the Consolidated Financial Statements, the Combined Management Report and the Supervisory Board Report,
- The Financial Statements of AIXTRON SE, with the Combined Management Report,
- The non-financial Group Report (Sustainability Report),
- Interim financial reports,
- Quarterly conference calls for the press and analysts and respective transcripts,
- Company presentations,
- Publication of insider information, corporate and press releases.



The date of the Annual General Meeting or the publication dates of the financial reports are summarized in the Company's financial calendar on the AIXTRON website in the section Investors / events and dates. This calendar, as well as the reports, speech manuscripts, presentations, webcasts, and announcements listed above, can be freely viewed on the AIXTRON website for a certain period of time.

### **Accounting and Audit of the Annual Financial Statements**

The quarterly reports as of 31 March, 30 June, 30 September and the consolidated financial statements as of 31 December 2021 were prepared in accordance with the International Financial Reporting Standards (IFRS). The separate financial statements of AIXTRON SE for fiscal year 2021 were prepared in accordance with the provisions of the German Commercial Code (HGB) and the German Stock Corporation Act (AktG).

The consolidated financial statements and the individual financial statements of AIXTRON SE were audited by the auditor and approved by the Supervisory Board. It was agreed with the auditors that the Chairman of the Supervisory Board or the Chair of the Audit Committee would be informed immediately of any reasons for exclusion or exemption or any inaccuracies in the Declaration of Conformity that arise during the audit. No such duties to inform were triggered in the year under review.

## **Remuneration Report**

With the approval of the Annual General Meeting on May 20, 2020, a new compensation system ("new compensation system") for the Executive Board of AIXTRON SE was introduced. Since then, this has been applied to all new contracts of the Executive Board of the Company. For existing legacy contracts of the Executive Board, the previous compensation system approved by the regular general shareholders meeting on May 16, 2018 ("previous compensation system") continued to be applied. In the reporting year, the previous remuneration system was applied for the last time for Executive Board member Dr. Bernd Schulte until his retirement after March 31, 2021. A detailed description of the previous remuneration system is available in the Annual Report 2020.

The following remuneration report describes the main features of the new remuneration system and explains the amount and structure of the remuneration of the Executive Board as well as the remuneration of the Supervisory Board of AIXTRON SE for fiscal year 2021 in accordance with the articles of association. The remuneration of the individual members of the Executive Board and the Supervisory Board is disclosed individually in the remuneration report. The Remuneration Report complies with the disclosure requirements under German stock corporation law pursuant to Section 162 AktG. In addition, the remuneration report is based in particular on the recommendations of the German Corporate Governance Code (DCGK) and the requirements of the German Stock Corporation Act (AktG).

### ***Principles of the new remuneration system (applicable to new Executive Board contracts since May 20, 2020)***

The new remuneration system of the Executive Board of AIXTRON SE introduced in fiscal year 2020 is in line with the content requirements of ARUG II and is based on the recommendations of the new German Corporate Governance Code (DCGK 2020) which came into force on March 20, 2020.

### ***Scope of application in fiscal year 2021***

The new remuneration system was applied to new Executive Board employment contracts in fiscal year 2021 as follows:

- Dr. Felix Grawert: from January 1, 2021 to December 31, 2021
- Dr. Christian Danninger: from May 1, 2021 to December 31, 2021
- Dr. Jochen Linck: from January 1, 2021 to December 31, 2021

### Principles of the new remuneration system

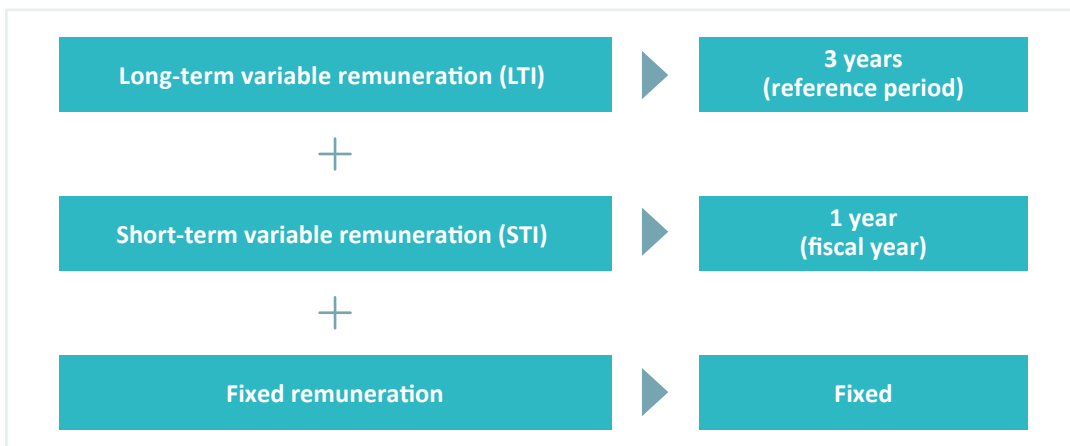
Executive Board remuneration at AIXTRON SE is structured in a way that creates incentives for the sustainable, long-term development of the Company and for the long-term commitment of Executive Board members.

The Supervisory Board sets the specific remuneration for each Executive Board member on the basis of the remuneration system. To the extent legally permissible, the Supervisory Board seeks to offer Executive Board members remuneration that is both in line with the market and competitive, also in order to be able to recruit outstanding individuals to AIXTRON SE and gain their long-term commitment.

Based on the remuneration system, the Supervisory Board sets target total remuneration for each individual Executive Board member for the forthcoming fiscal year. This consists of **three components**:

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

### Remuneration structure



**Fixed remuneration** consists of fixed, non-performance-related base remuneration, which is paid out as a monthly salary. Other components of fixed remuneration include fringe benefits, such as the provision of a company car, allowances for individual private pensions, and the assumption of costs for other insurance policies.

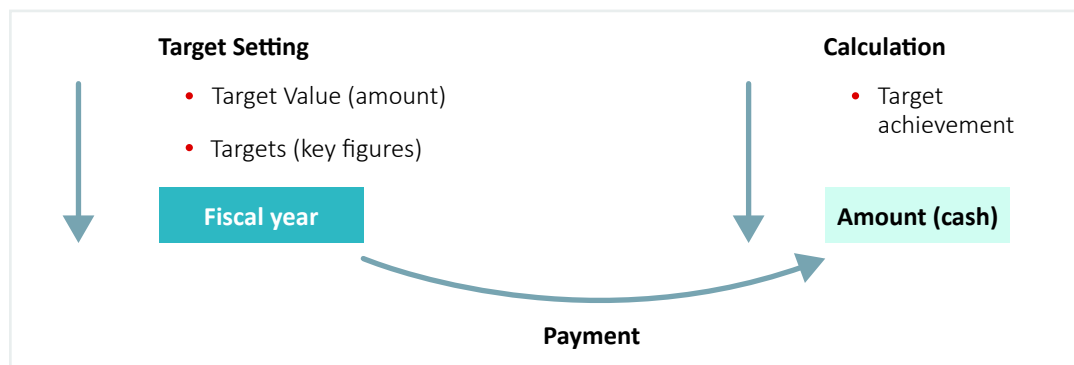
**Variable remuneration** is tied to the performance of the AIXTRON Group and consists of short-term variable remuneration (STI) and long-term variable remuneration (LTI). The amount of both components depends on the achievement of financial and non-financial performance indicators.

### Short-term performance-related variable remuneration (STI) in new remuneration system

The short-term performance-related remuneration, also referred to as the **short-term incentive (STI)**, is geared to the performance of the AIXTRON Group in the given fiscal year and is paid out in full in cash.

The STI is determined using the indicators consolidated net income for the year, the market position of the AIXTRON Group, as well as financial and operational targets. In this regard, the relative weighting amounts to 70% for consolidated net income for the year, 15% for market position, and 15% for financial and operational targets.

### Short-term variable remuneration (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 individual target STI of the Executive Board members varies from 1.1% to 1.75% of the consolidated net income for the year pursuant to the budget approved by the Supervisory Board for the fiscal year.

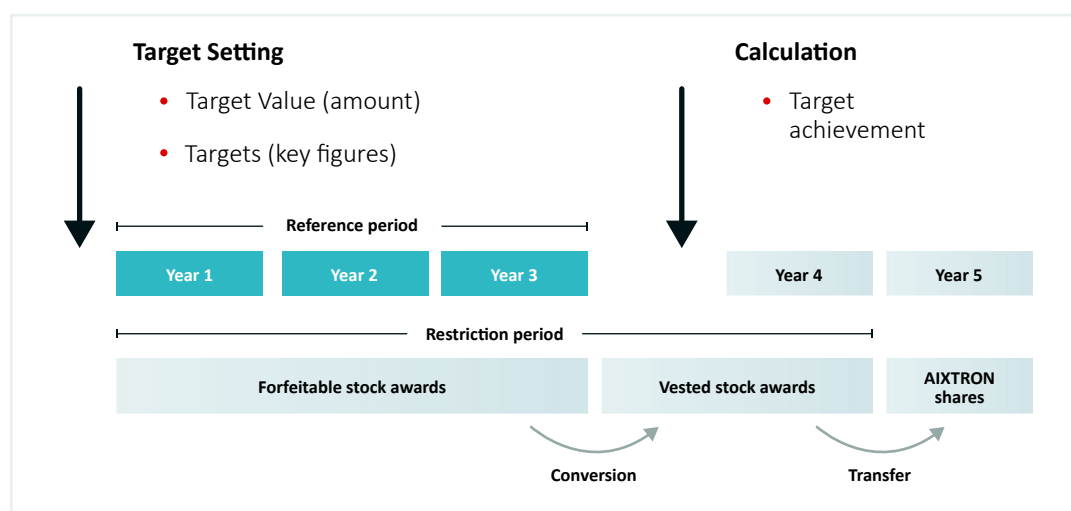
STI **target achievement** is determined after the expiry of the fiscal year. This is capped at a maximum of 250% target achievement. No STI is paid if the consolidated net income for the year is negative, i.e. in years in which the Company posts a loss. STI is paid out in cash after the Supervisory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

### Long-term performance-related variable remuneration (LTI) in new remuneration system

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 fiscal 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 1.4% to 2.25% of the consolidated net income for the year pursuant to the budget adopted by the Supervisory Board for the fiscal 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 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)



**LTI target achievement** is determined using the indicators 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.

For the **first LTI key figure**, the **consolidated net income for the year**, before the start of each fiscal year 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 LTI key figure**, 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. The TSR for AIXTRON stock is determined by the weighted TSR for a comparative group, which consists of the shares of six semiconductor equipment manufacturers – Veeco Instruments, Applied Materials, Tokyo Electron, Lam Research, ASML, and ASMI – and is weighted in proportion to their market capitalization. Changes in the share prices are determined by reference to the difference between the average values of the closing prices on all stock market trading days in the final 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. Target achievement is capped at a maximum of 250% and amounts to 0% if the ratio is less than 50%. A linear interpolation takes place between these values. 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 LTI key figure** is calculated by reference to **sustainability targets** set by the Supervisory Board at the start of each reference period. These targets refer to the areas of environment, social affairs, and good corporate governance. Target achievement corresponds to the ratio of the actual values to the target values and is capped at 250%. Before the start of each fiscal year, the Supervisory Board sets two to three sustainability targets that are to be achieved by the end of the reference period. The sustainability targets that the Supervisory Board may choose from before the start of a fiscal year when setting targets for the respective Executive Board member include, among others: efficient use of energy and raw materials, reduction of emissions, employee satisfaction and development, customer satisfaction, innovation achievements, successor planning, and compliance.

After the expiry of the three-year reference period, the degree of LTI target achievement is determined by the Supervisory Board. 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.

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.

### Remuneration limits in new remuneration system

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. At the same time, to prevent the taking of inappropriate risks and ensure an appropriate relation to the situation of the AIXTRON Group, Executive Board remuneration is limited by setting a **maximum remuneration** and a **remuneration cap**.

**Maximum remuneration** (expenditure cap) is the total remuneration owed to the Executive Board for a fiscal year. It may not exceed EUR 6.5 million in the case of two Executive Board members or EUR 10.0 million in the case of three or more Executive Board members. This also represents the **expenditure cap**, i.e. the maximum expense for the Company.

There is also a **remuneration cap (allocation cap)** for the aggregate of fixed remuneration, STI, and LTI. The actual allocation for each Executive Board member for a fiscal year is capped at four times the Executive Board member's target total remuneration. This is the **allocation cap**. If the remuneration cap is exceeded, a portion of the vested stock awards previously awarded is forfeited to ensure compliance.

**Fixed remuneration** will generally account for 20% to 40% of **target total remuneration**, while **variable remuneration** will make up 60% to 80%. Long-term remuneration will account for a greater share of remuneration in order to provide incentives for long-term and sustainable actions. No additional remuneration is paid for group-internal mandates, such as at subsidiaries.

### Further provisions governing new remuneration system

To ensure that the interests of the Executive Board are aligned with those of shareholders, the Company has a **stock ownership policy**. Following a four-year build-up phase, each Executive Board member is obliged to hold AIXTRON stock worth 100% of their base remuneration on a permanent basis throughout their term of office. 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.

A detailed description of the new Executive Board remuneration system adopted by the Annual General Meeting on May 20, 2020 can be found on AIXTRON's website under [Remuneration Policy](#).

### **Comparison of remuneration in new remuneration system**

The Supervisory Board reviews the appropriateness of the various components of remuneration on an annual basis. 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 purposes of external comparison, the Supervisory Board refers to remuneration data at the semiconductor equipment manufacturers Veeco Instruments, Applied Materials, Lam Research, ASML, and ASMI, as well as to those companies listed in the TecDAX that have market capitalizations between 50% and 200% of that at AIXTRON SE.

For the internal comparison, the Supervisory Board defines the senior management level as the ten senior managers whose remuneration is not tied to collective bargaining agreements and who have the greatest managerial responsibility and decision-making powers.

### **Reporting in new remuneration system**

The Executive Board and the Supervisory Board prepare a remuneration report each year in accordance with statutory provisions. For the fiscal year 2021, a remuneration report in accordance with Section 162 of the German Stock Corporation Act (AktG) as amended by ARUG II is presented for the first time. This report explains which performance criteria were applied and how the respective amounts of the variable compensation components were calculated.

The remuneration report for the past fiscal year contains an outlook on the application of the remuneration system in the current fiscal year. This outlook reports in advance on the selection of the financial and non-financial performance criteria. However, the non-financial performance criteria, as well as the specific targets for the financial indicators, are not explained in detail until after the end of the relevant periods for STI and/or LTI in order not to disclose competition-relevant strategic plans in advance.



**Arrangements upon contract termination**

Should a contract with an Executive Board member be terminated, then the outstanding variable remuneration components attributable to the time through to termination of the contract will be paid out in accordance with the originally agreed targets and comparison parameters and 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 case of **premature termination of the Executive Board mandate** by reason of revocation of the appointment, the Executive Board member will be paid a severance equal to the remuneration expected to be owed by the Company for the remaining term of the employment contract, but not more than two years of 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.

No benefits in excess of this severance payment are permitted.

In the event of premature termination of the Executive Board mandate based on mutual agreement to end the employment contract, the total value of benefits pledged by the Company to the Executive Board member in connection with such agreement may not exceed the amount of remuneration expected to be owed by the Company for the original remaining term of the employment contract and may not exceed a maximum of two annual remuneration packages.

## ***Remuneration of Executive Board members in fiscal year 2021***

### **Executive Board remuneration**

In fiscal year 2021, exclusively the new remuneration system described above was applied for the members of the Executive Board of AIXTRON SE with the exception of Dr. Bernd Schulte, whose legacy contract expired on March 31, 2021. The following section specifies the concrete Executive Board remuneration for the reporting year and contains detailed information and background on the total Executive Board remuneration, the target setting and target achievement of the variable remuneration as well as individualized information on the remuneration of the individual Executive Board members for fiscal year 2021.

### **Total remuneration for fiscal year 2021**

The total remuneration of the Executive Board for the financial year 2021 amounted to kEUR 8,437 (2020: kEUR 2,956). The non-performance-related fixed remuneration of the Executive Board for the fiscal year 2021, consisting of a basic remuneration, pension allowances and benefits in kind, totaled kEUR 1,106 (2020: kEUR 912).

### **Base remuneration for fiscal year 2021**

Base remuneration comprised the following amounts in fiscal year 2021:

- for Dr. Felix Grawert: kEUR 400
- for Dr. Christian Danninger: kEUR 200 (May 1, 2021 – December 31, 2021)
- for Dr. Jochen Linck: kEUR 300
- for Dr. Bernd Schulte: kEUR 90 (January 1, 2021 – March 31, 2021)

### **Pension allowances for fiscal year 2021**

The Executive Board members in office in the year under report do not have individual pension commitments, as a result of which no provisions are stated for pensions. The Company rather pays pension allowances to Executive Board members together with their salaries or makes contributions to an insurance contract with a pension fund.

Pension allowances form a constituent component of the non-performance-related fixed remuneration of the Executive Board. They comprised the following amounts in fiscal year 2021:

- for Dr. Felix Grawert: kEUR 30
- for Dr. Christian Danninger: kEUR 20 (May 1, 2021 – December 31, 2021)
- for Dr. Jochen Linck: kEUR 30
- for Dr. Bernd Schulte: kEUR 10 (January 1, 2021 – March 31, 2021)

### **Variable remuneration for fiscal year 2021 under former remuneration system**

The former remuneration system was applied in 2021 to determine the variable remuneration for Dr. Bernd Schulte from January 1, 2021, to March 31, 2021. The variable remuneration under the former remuneration system amounts to 2.5% of consolidated net income per Executive Board member on a pro rata basis and is paid half in cash and half in shares. This results in variable remuneration for 2021 under the previous remuneration system:

- for Dr. Bernd Schulte: kEUR 296 in cash and kEUR 296 to be granted in shares.

### **Short-term variable remuneration (STI) for fiscal year 2021 under new remuneration system**

The new remuneration system was applied in 2021 to determine the short-term variable remuneration for Dr. Felix Grawert, Dr. Christian Danninger and Dr. Jochen Linck.

#### **Target dimension “consolidated net income for the year”**

At its meeting on December 9, 2020, the Supervisory Board set a target of kEUR 44,900 for consolidated net income in 2021 (70% of total target). The actual figure of kEUR 94,839 results in a target achievement of 211%.

#### **Target dimension “market position”**

For the target dimension "market position" (15% of total target), the Supervisory Board set targets for individual market segments for 2021. Good sales performance in the existing markets and success in the growth markets led to a target achievement of 205%.

**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 performance, the market launch of new products, and for the OLED business unit. Here, target achievement in the past fiscal year was 127%.

Based on the achievement of these three target dimensions, short-term variable remuneration (STI) is calculated for fiscal year 2021 under the new remuneration system as follows:

- for Dr. Felix Grawert: kEUR 1,552 in cash
- for Dr. Christian Danninger: kEUR 655 in cash (May 1, 2021 – December 31, 2021)
- for Dr. Jochen Linck: kEUR 976 in cash.

**Long-term variable remuneration (LTI) for fiscal year 2021 under new remuneration system**

In 2021, the new remuneration system was applied to the contracts with Dr. Felix Grawert, Dr. Christian Danninger (since May 1, 2021) and Dr. Jochen Linck. Target achievement for the 2021 LTI tranche is calculated by reference to the results achieved in the period from January 1, 2021, to December 31, 2023. It is determined by the following performance criteria:

- Consolidated net income for fiscal years 2021, 2022, and 2023 (50% of total)
- Change in total shareholder return (TSR) from Q4 / 2020 to Q4 / 2023 (40% of total)
- Sustainability (10% of total), measured in terms of energy consumption in kWh normed to the most important drivers of consumption and employee training measured in terms of learning hours

The relevant AIXTRON SE share price for the TSR target remuneration 2021 is EUR 11.582. It corresponds to the average of the XETRA closing prices on all stock exchange trading days in Q4 / 2020. The degree of achievement of the performance criteria will be determined by the Supervisory Board after the end of fiscal year 2023. At that time, the vested share awards will be converted into non-forfeitable share awards depending on target achievement. After the expiry of a 4-year vesting period ending on December 31, 2024, for the fiscal year 2021, 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.

For the long-term variable remuneration (LTI) for 2021, the Supervisory Board stipulated the values of target LTI as follows:

- for Dr. Felix Grawert: kEUR 1,010 in forfeitable stock awards,
- for Dr. Christian Danninger: kEUR 422 in forfeitable stock awards (May 1, 2021 – December 31, 2021),
- for Dr. Jochen Linck: kEUR 629 in forfeitable stock awards.

### Tabular overview of performance criteria applied to Executive Board remuneration pursuant to Sec. 162 (1) Sentence 2 No. 1 Stock Corporation Act (AktG)

Component	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
STI 2021	Consolidated net income 2021	70%	kEUR a) 0 kEUR b) 0	a) 44,900 b) 1,128	a) 211% b) 2,382
	Market position	15%	% a) 0 kEUR b) 0	a) 100 b) 242	a) 205 b) 495
	Financial and operational targets	15%	% a) 0 kEUR b) 0	a) 100 b) 242	a) 127 b) 306
LTI 2020-2022	Consolidated net income 2020-2022	50%	% a) 0 kEUR b) 0	a) 100 b) 115	a) will be calculated b) at the end of 2022
	Total Shareholder Return 2020-2022	40%	% a) 0 kEUR b) 0	a) 100 b) 92	a) will be calculated b) at the end of 2022
	Sustainability targets for 2020-2022	10%	% a) 0 kEUR b) 0	a) 100 b) 23	a) will be calculated b) at the end of 2022
LTI 2021-2023	Consolidated net income 2021-2023	50%	% a) 0 kEUR b) 0	a) 100 b) 1,030	a) will be calculated b) at the end of 2023
	Total Shareholder Return 2021-2023	40%	% a) 0 kEUR b) 0	a) 100 b) 824	a) will be calculated b) at the end of 2023
	Sustainability targets for 2021-2023	10%	% a) 0 kEUR b) 0	a) 100 b) 206	a) will be calculated b) at the end of 2023

### Deviation from new remuneration system

In 2021, there were no deviations from and no adjustments to the remuneration system compared with the AGM resolution on the remuneration system in May 2020.

## Benefits granted and payments made in fiscal year 2021

The following tables show the remuneration granted and due to the active members of the Executive Board in each of the fiscal years 2020 and 2021 in accordance with Section 162 (1) sentence 1 AktG. The "Remuneration granted and due" section of the tables thus contains all amounts actually received by the individual Executive Board members in the reporting period ("**remuneration granted**") and all remuneration legally due but not yet received in the reporting period ("**remuneration due**"). In addition, the individual possible minimum and maximum remuneration values for the 2021 fiscal year are shown here.

Furthermore, in line with the DCGK 2020, the tables show the fixed remuneration and the one-year variable remuneration as an inflow for the respective financial 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, Section 162 (1) sentence 2 no. 1 AktG also requires the disclosure of the relative share of all fixed and variable remuneration components in total remuneration. The relative proportions stated here at the end of each table relate to the remuneration components granted and due in the respective fiscal year in accordance with Section 162 (1) sentence 1 AktG.

In total, the remuneration of the Executive Board ("remuneration granted and due") for fiscal year 2021 amounted to kEUR 8,437 (fiscal year 2020: kEUR 2,956) and was thus below the maximum remuneration (expense cap) for three Executive Board members of kEUR 10,000.

## Remuneration granted and due pursuant to Section 162 (1) sentence 1 AktG and payments made per Executive Board member in fiscal year 2021

Dr. Felix Grawert Chief Executive Officer Member of the Executive Board since August 14, 2017		Remuneration granted and due				Allocation	
		2020	2021	2021 (Target achievement 100%)	2021 (Target achievement 250%)	2020	2021
in € Thousands							
Non-performance related remuneration	Fixed remuneration	373	430	430	430	373	430
	Fringe benefits	11	6	6	6	11	6
	<b>Total</b>	<b>384</b>	<b>436</b>	<b>436</b>	<b>436</b>	<b>384</b>	<b>436</b>
<b>Short-term variable remuneration</b>		<b>460</b>	<b>1,552</b>	<b>786</b>	<b>1,964</b>	<b>460</b>	<b>1,552</b>
Under former contract (01.01.-13.08.2020)		267	0	0	0	267	0
STI 2020 under new contract (14.08.-31.12.2020)		193	0	0	0	193	0
STI 2021		0	1,552	786	1,964	0	1,552
<b>Long-term variable remuneration</b>		<b>546</b>	<b>1,715</b>	<b>1,334</b>	<b>3,335</b>	<b>42</b>	<b>0</b>
Performance-related remuneration	Share-based portion of one-year variable remuneration (restriction period 2017-2020)	0	0	0	0	42	0
	Share-based portion of one-year variable remuneration (restriction period 2020-2024) under old contract (01.01.-08.13.2020)	298	0	0	0	0	0
	LTI tranche 2020-2022 (restriction period 2020-2023) under new contract (08.14.-12.31.2020) *	248	0	0	0	0	0
	LTI tranche 2021-2023 (restriction period 2021-2024) *	0	1,715	1,334	3,335	0	0
<b>Total non-performance-related / performance-related remuneration</b>		<b>1,390</b>	<b>3,703</b>	<b>2,556</b>	<b>5,736</b>	<b>886</b>	<b>1,989</b>
Pension allowance		0	0	0	0	0	0
<b>Total remuneration</b>		<b>1,390</b>	<b>3,703</b>	<b>2,556</b>	<b>5,736</b>	<b>886</b>	<b>1,989</b>
<b>Thereof as a percentage</b>	<b>Portion of fixed remuneration</b>	<b>28%</b>	<b>12%</b>	<b>17%</b>	<b>8%</b>	<b>43%</b>	<b>22%</b>
	<b>Portion of variable remuneration</b>	<b>72%</b>	<b>88%</b>	<b>83%</b>	<b>92%</b>	<b>57%</b>	<b>78%</b>

\* Fair value valuation of LTI tranche

Dr. Christian Danninger Chief Financial Officer Member of the Executive Board since May 1, 2021		Remuneration granted and due				Allocation	
		2020	2021	2021 (Target achievement 100%)	2021 (Target achievement 250%)	2020	2021
in € Thousands							
Non-performance related remuneration	Fixed remuneration	0	220	220	220	0	220
	Fringe benefits	0	11	11	11	0	11
	<b>Total</b>	<b>0</b>	<b>231</b>	<b>231</b>	<b>231</b>	<b>0</b>	<b>231</b>
Performance-related remuneration	<b>Short-term variable remuneration</b>	<b>0</b>	<b>655</b>	<b>332</b>	<b>829</b>	<b>0</b>	<b>655</b>
	STI 2021	0	655	332	829	0	655
	<b>Long-term variable remuneration</b>	<b>0</b>	<b>773</b>	<b>602</b>	<b>1,504</b>	<b>0</b>	<b>0</b>
	LTI tranche 2021-2023 (restriction period 2021-2024) *	0	773	602	1,504	0	0
<b>Total non-performance-related / performance-related remuneration</b>		<b>0</b>	<b>1,660</b>	<b>1,164</b>	<b>2,564</b>	<b>0</b>	<b>886</b>
Pension allowance		0	0	0	0	0	0
<b>Total remuneration</b>		<b>0</b>	<b>1,660</b>	<b>1,164</b>	<b>2,564</b>	<b>0</b>	<b>886</b>
<b>Thereof as a percentage</b>	<b>Portion of fixed remuneration</b>	<b>0%</b>	<b>14%</b>	<b>20%</b>	<b>9%</b>	<b>0%</b>	<b>26%</b>
	<b>Portion of variable remuneration</b>	<b>0%</b>	<b>86%</b>	<b>80%</b>	<b>91%</b>	<b>0%</b>	<b>74%</b>

\* Fair value valuation of LTI tranche

Dr. Jochen Linck Chief Operating Officer Member of the Executive Board since October 1, 2020		Remuneration granted and due				Allocation	
		2020	2021	2021 (Target achievement 100%)	2021 (Target achievement 250%)	2020	2021
in € Thousands							
Non-performance related remuneration	Fixed remuneration	83	330	330	330	83	330
	Fringe benefits	2	5	5	5	2	5
	<b>Total</b>	<b>85</b>	<b>335</b>	<b>335</b>	<b>335</b>	<b>85</b>	<b>335</b>
Performance-related remuneration	<b>Short-term variable remuneration</b>	<b>81</b>	<b>976</b>	<b>494</b>	<b>1,235</b>	<b>81</b>	<b>976</b>
	STI 2020	81	0	0	0	81	0
	STI 2021	0	976	494	1,235	0	976
	<b>Long-term variable remuneration</b>	<b>96</b>	<b>1,067</b>	<b>830</b>	<b>2,075</b>	<b>0</b>	<b>0</b>
	LTI tranche 2020-2022 (restriction period 2020-2023) *	96	0	0	0	0	0
	LTI tranche 2021-2023 (restriction period 2021-2024) *	0	1,067	830	2,075	0	0
<b>Total non-performance-related / performance-related remuneration</b>		<b>262</b>	<b>2,378</b>	<b>1,659</b>	<b>3,645</b>	<b>166</b>	<b>1,311</b>
Pension allowance		0	0	0	0	0	0
<b>Total remuneration</b>		<b>262</b>	<b>2,378</b>	<b>1,659</b>	<b>3,645</b>	<b>166</b>	<b>1,311</b>
<b>Thereof as a percentage</b>	<b>Portion of fixed remuneration</b>	<b>32%</b>	<b>14%</b>	<b>20%</b>	<b>9%</b>	<b>51%</b>	<b>26%</b>
	<b>Portion of variable remuneration</b>	<b>68%</b>	<b>86%</b>	<b>80%</b>	<b>91%</b>	<b>49%</b>	<b>74%</b>

\* Fair Value Bewertung der LTI Tranche



Dr. Bernd Schulte Member of the Executive Board until March 31, 2021		Remuneration granted and due				Allocation	
		2020	2021	2021 (Minimum)*	2021 (Maximum)*	2020	2021
in € Thousands							
Non-performance related remuneration	Fixed remuneration	430	100	100	100	430	100
	Fringe benefits	13	3	3	3	13	3
	<b>Total</b>	<b>443</b>	<b>103</b>	<b>103</b>	<b>103</b>	<b>443</b>	<b>103</b>
Performance-related remuneration	<b>Short-term variable remuneration</b>	<b>431</b>	<b>296</b>	<b>0</b>	<b>813</b>	<b>431</b>	<b>296</b>
	<b>Long-term variable remuneration</b>	<b>431</b>	<b>296</b>	<b>0</b>	<b>813</b>	<b>0</b>	<b>0</b>
	Share-based portion of one-year variable remuneration (restriction period 2020-2024)	431	0	0	0	0	0
	Share-based portion of one-year variable remuneration (restriction period 2021-2025)		296	0	813	0	0
<b>Total non-performance-related / performance-related remuneration</b>		<b>1,305</b>	<b>696</b>	<b>103</b>	<b>1,728</b>	<b>874</b>	<b>400</b>
Pension allowance		0	0	0	0	0	0
<b>Total remuneration</b>		<b>1,305</b>	<b>696</b>	<b>103</b>	<b>1,728</b>	<b>874</b>	<b>400</b>
<b>Thereof as a percentage</b>	<b>Portion of fixed remuneration</b>	<b>34%</b>	<b>15%</b>	<b>100%</b>	<b>6%</b>	<b>51%</b>	<b>26%</b>
	<b>Portion of variable remuneration</b>	<b>66%</b>	<b>85%</b>	<b>0%</b>	<b>94%</b>	<b>49%</b>	<b>74%</b>

\* Theoretical minimum- and maximum compensation for Dr. Bernd Schulte under the formed remuneration system applicable.

### 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 01.01.	a) granted or awarded shares b) Value of granted or awarded shares	Awarded shares 31.12.
Dr. Felix Grawert Chief Executive Officer	Variable remuneration 2018	(restriction period 2018-2022)	61,924		61,924
	Variable remuneration 2019	(restriction period 2019-2023)	46,987		46,987
	Variable remuneration 2020 old system*	(restriction period 2020-2024)	18,072		18,072
	LTI tranche 2020-2022**/**	(restriction period 2020-2023)	21,096		21,096
	LTI tranche 2021-2023***	(restriction period 2021-2024)	0	a) 112,119 b) 1,715 TEUR	112,119
					<b>260.198</b>

\* 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.

Name, position	Description of plan	Restriction period	Development of granted or awarded shares		
			Awarded shares 01.01.	a) granted or awarded shares b) Value of granted or awarded shares	Awarded shares 31.12.
Dr. Christian Danninger Member of the Executive Board	LTI tranche 2021-2023*/**	(restriction period 2021-2024)	0	a) 46,827 b) 773 TEUR	<b>46,827</b>

\* prorated from May 01 bis Dezember 31, 2020

\*\* 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 01.01.	a) granted or awarded shares b) Value of granted or awarded shares	Awarded shares 31.12.
Dr. Jochen Linck Member of the Executive Board	LTI tranche 2020-2022*/**	(restriction period 2020-2023)	8,687		8,687
	LTI tranche 2021-2023**	(restriction period 2021-2024)	0	a) 69,763 b) 1,067 TEUR	69,763
					<b>78,450</b>

\* prorated from October 1 bis Dezember 31, 2021

\*\* 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 01.01.	a) granted or awarded shares b) Value of granted or awarded shares	Awarded shares 31.12.
Dr. Bernd Schulte Member of the Executive Board until März 31, 2021	Variable remuneration 2018	(restriction period 2018-2022)	56,957		56,957
	Variable remuneration 2019	(restriction period 2019-2023)	41,835		41,835
	Variable remuneration 2020	(restriction period 2020-2024)	26,153		26,153
	Variable remuneration 2021*	(restriction period 2021-2025)		a) 3,3170 b) 593 TEUR	33,170
					<b>158,115</b>

\* Calculated using closing price on Dec 31, 2021. The number of shares might change due to the actual share price determined after the shareholders' meeting in May 2022.

## Benefits in connection with the termination of Executive Board mandate

Apart from the provisions regarding the termination of an Executive Board member's contract (page 50), 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 2020 and 2021 within the meaning of Section 162 (1) sentence 1 AktG (on [page 56- 58](#) of the Annual Report). Where members of the Executive Board were only remunerated on a pro rata basis in individual financial 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). Since the remuneration of the members of the Executive Board is also significantly dependent on the business success of the AIXTRON Group, the development of the revenues, the EBIT and the 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 executive employees 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.

### Comparison of annual changes in Executive Board remuneration pursuant to Section 162 (1) no. 2 of the German Stock Corporation Act (AktG)

Annual change (in %)	2021 versus 2020
<b>Executive Board remuneration</b>	
Dr. Felix Grawert	166%
Dr. Christian Danninger*	n. a.
Dr. Jochen Linck**	128%
Dr. Bernd Schulte***	113%
<b>Earnings development of AIXTRON SE and the Group</b>	
Group revenues	59%
Group EBIT	184%
Group net income	175%
AIXTRON SE net income	275%
<b>Average remuneration of AIXTRON employees****</b>	
Employees of AIXTRON SE	9%

\* Executive Board member since May 1, 2021, thus no data available

\*\* Executive Board member since October 1, 2020, amount for 2020 annualized

\*\*\* Executive Board member until March 31, 2021, amount for 2021 annualized

\*\*\*\* based on full-time equivalents

### Stock option plans

Stock options are neither components of the "former remuneration system" nor of the "new remuneration system" described above. Therefore, Dr. Felix Grawert, Dr. Christian Danninger and Dr. Jochen Linck do not hold any stock options. From periods prior to the applicability of the remuneration systems described herein, Dr. Bernd Schulte held a stock options, which expired in fiscal year 2021.

### Stock option plans

Executive Board member	Allocation date	Outstanding (shares)	Exercisable (shares)	Option value on grant date (EUR)	Exercise price (EUR)	Maturity	Lapsed shares
Dr. Bernd Schulte	Oct 2014	0	0		13.14	Oct 2024	50,000

In fiscal year 2021, 50,000 option rights to purchase AIXTRON shares expired (2020: 52,000). The members of the Executive Board in office in the reporting year 2021 did not exercise any option rights in 2021 (2020: 0).

### Claw-back information

There was no claw-back of variable compensation components of the Executive Board members in fiscal year 2021 (claw-back policy).

## Outlook for the application of the new remuneration system for 2022

### Short-term variable remuneration (STI)

For the current fiscal year 2022, the Supervisory Board has defined the following target dimensions and performance criteria for the short-term variable remuneration (STI):

- Target dimension “Consolidated net income” (70% of total): In December 2021, the Supervisory Board set a target value for consolidated net income in 2022 as part of the forecast.
- Target dimension “Market position” (15% of total): For the “Market position” target dimension, the Supervisory Board has set targets for important markets for 2022.
- 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 for long-term variable remuneration (LTI) starting in fiscal year 2022:

- Consolidated net income for fiscal years 2022, 2023 and 2024 (50% of total)
- Development of total shareholder return (TSR) from Q4 / 2021 to Q4 / 2024 (40% of total).
- Sustainability (10% of total), measured among other things by the proportion of ecologically sustainable revenues, capital expenditures (CapEx) and operating expenses (OpEx) as defined in the EU Taxonomy Regulation. In addition, there are further sustainability targets which, however, when considered individually, are not essential for the implementation of the corporate strategy.

The target achievement of the LTI remuneration 2022 is calculated on the basis of the results achieved in the period from January 1, 2022, to December 31, 2024. The relevant share price of AIXTRON SE for the LTI grant is EUR 19.64. It corresponds to the average of the XETRA closing prices on all stock exchange trading days in the 4th quarter of 2021. The degree of fulfillment of the performance criteria will be determined by the Supervisory Board after the end of fiscal year 2024. At that time, the vested share awards will be converted into non-forfeitable share awards depending on target achievement. After the expiry of a 4-year vesting period ending on December 31, 2025 for the fiscal year 2022, 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.

## Remuneration of Supervisory Board members

Remuneration of the Supervisory Board is regulated in Article 17 of AIXTRON's Articles of Association. The currently valid remuneration system was last approved by the Annual General Meeting on May 16, 2018. Accordingly, annual fixed remuneration for individual members of the Supervisory Board amounts to EUR 60,000, with the Chairman receiving three times and the Deputy Chairman one and a half times the remuneration of an ordinary Supervisory Board member.

The Chairman of the Audit Committee receives additional annual remuneration of EUR 20,000.

No attendance fees or other variable remuneration is granted.

The members of the Supervisory Board who are only members of the Supervisory Board for part of the fiscal year or who are the Chairman or Deputy Chairman of the Supervisory Board or Audit Committee receive one twelfth of the above mentioned remuneration on a prorated basis 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 allocable to individual Supervisory Board members in fiscal years 2020 and 2021 is presented on an individualized basis in the table below. As in previous years, no remuneration was paid to Supervisory Board members for individual advisory services in fiscal year 2021.

## Supervisory Board remuneration

Supervisory Board Member	Year	Fixed (EUR)	Total (EUR)
Kim Schindelhauer <sup>1)2)3)4)5)</sup> (Chairman of the Supervisory Board)	2021	180,000	180,000
	2020	180,000	180,000
Prof. Dr. Anna Weber <sup>1)</sup> (Chairwoman of the Audit Committee) (Independent Financial Expert)	2021	80,000	80,000
	2020	80,000	80,000
Dr. Andreas Biagosch <sup>1)2)</sup>	2021	60,000	60,000
	2020	60,000	60,000
Prof. Dr. Petra Denk <sup>3)4)</sup>	2021	60,000	60,000
	2020	60,000	60,000
Frits van Hout <sup>3)4)</sup> (Deputy Chairman of the Supervisory Board)	2021	90,000	90,000
	2020	90,000	90,000
<b>Total</b>	<b>2021</b>	<b>470,000</b>	<b>470,000</b>
	<b>2020</b>	<b>470,000</b>	<b>470,000</b>

1) Member of the Audit Committee

2) Member of the Capital Markets Committee

3) Member of the Nomination Committee

4) Member of the Compensation Committee

5) Former AIXTRON Executive Board Member

## 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 percent 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 which also provide for a corresponding deductible.