

## ***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

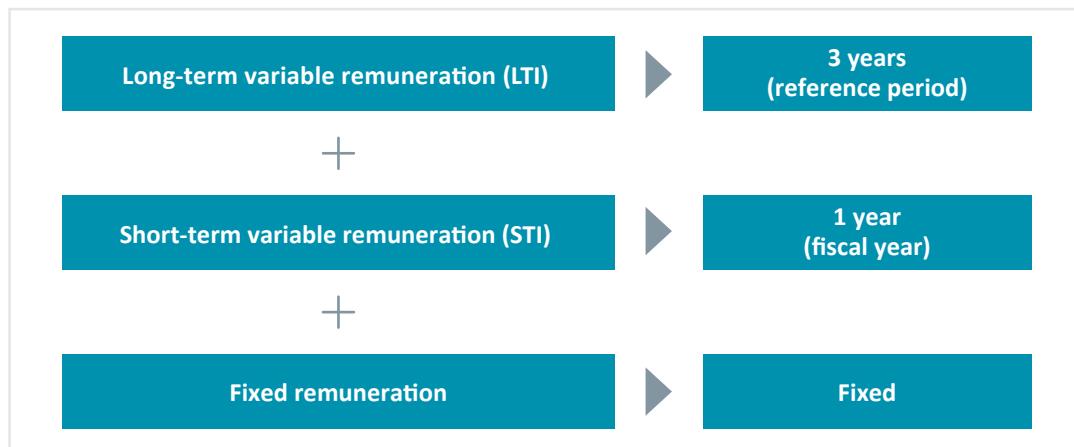
Executive Board remuneration at AIXTRON SE is structured in a way that creates incentives for the sustainable, long-term development of the Company and for the long-term commitment of Executive Board members.

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.

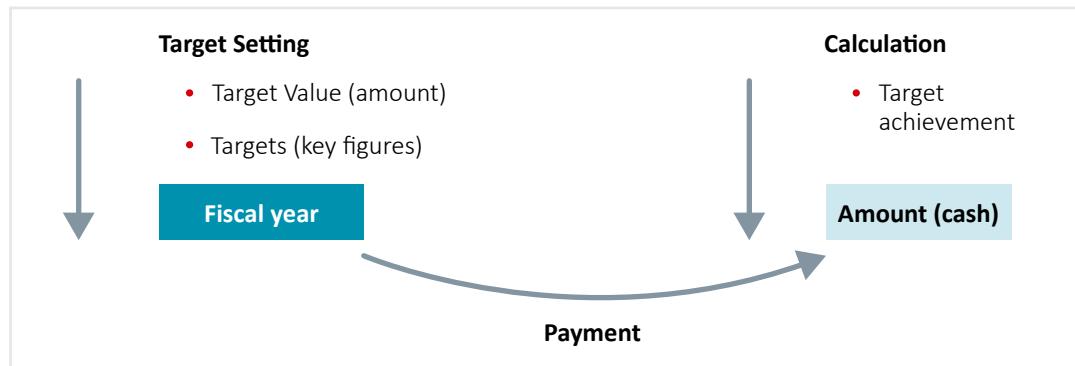
**Variable remuneration** is tied to the performance of the AIXTRON Group and consists of short-term variable remuneration (STI) and long-term variable remuneration (LTI). The amount of both components depends on the achievement of financial and non-financial performance indicators.

### 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.

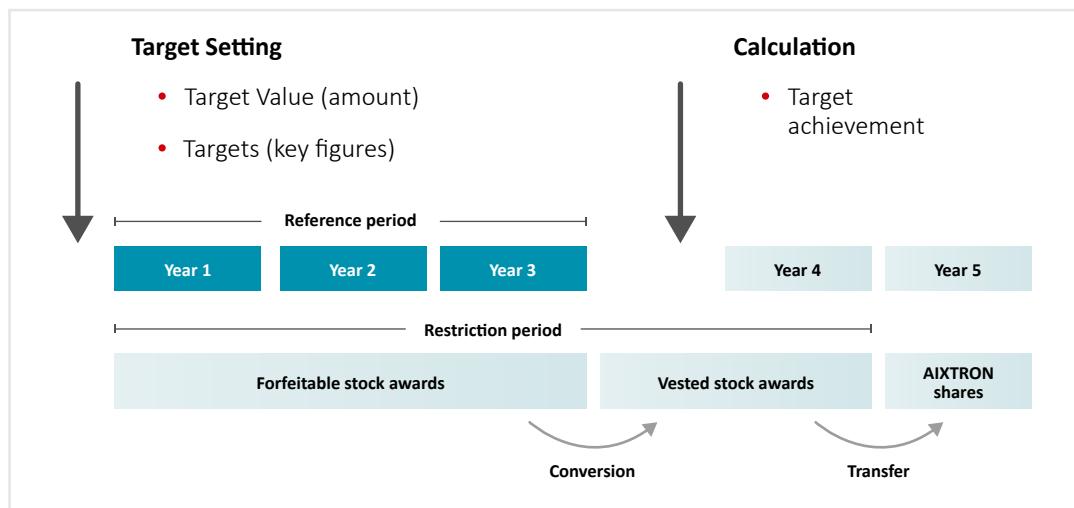
STI **target achievement** is determined after the expiry of the fiscal year. This is capped at a maximum of 250% target achievement. No STI is paid if the consolidated net income for the year is negative, i.e. in years in which the Company posts a loss. STI is paid out in cash after the Supervisory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

Compo- nent	Description of performance measures	Portion	Information on the performance targets				
			a) b)	Minimum target Corresponding remuneration	a) b)	Target achievement Corresponding remuneration	a) b)
STI 2021	Consolidated net income 2021	70%	kEUR a) 0 b) 0	a) 0 b) 1,128	a) 44,900 b) 1,128	a) 211% b) 2,382	
	Market position	15%	% kEUR a) 0 b) 0	a) 0 b) 0	a) 100 b) 242	a) 205 b) 495	
	Financial and operational targets	15%	% kEUR a) 0 b) 0	a) 0 b) 0	a) 100 b) 242	a) 127 b) 306	
LTI 2020-2022	Consolidated net income 2020-2022	50%	% kEUR a) 0 b) 0	a) 0 b) 0	a) 100 b) 115	a) will be calculated b) at the end of 2022	
	Total Shareholder Return 2020-2022	40%	% kEUR a) 0 b) 0	a) 0 b) 0	a) 100 b) 92	a) will be calculated b) at the end of 2022	
	Sustainability targets for 2020-2022	10%	% kEUR a) 0 b) 0	a) 0 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%	% kEUR a) 0 b) 0	a) 0 b) 0	a) 100 b) 1,030	a) will be calculated b) at the end of 2023	
	Total Shareholder Return 2021-2023	40%	% kEUR a) 0 b) 0	a) 0 b) 0	a) 100 b) 824	a) will be calculated b) at the end of 2023	
	Sustainability targets for 2021-2023	10%	% kEUR a) 0 b) 0	a) 0 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  in € Thousands	Remuneration granted and due				Allocation	
			2021 (Target achievement 100%)	2021 (Target achievement 250%)		
	2020	2021			2020	2021
Non-performance related remuneration	Fixed remuneration	373	430	430	373	430
	Fringe benefits	11	6	6	11	6
	<b>Total</b>	<b>384</b>	<b>436</b>	<b>436</b>	<b>384</b>	<b>436</b>
Performance-related remuneration	<b>Short-term variable remuneration</b>	<b>460</b>	<b>1,552</b>	<b>786</b>	<b>1,964</b>	<b>460</b>
	Under former contract (01.01.-13.08.2020)	267	0	0	0	267
	STI 2020 under new contract (14.08.-31.12.2020)	193	0	0	0	193
	STI 2021	0	1,552	786	1,964	0
	<b>Long-term variable remuneration</b>	<b>546</b>	<b>1,715</b>	<b>1,334</b>	<b>3,335</b>	<b>42</b>
	Share-based portion of one-year variable remuneration (restriction period 2017-2020)	0	0	0	0	42
	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
	LTI tranche 2020-2022 (restriction period 2020-2023) under new contract (08.14.-12.31.2020) *	248	0	0	0	0
	LTI tranche 2021-2023 (restriction period 2021-2024) *	0	1,715	1,334	3,335	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>
Pension allowance		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>
Thereof as a percentage	<b>Portion of fixed remuneration</b>	<b>28%</b>	<b>12%</b>	<b>17%</b>	<b>8%</b>	<b>43%</b>
	<b>Portion of variable remuneration</b>	<b>72%</b>	<b>88%</b>	<b>83%</b>	<b>92%</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  in € Thousands		Remuneration granted and due				Allocation	
				2021 (Target achievement 100%)	2021 (Target achievement 250%)		
		2020	2021			2020	2021
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>
Thereof as a percentage	<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  in € Thousands		Remuneration granted and due				Allocation	
				2021 (Target achievement 100%)	2021 (Target achievement 250%)		
		2020	2021			2020	2021
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>
Thereof as a percentage	<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>
Thereof as a percentage	<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

\* 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

**158,115**

\* 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
Prof. Dr. Anna Weber <sup>1)</sup> (Chairwoman of the Audit Committee) (Independent Financial Expert)	2021	80,000	80,000
Dr. Andreas Biagosc <sup>1)2)</sup>	2021	60,000	60,000
Prof. Dr. Petra Denk <sup>3)4)</sup>	2021	60,000	60,000
Dr. Andreas Biagosc <sup>1)2)</sup>	2020	60,000	60,000
Frits van Hout <sup>3)4)</sup> (Deputy Chairman of the Supervisory Board)	2021	90,000	90,000
Frits van Hout <sup>3)4)</sup> (Deputy Chairman of the Supervisory Board)	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.

# **REPORT OF THE INDEPENDENT AUDITOR ON THE AUDIT OF THE REMUNERATION REPORT IN ACCORDANCE WITH SECTION 162 (3) AKTG**

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**To AIXTRON SE, Herzogenrath/Germany**

## **Audit Opinion**

We conducted a formal audit of the remuneration report of AIXTRON SE, Herzogenrath/Germany, for the financial year from January 1 to December 31, 2021, to assess whether the disclosures required under Section 162 (1) and (2) German Stock Corporation Act (AktG) have been made in the remuneration report. In accordance with Section 162 (3) AktG, we did not audit the content of the remuneration report.

In our opinion, the disclosures required under Section 162 (1) and (2) AktG have been made, in all material respects, in the accompanying remuneration report. Our audit opinion does not cover the content of the remuneration report.

## **Basis for the Audit Opinion**

We conducted our audit of the remuneration report in accordance with Section 162 (3) AktG and in compliance with the IDW Auditing Standard: Audit of the Remuneration Report pursuant to Section 162 (3) AktG (IDW AuS 870 (08.2021)). Our responsibilities under those requirements and this standard are further described in the “Auditor’s Responsibilities” section of our auditor’s report. Our audit firm has applied the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QS 1). We have fulfilled our professional responsibilities in accordance with the German Public Auditor Act (WPO) and the Professional Charter for German Public Auditors and German Sworn Auditors (BS WP/vBP) including the requirements on independence.

## **Responsibilities of the Executive Board and the Supervisory Board**

The executive board and the supervisory board are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of Section 162 AktG. In addition, they are responsible for such internal control as they consider necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibilities**

Our objectives are to obtain reasonable assurance about whether the disclosures required under Section 162 (1) and (2) AktG have been made in the remuneration report, in all material respects, and to express an audit opinion thereon as part of an auditor's report.

We planned and conducted our audit so as to be able to determine whether the remuneration report is formally complete by comparing the disclosures made in the remuneration report with the disclosures required under Section 162 (1) and (2) AktG. In accordance with Section 162 (3) AktG, we did neither audit whether the contents of these disclosures are correct, nor whether the contents of individual disclosures are complete, nor whether the remuneration report has been reasonably presented.

### **Handling of possible misrepresentations**

In connection with our audit, our responsibility is to read the remuneration report taking into account our knowledge obtained in the financial statement audit while remaining attentive to any signs of misrepresentations in the remuneration report regarding the correctness of the disclosures' contents, the completeness of individual disclosures' contents or the reasonable presentation of the remuneration report.

If, based on the work we have performed, we conclude that there is such a misrepresentation, we are required to report that fact. We have nothing to report in this regard.

Düsseldorf/Germany, February 23, 2022

#### **Deloitte GmbH**

Wirtschaftsprüfungsgesellschaft

  
André Bedenbecker  
Wirtschaftsprüfer  
(German Public Auditor)

  
Dr. Peter Dittmar  
Wirtschaftsprüfer  
(German Public Auditor)