JENOPTIK

MORE LIGHT

Annual Report 2024

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Jenoptik at a glance

	Jan.-Dec. 2024	Jan.-Dec. 2023	Change in %
Order intake (in million euros)	**1,027.7**	**1,092.2**	**– 5.9**
Advanced Photonic Solutions	812.8	826.5	– 1.7
Smart Mobility Solutions	122.9	113.6	8.2
Non-Photonic Portfolio Companies	88.5	147.1	– 39.8
Other[1]	3.5	5.0	– 29.2
Revenue (in million euros)	**1,115.8**	**1,066.0**	**4.7**
Advanced Photonic Solutions	866.8	821.2	5.6
Smart Mobility Solutions	119.5	118.8	0.6
Non-Photonic Portfolio Companies	125.9	121.1	4.0
Sonstige[1]	3.5	5.0	– 29.2
EBITDA (in million euros)	**221.5**	**209.6**	**5.7**
Advanced Photonic Solutions	191.9	182.6	5.1
Smart Mobility Solutions	13.6	15.3	– 11.0
Non-Photonic Portfolio Companies	22.5	17.6	27.7
EBITDA margin	**19.9**	**19.7**	
Advanced Photonic Solutions[2]	21.8	21.9	
Smart Mobility Solutions[2]	11.4	12.9	
Non-Photonic Portfolio Companies[2]	17.5	14.1	
EBIT (in million euros)	**146.6**	**126.3**	**16.0**
EBIT margin	**13.1**	**11.9**	
Earnings after tax (in million euros)	**94.2**	**73.5**	**28.3**
Earnings per share – Group (in euros)	**1.62**	**1.27**	**27.6**
Dividend (in euros)	**0.38**	**0.35**	**8.6**
Free cash flow (in million euros)	**102.9**	**127.3**	**– 19.2**
Cash conversion rate (in %)	**46.5**	**60.8**	
Net debt (in million euros)	**395.5**	**423.1**	**– 6.5**
Equity ratio (in %)	**55.6**	**54.2**	

	31/12/2024	31/12/2023	Change in %
Order backlog (in million euros)	**670.1**	**745.0**	**– 10.1**
Advanced Photonic Solutions	536.2	579.8	– 7.5
Smart Mobility Solutions	65.1	60.2	8.1
Non-Photonic Portfolio Companies	68.8	104.9	– 34.5
Employees (headcount incl. trainees and temporary staff)	**4,646**	**4,658**	**– 0.3**
Advanced Photonic Solutions	3,231	3,293	– 1.9
Smart Mobility Solutions	546	526	3.8
Non-Photonic Portfolio Companies	547	534	2.4
Other[1]	322	305	5.6

[1] The item Other includes Corporate Center (Holding, Shared Services, Real Estate) and Consolidation

[2] Based on the total of external and internal revenue

Please note that rounding differences may occur in relation to the mathematically exact values (monetary units, percentages, etc.).

Chapter 1

Management

Interview with the Executive Board

Jenoptik successfully concluded the fiscal year 2024 with record figures for revenue and earnings. Group revenue was almost 5 percent up year-on-year, with all three divisions contributing to this. At 19.9 percent, the EBITDA margin reached the upper end of the forecast range. We have set up the company more efficiently, and Jenoptik's balance sheet and financial position is very strong. As a result, the company is looking to the future with confidence, even if the environment in its key markets is very challenging in the short term in 2025. Accordingly, the original targets for revenue and an EBITDA margin of around 1.2 billion euros and 21 to 22 percent respectively were postponed to 2026. Details of these issues are explained by Jenoptik Executive Board members Dr. Stefan Traeger, Dr. Prisca Havranek-Kosicek, and Dr. Ralf Kuschnereit in this interview.

Dr. Traeger, first of all, congratulations on the excellent revenue and earnings figures. How has Jenoptik developed over the past year from your perspective?

Stefan Traeger: From a financial perspective, 2024 was another very good year for us, even in a challenging environment. With group revenue of around 1.12 billion euros, we exceeded the prior year's figure by 4.7 percent as guided. At 19.9 percent, the EBITDA margin even reached the upper end of the forecast range. We have also continued to develop in terms of our organization. In the course of the fiscal year 2024, we began to verticalize our businesses, that is to say, we largely dissolved our matrix organization, creating a leaner organizational structure. In doing so, we want to further sharpen the focus on our respective core markets by further increasing customer focus and facilitating clearer responsibilities and shorter decision-making processes. In short, Jenoptik should operate more simply and efficiently.

Why is the stock market currently not rewarding your good financial development?

Stefan Traeger: Well, typically, the stock market reflects the past less than the future. Accordingly, the capital market seems to be giving much greater weight to the delayed recovery in the semiconductor equipment industry and the general economic and political uncertainties, such as the tariffs debate. Irrespective of these short-term uncertainties, we are certain that Jenoptik is on the right track with its focus on the growth areas of semiconductor technology, medical technology, metrology, and smart mobility.

"We are convinced that Jenoptik is on the right track with its focus on selected growth areas."

Dr. Stefan Traeger

Dr. Havranek-Kosicek, let's begin by talking briefly about the fiscal year 2024 and taking a closer look at the key figures.

Prisca Havranek-Kosicek: First of all, we achieved our goals in 2024. I would also like to emphasize the strong improvement in our earnings per share of 27.6 percent to 1.62 euros. As Chief Financial Officer, the quality of our balance sheet and cash flow are of particular importance to me. Despite continued high capital expenditure, our free cash flow is at a good level of around 103 million euros. We were able to further reduce the ratio of net debt to EBITDA – leverage, in other words – from 2.0x to 1.8x, and our equity ratio is also very solid at 55.6 percent. Jenoptik is therefore a very healthy company.

Dr. Kuschnereit, you are the Executive Board member responsible for the largest division, Advanced Photonic Solutions. How do you assess its developments?

Ralf Kuschnereit: In recent years, through innovations and acquisitions, we have successfully developed Jenoptik into a company whose products are indispensable to our customers. Our growth areas of semiconductor technology, medical technology, metrology and smart mobility promise high growth potential for the mid term. Following the profitable growth spurt of prior years, short-term market uncertainties and the reduction of inventories in the value chains do not alter our conviction that our key customers, and therefore we as a supplier and partner to our customers, will benefit greatly from the megatrends of digitization, AI, electromobility, and robotics. We also see significant growth potential in the other Jenoptik target markets in the medium and long term.

"We have positioned Jenoptik to benefit from megatrends that will influence our future."

Dr. Ralf Kuschnereit

This brings me to the expansion in Dresden. Do you believe the decision to invest a large sum here was definitely the right thing to do?

Ralf Kuschnereit: Absolutely, we need the capacity created for the expected increase in demand. Our Dresden project is an important foundation for realizing the growth potential in this area. As announced, production began in early 2025. Our plant is state-of-the-art and efficient, supplying our micro-optics and sensors to customers all over the world.

The pressure from customers to keep coming up with new, innovative technologies remains high, doesn't it?

Stefan Traeger: We wouldn't have been so successful for so many years if we hadn't learned to deal well with pressure. So when it comes to innovation, I would prefer to talk about motivation and drive on our part. Almost 15 percent of our group employees work in research and development. Including new products developed in cooperation with our customers, our R+D output amounted to 9.5 percent of group revenue in 2024. We are very proud of our capacity for innovation, and it is being recognized. With regard to our portfolio, our top priority remains the positioning of Jenoptik as a global leader in the photonics markets, and our portfolio will continue to reflect this in the medium term.

You have already indicated that 2025 will not be an easy year, a year of transition. What exactly do you expect?

Prisca Havranek-Kosicek: Due to the news from some of our key end markets we already expected a more difficult market environment in the second half of 2024; this is also reflected in our order intake, which is below that of the prior year. The first half of 2025, in particular, is likely to be more sluggish due to the expected delay in the recovery in the semiconductor equipment industry and the negative impact from the automotive industry. However, we see good opportunities for a market recovery from the middle of the year onwards. So in the fiscal year 2025, we expect group revenue to be at around the same level as in 2024 with a bandwidth of +/- 5 percent, and an EBITDA between 18.0 and 21.0 percent. Following the completion of our major project in Dresden, our capital expenditure will drop noticeably in the current fiscal year. We will then expect free cash flow to increase significantly.

"In 2025, our capital expenditure will reduce significantly."

Dr. Prisca Havranek-Kosicek

... and after that, from 2026, things will pick up again?

Prisca Havranek-Kosicek: If our expectation of a recovery in the second half of 2025 proves to be true, we firmly believe that this will be the case. In 2026, our aim is to achieve the targets of around 1.2 billion euros in revenue and an EBITDA margin of 21 to 22 percent that were originally set for 2025. The basis for this is solid organic growth, particularly in our semiconductor equipment business.

What can your shareholders expect from you this year?

Stefan Traeger: As already mentioned, our core photonics business has significant profitable growth potential, and we will continue to focus our portfolio on this. We are in an excellent financial position and our free cash flow is set to increase significantly in 2025. Our aim is to continue delivering what we promise, and I am convinced that these positive factors will be reflected in our share price. In addition, we will continue to give our shareholders an appropriate share in the company's success in the future; our dividend for 2024 is to be increased to 0.38 euros per share.

Mr. Traeger, Ms. Havranek-Kosicek, Mr. Kuschnereit, good luck for 2025 and thank you very much for talking to us!

Supervisory Board Report

Dear shareholders,

The year 2024 was marked by ongoing geopolitical tensions, particularly the war in Ukraine and the Middle East conflict, with corresponding effects on the global economy. The uncertain political situation in Germany, triggered by the end of the governing coalition in November 2024, has not improved the industrial sector's operating conditions. In this challenging economic environment, Jenoptik once again demonstrated its resilience and ability to grow, achieving revenue growth of 4.7 percent and an EBITDA margin of 19.9 percent, driven by a strong order backlog and robust positioning in its core markets semiconductor & electronics, life science & medical technology and smart mobility. By focusing on our leading technological expertise in high-growth future markets and strengthening our capacity for innovation, Jenoptik is well-positioned to continue succeeding in a difficult market environment and to play an active role in shaping the future.

Cooperation on the Executive and Supervisory Boards

In the past fiscal year, the Supervisory Board diligently performed the duties imposed on it by law, by the Articles of Association, and by the Rules of Procedure, regularly provided advice to the Executive Board on the management of the company, and continuously monitored its work. The Executive Board directly involved the Supervisory Board in all decisions of fundamental importance to Jenoptik and informed it regularly, in good time and in full, both verbally and in writing, about the course of business and the economic situation, the risk position, risk management, sustainability issues, and issues relating to compliance, strategy, and corporate planning. In the event that actual business development deviated from the established plans and targets, the Executive Board notified the Supervisory Board, explaining the reasons in detail. The members of the Supervisory Board intensively discussed the reports submitted by the Executive Board and reviewed them for plausibility at committee and Supervisory Board meetings. The Executive Board fully complied with the professional duties set out in § 90 of the Stock Corporation Act (AktG) and the German Corporate Governance Code (”Code”). The Supervisory Board approved business transactions requiring approval following due examination and discussion. Prior to several Supervisory Board meetings, the shareholder and employee representatives each held separate preparatory meetings.

Attendance at Meetings of the Supervisory Board and its Committees

Over the course of the fiscal year 2024, the Supervisory Board met for five ordinary meetings and two extraordinary meetings. All meetings were held in person, with individual members joining virtually via video in several meetings when they were unable to be physically present. Resolutions were also passed in writing on three occasions. Over the past fiscal year, the Supervisory Board saw a consistently high attendance rate that averaged 97.6 percent. All members of the Supervisory Board attended at least half of the meetings.

There were also five meetings of the Audit Committee, six meetings of the Personnel Committee, five meetings of the Investment Committee, two meetings of the newly established Innovation Committee, and one meeting of the Nomination Committee. At some of the committee meetings that were held in person, individual members were also able to attend virtually. Attendance at committee meetings was 100 percent, except for the Personnel Committee, which recorded an attendance rate of 94.4 percent. Detailed information on individual attendance at meetings can be found in the following tabular summary T01.

T01 Attendance at meetings by the individual members of the Supervisory Board

	Matthias Wierlacher	Jakob Habermann	Evert Dudok	Elke Eckstein	André Hillner	Prof. Dr. Ursula Keller	Dörthe Knips
Supervisory Board 7 meetings (all in person)	●●●● ●●●	●●●● ●●●	●●●● ●●○	●●●● ●●●	●●●● ●●●	●●●● ●●●	●●●● ●●●
Audit Committee 5 meetings (of which 3 in person)	-	-	-	-	-	-	●●●● ●
Personnel Committee 6 meetings (of which 3 in person)	●●●● ●●	●●●● ●●	●●●● ●●	●●●● ●●	-	-	●●●● ●●
Investment Committee 5 meetings (of which 1 in person)	●●●● ●	●●●● ●	-	●●*	●●●● ●	●●●● ●	-
Innovation Committee (since 25/03/2024) 2 meetings (none in person)			●●	●●	●●	●●	
Nomination Committee 1 meeting (in person)	●	-	●	●	-	-	-
Attendance (individual) in percent	100 %	100 %	94 %	100 %	100 %	100 %	100 %

	Daniela Mattheus	Alexander Münkwitz	Thomas Spitzenpfeil	Christina Süßenbach	Franziska Wolf	Total attendance of all members in percent
Supervisory Board 7 meetings (all in person)	●●●● ●●●	●●●● ●●●	●●●● ●●●	●●●● ●●●	●●●● ●●○	98 %
Audit Committee 5 meetings (of which 3 in person)	●●●● ●	●●●● ●	●●●● ●	-	-	100 %
Personnel Committee 6 meetings (of which 3 in person)	-	-	-	-	●●●● ○○	94 %
Investment Committee 5 meetings (of which 1 in person)	-	-	●●●**	●●●● ●	-	100 %
Innovation Committee (since 25/03/2024) 2 meetings (none in person)		●●		●●		100 %
Nomination Committee 1 meeting (in person)	-	-	-	-	-	100 %
Attendance (individual) in percent	100 %	100 %	100 %	100 %	77 %	

● Attendance
○ No attendance
* Member until 03/25/2024
** Member since 26/03/2024

The members of the Executive Board attended all meetings of the Supervisory Board and most committee meetings. In line with recommendations D.6 and D.10 of the Code, the Supervisory Board, and in particular the Audit and Personnel Committees, regularly discussed certain agenda items without the presence of the Executive Board – for example, in relation to the renewal of Dr. Stefan Traeger's appointment or specific aspects of the audit.

The Executive Board and the Supervisory Board consistently worked together in a trust-based and open atmosphere. The Chairman of the Supervisory Board and the Chairs of the committees also maintained regular contact with the Executive Board in between the meetings of the Supervisory Board and the committees. The Chairman of the Supervisory Board consulted with the Executive Board on current business performance, in particular, but also on planning, the risk situation, risk management, and compliance matters within the company. In addition, the Executive Board promptly informed him, either verbally or in writing, about important issues of key relevance to assessing the situation, development, and management of Jenoptik. The Chairman then immediately informed the Supervisory Board of these matters, or at the next meeting at the latest.

Key Topics Discussed by the Supervisory Board

At all its regular meetings, the Supervisory Board dealt with the Executive Board's detailed reports on the course of business, in particular the Group's current revenue and earnings development and its financial and asset position. This included a comprehensive examination and discussion of the quarterly statements and the Half-Year Report. Recurring topics at several meetings included information on the status of the construction of the new high-tech factory for micro-optics and sensors in Dresden, and explanations and discussions on acquisition and divestment projects.

In two written **circular resolutions in February 2024**, the members of the Supervisory Board adopted their report for the 2024 Annual General Meeting and, together with the Executive Board, the Remuneration Report for the fiscal year 2023. They also approved the Corporate Governance Statement, including the qualification matrix it contains. In addition, the résumés of Supervisory Board members were compared with the competency profile adopted by the Supervisory Board and updated on the Jenoptik website.

At its **balance sheet meeting on March 25, 2024**, the Supervisory Board discussed the audit of JENOPTIK AG's Annual Financial Statements, the Consolidated Financial Statements, the Combined Management Report, the Combined Non-Financial Report, the Remuneration Report, and the appropriation of accumulated profits at length in the presence of the auditor. After extensive discussion, the Supervisory Board approved the Annual Financial Statements of JENOPTIK AG and the Consolidated Financial Statements for the fiscal year 2023. The Annual Financial Statements were thus adopted. The members of the Supervisory Board also resolved to approve the Executive Board's proposal for the appropriation of profits, with a dividend payment of 0.35 euros per dividend-bearing share. Other matters discussed at the meeting were the settlement of the target agreements for Executive Board members in the fiscal year 2023, including determination of the multiplier for one-year variable remuneration, and the conclusion of new target agreements for the Executive Board members for 2024. The Supervisory Board adopted the agenda for the Annual General Meeting on June 18, 2024, which included the proposal to elect Ms. Daniela Mattheus to the Supervisory Board. Based on the findings of the external evaluation conducted in the fiscal year 2023 and the identified areas for improvement, the Supervisory Board decided to establish a new Innovation Committee consisting of six members. This committee will focus primarily on digitization and innovation. The Executive Board also presented various measures of the "Operational Excellence" program to the Supervisory Board, particularly highlighting how the Jenoptik Business System can support these efforts.

In an extraordinary **meeting on May 6, 2024**, the Supervisory Board discussed, in addition to current business performance and the quarterly statement for the first quarter, several group projects, including the new organizational structure planned for 2025 and the integration status of companies acquired in recent years. Prof. Ursula Keller was elected Chairwoman of the newly established Innovation Committee.

The **meeting on June 17, 2024**, focused not only on recurring topics but also on matters relating to the Annual General Meeting scheduled for the following day. The Supervisory Board again received a detailed update on the project to introduce a new organizational structure in 2025. The newly formed Corporate Innovation Partner central division was also introduced to the Supervisory Board. The Supervisory Board also addressed succession planning within the Executive Board, as well as the extension of Dr. Stefan Traeger's employment contract and reappointment, following extensive preparations by the Personnel Committee. This was also the sole topic of the extraordinary **meeting on July 5, 2024**, during which Dr. Stefan Traeger presented his agenda for the coming years. As a result of these extensive preliminary discussions, Dr. Stefan Traeger's reappointment as Chairman of the Executive Board and HR Director, effective July 1, 2025 until June 30, 2028, was approved in **August 2024** via a written circular resolution.

At the **meeting on September 3, 2024**, which was held at the HOMMEL ETAMIC site in Villingen-Schwenningen, the Executive Board, following a tour of the manufacturing areas, reported on the current business and financial performance of the Group following the end of the second quarter, as well as on the planning assumptions for the fiscal year 2025. In addition to recurring topics, the meeting covered the status of the project to introduce a new organizational structure in 2025, a cost-efficiency initiative for the Jenoptik Group, and the Group's Risk and Opportunity Report as of June 30, 2024.

During the two-day **strategy meeting on November 20-21, 2024**, the Supervisory Board, along with the Executive Board and additional members of the Executive Management Committee, discussed in-depth the implementation of the group strategy at the level of the four future strategic business units: Semiconductor & Advanced Manufacturing, Biophotonics, Metrology & Production Solutions, and Smart Mobility Solutions. Over the two days, the Supervisory Board also received an overview of the strategy regarding innovation within the Jenoptik Group, operational excellence in management systems, structures, and processes, HR work, and financial and non-financial KPIs.

At its last **meeting** of the year on **December 11, 2024**, the Supervisory Board dealt in detail with the business performance of the Group following the end of the third quarter, including the sustainability indicators. The Supervisory Board received an update on the medium-term planning, approved the corporate planning for the fiscal year 2025, and discussed sustainability management, particularly the sustainability strategy and the updated double materiality analysis. After reviewing a corporate governance checklist, the declaration of conformity for the fiscal year 2024 pursuant to § 161 (1) AktG was approved together with the Executive Board. The Supervisory Board updated its resolution on the independence of shareholder representatives, set the qualitative ESG indicators for the variable remuneration of Executive Board members for the next remuneration period, and approved a new allocation of areas of responsibility for the Executive Board, effective from the fiscal year 2025. Given the increasing importance of ESG topics and the existing expertise on these matters, particularly within the Audit Committee, the Supervisory Board decided that the Audit Committee would, in the future, also prepare discussions on additional non-accounting-related ESG topics for the Supervisory Board. To this end, the Supervisory Board's Rules of Procedure were revised, and the committee was renamed the "Audit and ESG Committee." In addition, the Supervisory Board updated its requirements and skills profile and reviewed the effectiveness of itself as a whole and its committees, which recommendations from the 2023 external evaluation were implemented, and where further areas for improvement exist.

Work in the Committees

The Supervisory Board has established six committees to perform its tasks with greater efficiency. To the extent permissible by law and under the Supervisory Board's Rules of Procedure or decided on a one-off basis, these committees make decisions in place of the Supervisory Board and prepare topics that are then addressed by the Supervisory Board. The chairmen on the committees provide in-depth information on the content and outcomes of each committee meeting at the following meeting of the Supervisory Board. With the exception of the Audit Committee and the newly formed Innovation Committee, all committees are chaired by the Chairman of the Supervisory Board. Information on the individual members of each committee can be found in the Corporate Governance Statement, on page 156.

The Audit Committee, chaired by Mr. Thomas Spitzenpfeil, held five meetings during the reporting period, three of which were in person. The Chairman of the Executive Board, the Chief Financial Officer, the Head of Financial Planning & Analysis, and the Head of Financial Services & Tax attended the meetings. In addition, the heads of relevant departments provided reports to the committee on specific topics. Representatives of the auditor also attended the February, March, and November meetings. The Committee placed particular focus on the quarterly statements, the Half-Year Report, and the Annual and Consolidated Financial Statements. It also reviewed the effectiveness, appropriateness, and ongoing development of the risk management system, the internal control system, and the compliance management system, as well as various sustainability topics and current issues related to internal auditing, compliance, and legal matters. Throughout the fiscal year, the committee closely monitored the initial process for preparing the Sustainability Statement in accordance with HGB and the CSRD requirements to be expected, including the supplementary non-financial HGB (German Commercial Code) reporting sections and the tender process for the rotation of the auditor mandate. The Chairman of the Audit Committee also maintained regular contact with the auditor and the auditor of the Sustainability Statement outside the meetings and subsequently reported to the committee on this. The committee also regularly discusses specific topics without the Executive Board.

During a **conference call on February 6, 2024**, prior to publication of the preliminary figures, the Audit Committee discussed the preliminary financial results for the fiscal year 2023 and the current progress of the preparation of the Annual and Consolidated Financial Statements with the Executive Board and two representatives of the auditor. The committee also received a detailed overview of the Jenoptik Cybersecurity Center's structures and various measures and projects to ensure cybersecurity at Jenoptik.

The balance sheet **meeting on March 4, 2024,** focused on the audit of the Combined Management Report, JENOPTIK AG's Annual Financial Statements and Consolidated Financial Statements, including the application of ESEF regulations, the formally audited Remuneration Report, and the Executive Board's proposal for the appropriation of profits. Two auditor representatives also attended this meeting. The Combined Non-Financial Report and the results of the limited assurance audit were discussed with representatives from auditing firm PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft ("PwC"). The committee considered the quality of the audit carried out by EY GmbH & Co KG Wirtschaftsprüfungsgesellschaft, Stuttgart ("EY"), and rated it as convincing. The Head of Compliance & Risk Management then presented the current Group Risk and Opportunity Report. Other topics discussed in the meeting included updates on the expansion of ESG reporting and the status of the audit mandate tender process from the fiscal year 2026 on. The committee recommended that the Supervisory Board propose EY as the auditor for the fiscal year 2024 and PwC as the auditor for the Sustainability Statement to the Annual General Meeting. EY confirmed that there are no circumstances that would compromise its independence as auditor.

At the **meeting on May 7, 2024**, the Audit Committee conducted a detailed review of the quarterly statement for the first quarter and a project aimed at increasing cost efficiency across the Group. The committee was also briefed on the audit planning, completed audits, and follow-ups conducted by Internal Audit, the effectiveness and appropriateness of the internal control system, and the inclusion of sustainability targets in the audit program. The Head of Investor Relations & Sustainability provided an update on the status of non-financial KPIs for the first quarter and the progress of CSRD reporting implementation. The Head of Compliance & Risk Management then gave an overview of the first-time reporting under the German Supply Chain Due Diligence Act (LkSG) and outlined the plan to certify Jenoptik's compliance management system pursuant to ISO 37301. Finally, the committee approved the project plan for conducting the audit mandate rotation tender and established various selection criteria for the tender process.

In addition to the Half-Year Financial Statements, the topics of **discussion on August 8, 2024** included the determination of the main points of the audit and the review of EY's fee agreement for the upcoming audit. The committee also addressed the issue of monitoring the independence of the auditor. To this end, it reviewed the services provided in the past year in addition to the audit and updated its approved catalog of permissible non-audit services. The Audit Committee subsequently engaged EY, in accordance with the resolution of the Annual General Meeting on June 18, 2024, to conduct the audit of the Annual and Consolidated Financial Statements for the fiscal year 2024 and the formal audit of the Remuneration Report. PwC was appointed to audit the Sustainability Statement in accordance with CSRD requirements or, should the corresponding CSRD implementation law not be passed by the legislator in time, the Non-Financial Report under the German Commercial Code (HGB). The committee was informed about the current Group Risk and Opportunity Report and various data protection matters. The Head of Treasury reported on current financing topics, the conducted EMIR audit, and current interest rate developments. The Head of Financial Services & Tax presented the process for ensuring tax compliance at Jenoptik.

At its final **meeting** of the year **on November 11, 2024**, the Committee reviewed the financial results for the third quarter, the current financial forecast as of December 31, 2024, as well as the key performance indicators and the new reporting structure, which will be aligned with the Group's new organizational structure from the first quarter of 2025. Representatives from EY presented their audit strategy and planning for the upcoming audit, and representatives of PwC the audit strategy and planning of the upcoming audit of the Sustainability Statement, including non-financial elements. EY's audit plan covered the defined main points of the audit, the scope of the audit at the individual group companies, and the preliminary key audit matters. Internal Audit presented a report on audits conducted in the second half of the year, highlighting key findings, along with a draft audit plan for the following year. The Head of Investor Relations & Sustainability provided an update on the expansion of ESG reporting and the status of the Sustainability Statement, which already implements CSRD requirements for the past fiscal year 2024. The meeting concluded with a review of current compliance topics, including the training program planned for 2025 and the roadmap for ISO certification of the Jenoptik Compliance Management System.

The Personnel Committee met six times during the past fiscal year, including three in-person meetings. Its meetings focused on the settlement of the Executive Board's target agreements for 2023, including determination of the multiplier for the one-year variable remuneration, and the agreement of new targets for the fiscal year 2024. Later in the year, in three meetings, the Personnel Committee prepared the Supervisory Board's decision regarding the renewal of the appointment of the Chairman of the Executive Board, Dr. Stefan Traeger, and the conclusion of a new employment contract. At the last meeting of the year, the Supervisory Board's resolution on the qualitative ESG indicators for the variable remuneration of the Executive Board in 2025 were prepared.

The Investment Committee met five times in the past fiscal year, including one in-person meeting, and focused on acquisition and divestment projects, a project to structure the new strategic business unit Metrology & Production Solutions, and regular updates on the progress of the new high-tech factory in Dresden. The cleanroom facility was constructed according to the original schedule. The relocation process began on schedule at the end of 2024, with production set to commence in March 2025.

The Innovation Committee, established on March 25, 2024, met twice in the past fiscal year. At its inaugural meeting, the committee focused on defining its responsibilities. At its second meeting, the Executive Board member responsible for innovation, Dr. Ralf Kuschnereit, together with the Head of the Corporate Innovation Partner department, provided an overview of innovation management at Jenoptik and presented the Group's innovation strategy and objectives. Both meetings were held virtually.

The Nomination Committee met once, with all members attending in person. Taking into account the updated skills and requirements profile, the committee reviewed the current composition of the Supervisory Board and the search for potential candidates in order to present recommendations for candidates to the Supervisory Board for the upcoming election of three shareholder representatives at the Annual General Meeting in June 2025.

The Mediation Committee established on the basis of § 27(3) of the German Codetermination Act (MitbestG) did not meet in the year covered by the report as there was no reason for it to do so.

Corporate Governance

Over the past fiscal year, the Supervisory Board also engaged with corporate governance issues, and in December, following examination of a corporate governance checklist and, together with the Executive Board, adopted the Declaration of Conformity according to § 161(1) AktG. It is part of the Corporate Governance Statement. This and prior declarations extending back to 2005 are permanently available to shareholders on the Jenoptik website. At the same meeting, the Supervisory Board updated its Rules of Procedure, which were subsequently published on the company's website.

Following the most recent self-assessment carried out with the assistance of an external expert in 2023, the Supervisory Board carried out an internal self-assessment in the past fiscal year. Based on recommendations from the external evaluation, the Innovation Committee was established in March 2024. In addition, the Supervisory Board adopted an onboarding process for new Supervisory Board members. The internal self-assessment conducted in December 2024 also gave a positive picture of the work of the Supervisory Board and its committees. No efficiency shortcomings were identified. The next external evaluation is scheduled to take place in 2026.

Based on the recommendations of the Code, members of the Executive Board may only exercise external supervisory board mandates with the approval of the Supervisory Board. In the past fiscal year, Executive Board members did not take on any new mandates. **No** reportable **conflicts of interest** arose within the Executive Board or the Supervisory Board that would have to be disclosed to the Annual General Meeting in this report. Furthermore, neither Executive Board nor Supervisory Board members engaged in any transactions that would have required approval or disclosure under §§ 111a et seq. AktG as so-called related party transactions. More information on business transactions by the Executive Board or Supervisory Board with related parties can be found in chapter 8.5 of the Notes.

Members of the Supervisory Board are themselves responsible for undergoing the training and professional development measures necessary for their tasks. The company offers selected internal or external topic-specific information events for targeted professional development if required. Some members of the Supervisory Board took part in the Jenoptik Innovation Days 2024. All members are regularly informed about new regulatory requirements or other legal developments affecting them. New members also are supported by the company during their onboarding. The Supervisory Board has adopted a dedicated process for this, which also includes the opportunity to meet not only the Executive Board members but also other senior managers responsible for key areas within Jenoptik as part of the onboarding process.

Detailed information on corporate governance at Jenoptik can be found in the Corporate Governance Statement.

Annual Financial Statements and Consolidated Financial Statements

In line with the resolution of the Annual General Meeting on June 18, 2024, EY was appointed to audit the Combined Management Report, the Annual Financial Statements of JENOPTIK AG, the Consolidated Financial Statements, and to carry out a formal audit of the Remuneration Report. EY has been the JENOPTIK AG and Group auditor since the fiscal year 2016. The lead audit partner is currently Martin von Michaelis. EY audited the Annual Financial Statements, prepared by the Executive Board in accordance with HGB regulations, as well as the Combined Management Report and the Consolidated Financial Statements, and issued its unqualified approval for each. The Consolidated Financial Statements were prepared pursuant to § 315e HGB, based on the IFRS Accounting Standards as applicable in the EU, along with the additional commercial law requirements under § 315e (1) HGB. The Remuneration Report was subjected to a formal audit by EY pursuant to § 162 (3) AktG and issued with unqualified approval. The audit of the Sustainability Statement in accordance with the non-financial requirements of the HGB and the requirements of the CSRD, including additional non-financial reporting elements under HGB to obtain limited assurance, was conducted by PwC and also received unqualified approval.

Within the scope of its audit duties, EY also checked whether the Executive Board had adopted suitable measures to ensure that developments that may endanger the continued existence of the company are identified in good time. The EY audit was conducted pursuant to § 317 HGB and the EU Audit Regulation, giving consideration to the generally accepted German audit principles defined by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer [IDW]).

On completion, the audit reports, the Annual Financial Statements, the Consolidated Financial Statements, the Executive Board's proposal for the appropriation of profits, and the Combined Management Report, including the Sustainability Statement, were sent to all members without delay and, together with the documents submitted by the Executive Board, discussed in great detail by the Audit and ESG Committee and the Supervisory Board at their March meetings. Both also dealt with the key audit matters. In the presence of the Executive Board, representatives from EY and PwC reported personally on the scope, main focus, and key findings of their audit at the meetings, and were also available to respond to any further queries. The Supervisory Board is convinced that the Executive Board's participation in discussions with EY within the Supervisory Board and the Audit and ESG Committee regarding the Annual and Consolidated Financial Statements enhances the substantive exchange. The Supervisory Board therefore supports the Executive Board's continued participation in these discussions. If a Supervisory Board member wishes to have a discussion with the auditor without the participation of the Executive Board, the Chairman of the Supervisory Board or the Committee will agree to this.

EY also provided information on services rendered in addition to the audit services. Detailed information can be found in the Notes in chapter 10.3. According to EY, there were no circumstances that gave rise to a concern of partiality. No major weaknesses in the risk management system or the internal control system were reported. The Chairman of the Audit Committee also reported in detail to the Supervisory Board on the Audit Committee's review of the Annual and Consolidated Financial Statements.

Following the final outcomes of the preliminary audit by the Audit and ESG Committee and its own review and discussion, the Supervisory Board raised no objections to the outcomes of the audit at its meeting on March 24, 2025 and approved the Annual and Consolidated Financial Statements prepared by the Executive Board. The Annual Financial Statements for 2024 are thus adopted pursuant to § 172 (1) AktG. The Supervisory Board discussed in detail the Executive Board's resolution on the appropriation of profits, which provides for an 8.6-percent increased dividend payment of 0.38 euros per dividend-bearing share, and approved it following its own review.

Changes to the Supervisory Board and the Executive Board

There was one change on the Supervisory Board in the past fiscal year. After Mr. Stefan Schaumburg stepped down, effective December 31, 2023, upon entering retirement, Mr. Jakob Habermann, who had been elected as a substitute candidate, joined the Supervisory Board as of January 1, 2024. He was elected Deputy Chairman of the Supervisory Board, effective from the same date. Ms. Daniela Mattheus, who had been appointed by court order as a temporary replacement on November 15, 2023 until the next Annual General Meeting, was elected to the Supervisory Board by shareholders at the June 2024 Annual General Meeting to serve the remainder of the term of Ms. Doreen Nowotne, who had stepped down.

In August 2024, the Supervisory Board decided to reappoint Dr. Stefan Traeger as Chairman of the Executive Board for another three years, effective July 1, 2025, and extended his contract until June 30, 2028. Under Dr. Stefan Traeger’s leadership, Jenoptik has successfully developed into a profitably growing, streamlined photonics group in recent years. The continuity in company leadership under Dr. Stefan Traeger should create the basis for realizing organic growth opportunities and consistently advancing the Jenoptik strategy.

On behalf of the Supervisory Board, I would like to extend my sincere thanks to all employees, employee representatives, and Executive Board members for their outstanding performance and exceptional dedication over the past year. Special thanks also go to our shareholders, who have remained loyal and trusting even in challenging times.

Jena, March 2025
For the Supervisory Board

Matthias Wierlacher
Chairman

Jenoptik-Highlights 2024

Investment and construction progress

Two years after the groundbreaking ceremony, we are now in the final stages of constructing our new high-tech factory in Dresden. In the first half of the year, the focus was on interior construction, technical equipment, and the exterior facade. In the fall, the installation of production systems began – all on schedule – to start manufacturing micro-optics and sensors for the semiconductor industry at the fab in early 2025.

Promoting attractive business locations

As a global technology company, Jenoptik is committed to openness, diversity, and tolerance at all its locations. As part of these efforts, we welcomed political representatives, especially at our headquarters in Jena, including Minister for Economic Affairs Robert Habeck, European Commission President Ursula von der Leyen, and SPD party chairwoman Saskia Esken. At our Dresden site, we also had the opportunity to give Saxon Minister for Economic Affairs Martin Dulig an insight into our plant on site.

Awards and recognition

In September, we were honored with the “Pioneer Award,” recognizing our combination of technological expertise and social commitment, e.g. with our campaign “Bleib offen” (Stay Open). We also once again received the “Supplier Award” from semiconductor equipment manufacturer ASML, this time in the Quality category.

Launched at the end of 2023, we continued our “Stay Open” campaign in 2024. It is designed to encourage people to remain open to progress, to different perspectives, and to embrace differences and diversity.

Innovations for our markets

We offer innovations for tomorrow's automobile production, including laser technology for interior design and solutions for exterior lighting concepts. At the end of July, the 400th JENOPTIK-VOTAN® A system was sold and ceremonially handed over to an automotive supplier, followed in August by the first delivery of a system incorporating our new translucent technology JENscan® Style.

Traffic safety

With projects in the US states of Arkansas and Maryland, as well as in Ontario, Canada, we expanded our presence in North America in the traffic monitoring sector in 2024. We also received orders for more traffic safety from the South American market. In addition, we successfully implemented similar projects in Kuwait and the England, including in the Greater Manchester area.

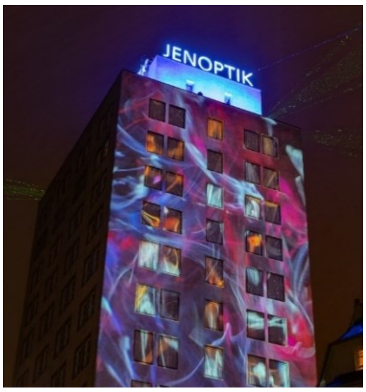
Commitment to science and culture

In October, we donated a set of high-performance optical components for laser beam guidance to the Ernst Abbe University of Applied Sciences in Jena. This demo kit will be used as exhibition and teaching material in the future.

At our Triptis site, we partnered with the Thuringian Foundation for Technology, Innovation, and Research (STIFT) to launch a youth innovation workshop for children and teenagers interested in technology.

Laser shows were a key highlight of our participation in Jena’s Long Night of Science, alongside numerous hands-on activities in technology and science, as well as insights into our photonics products.

Several art projections on the Ernst Abbe high-rise building in Jena offered culture enthusiasts digital artworks by Lorna Mills, Kurt Komell, and Peter Burr.



The Jenoptik Share

Stock Markets

The Dax, Germany's benchmark index, recorded very strong performance in 2024, despite a weakened German economy, geopolitical tensions, and uncertainties. The 18.8-percent increase to 19,909.14 points, however, was mainly driven by a few companies. The MDax, the index for mid-sized German companies, performed significantly weaker, declining by 5.7 percent to 25,589.06 points. The TecDax, Germany's technology index, was at 3,317.15 points at the end of the year, up 2.4 percent for the year.

Performance of the Jenoptik Share

The Jenoptik share ended Xetra trading on December 30, 2024 at 22.44 euros. Based on a closing price of 28.44 euros on the last day of trading in 2023, this represents a decrease of 21.1 percent. Until October 2024, the share price largely tracked the MDax and TecDax. The lowered 2025 forecast of a key Jenoptik customer, along with the resulting shift of the Group's financial targets from 2025 to 2026 and noticeably more cautious sentiment in the semiconductor equipment industry, led to a significant decline, from which the Jenoptik share was unable to recover by the end of 2024.

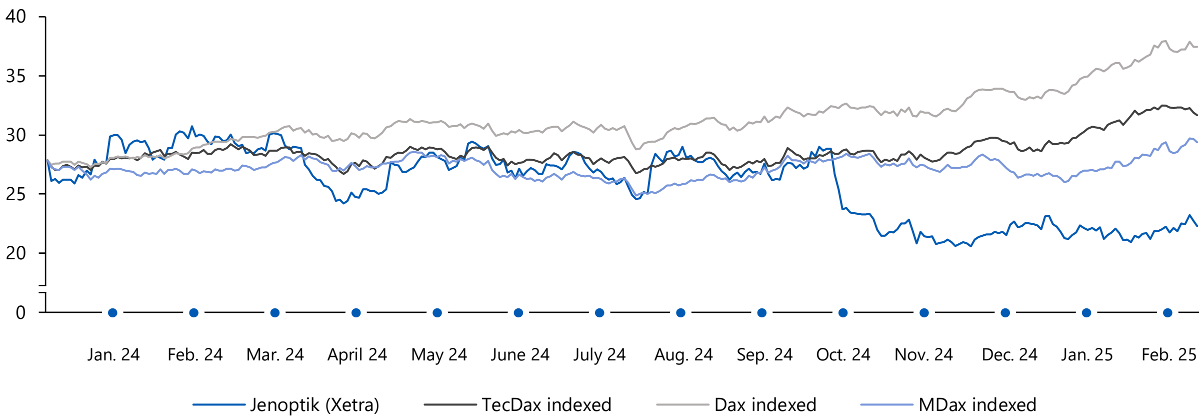
> The latest information on the Jenoptik share and the development of the Jenoptik Group can be found at www.jenoptik.com/investors

Jenoptik's total shareholder return, i.e., share price performance from the last closing price in 2023 through the last closing price in 2024, accounting for dividends paid in the fiscal year, came to minus 19.9 percent in 2024 (prior year: 12.4 percent). At 57,238,115 shares issued, market capitalization amounted to 1,284.4 million euros at the end of the year (prior year: 1,627.9 million euros).

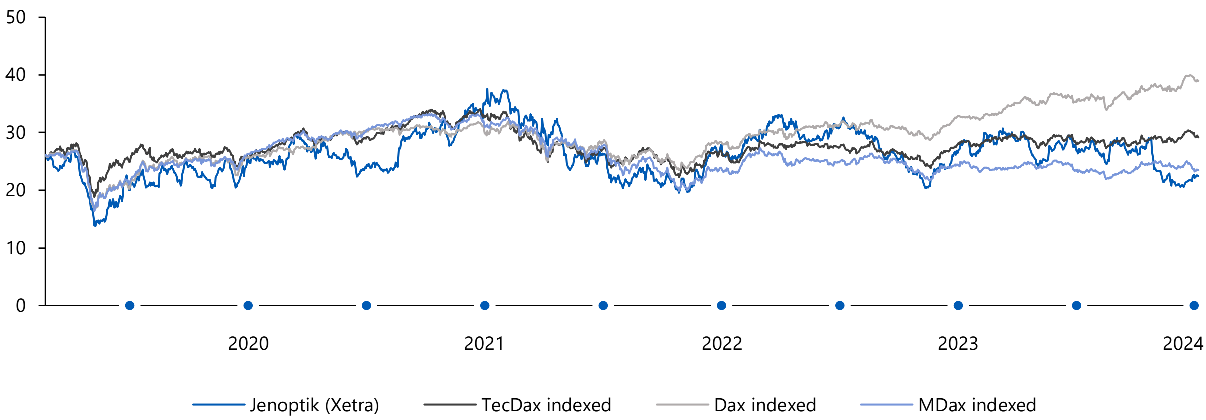
The Dax, TecDax and MDax rose in the first two months of 2025. The Jenoptik share price moved little. On February 28, the share ended Xetra trading at 22.32 euros. This corresponded to a market capitalization of 1,277.6 million euros. Trading in Jenoptik shares increased compared with the prior year. The average number of Jenoptik shares traded per day on the Xetra, in floor trading, and on Tradegate in 2024 was 135,381, 34.0 percent more than in the prior year (prior year: average 101,031 shares).

In the TecDax ranking compiled by Deutsche Börse Group, the Jenoptik share remained unchanged in 17th place in terms of free float market capitalization as of December 2024. Within the MDax, the share ranked 89th at year-end (prior year: 84th).

G01 Share performance January 2, 2024 through February 28, 2025 (indexiert in EUR) (indexed in euros)



G02 Share performance 2020 through 2024 (indexed in euros)



T02 Jenoptik share key figures

	2024	2023	2022	2021	2020
Closing price (Xetra year-end) in euros	22.44	28.44	25.56	37.14	25.12
Highest price/lowest price (Xetra) in euros	30.74 / 20.58	33.06 / 30.32	37.26 / 19.54	37.60 / 22.36	27.44 / 13.82
Performance: absolute in euros/relative in percent	– 6.00 / – 21.1	2.88 / 11.3	– 11.58/ – 31.2	12.02 / 47.9	– 0.36 / – 1.4
No-par value bearer shares issued (31/12) in million euros	57.24	57.24	57.24	57.24	57.24
Market capitalization (Xetra year-end) in million euros	1,284.4	1,627.9	1,463.0	2,125.8	1,437.8
Average daily turnover in units[1]	135,381	101,031	127,179	179,374	190,855
P/E ratio (based on highest price) / P/E ratio (based on lowest price)	18.98 / 12.70	26.03 / 16.0	38.81 / 20.35	26.3 / 15.6	37.6 / 18.9
Free cash flow per share in euros	1.80	2.22	1.39	1.10	1.09
Group earnings per share in euros	1.62	1.27	0.96	1.43	0.73

[1] Source: Deutsche Börse; includes trading on Xetra, in Frankfurt, Munich, Berlin, Düsseldorf, Hamburg, Hannover, and Stuttgart, and on Tradegate

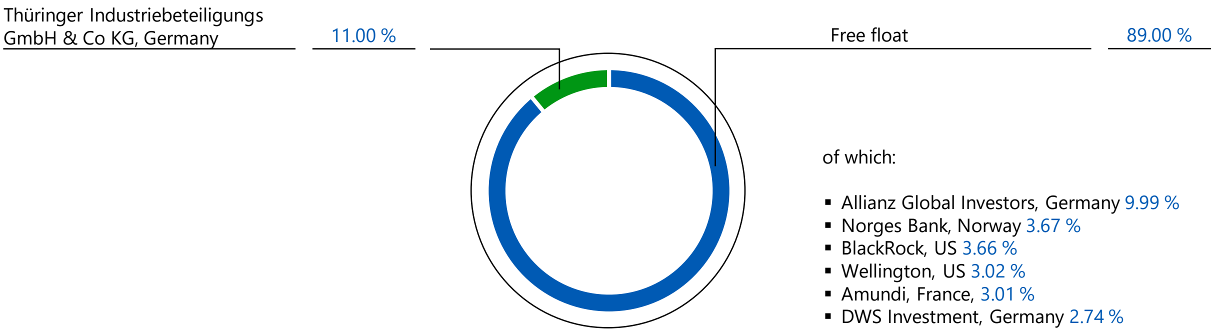
Shareholder Structure

At the end of the fiscal year, JENOPTIK AG's free float was unchanged at 89 percent.

In the course of 2024, Jenoptik received various voting right notifications from institutional investors regarding the purchase or sale of share positions, which were published by the company. More information on this can be found in the separate financial statements of JENOPTIK AG and at https://www.jenoptik.com/investors/share, under Voting rights announcements.

At the end of 2024, a total of 52,196 shareholders (prior year: 51,615) were entered in the share register, of which 553 were institutional investors (prior year: 557) and 51,643 private investors (prior year: 51,058). Institutional investors held 76.06 percent of the company's share capital (prior year: 76.98 percent), private investors 23.94 percent (prior year: 23.02 percent).

G03 Shareholder structure (as of December 31, 2024)*



* Based on received voting right notifications

Dividend

Jenoptik's management strives for a reliable and continuous dividend policy in which shareholders receive payment of a dividend in line with the company's success. At the same time, sufficient financial resources are required to finance Jenoptik's operating business and strategic investment to assist its development as a globally leading photonics group. We consider this key to the sustainable and successful growth of the company and thus also in the interests of shareholders. The Executive and Supervisory Boards of JENOPTIK AG therefore review their dividend recommendation with considerable prudence every year. In the past fiscal year, Jenoptik paid an increased dividend of 0.35 euros per share (prior year: 0.30 euros) to its shareholders for 2023.

Based on the very good results in the fiscal year 2024, the Executive Board and Supervisory Board will propose a dividend of 0.38 euros per share for the fiscal year 2024 to the 2025 Annual General Meeting. The management is thus pursuing the goal of allowing shareholders to participate appropriately in the company's success while at the same time enabling further growth investment. With earnings per share of 1.62 euros (prior year: 1.27 euros), the payout ratio will amount to 23.5 percent (prior year: 27.6 percent), subject to approval by the Annual General Meeting.

T03 Dividend key figures

	2024	2023	2022	2021	2020
Dividend per share in euros	0.38	0.35	0.30	0.25	0.25
Dividend payout in million euros	21.8	20.0	17.2	14.3	14.3
Dividend yield[1] in %	1.7	1.2	1.2	0.7	1.0
Payout ratio[2] in %	23.5	27.6	31.2	17.5	34.2
Total shareholder return in %	– 19.9	12.4	– 30.4	48.8	– 0.4

[1] based on year-end closing price

[2] based on earnings attributable to shareholder

Capital Market Communication

We are committed to transparent, timely, and continuous communication with our shareholders, analysts, and institutional investors. In our opinion, this approach enhances transparency for capital market participants and the broader public, while also strengthening trust in Jenoptik.

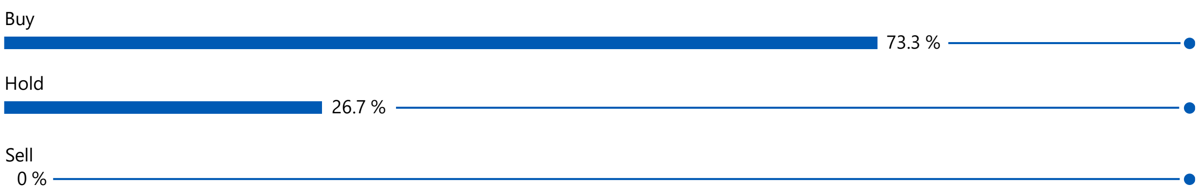
We use our financial reports and statements to provide extensive information about the Group's earnings, assets, and finances four times a year. In addition, we publish press releases on important events and current developments. These documents, as well as presentations, the financial calendar, the Articles of Association, and further information are also available in German and English on the Jenoptik website at www.jenoptik.com/investors. In accordance with the statutory requirements of the Regulation on Market Abuse, insider information is published immediately and simultaneously worldwide in German and English, insofar as JENOPTIK AG is not, in individual cases, exempt from this publication.

In the fiscal year 2024, Jenoptik was once again represented at numerous investor conferences and roadshows. During conference calls on the publication of the Consolidated, Annual, and Quarterly Financial Statements and Reports, and in numerous individual conversations, the Executive Board and the investor relations team explained the development of business, key figures, and strategy to institutional investors, analysts, private shareholders, and journalists.

The 26th Annual General Meeting of JENOPTIK AG was held on June 18, 2024 as an in-person event again. At around 64 percent, the proportion of capital represented was close to the prior-year figure of 65 percent. By a large majority, the shareholders formally approved the actions of the Executive Board and Supervisory Board and agreed to payment of the proposed dividend. All other agenda items were also passed with clear majorities.

Jenoptik is regularly covered by numerous German and international analysts. Over the course of 2024, 15 (prior year: 14) analysts published assessments of the Jenoptik share: Baader Helvea, Bankhaus Metzler, Berenberg, BNP Paribas, Deutsche Bank, DZ Bank, Hauck & Aufhäuser, HSBC, Jefferies, Kepler Cheuvreux, LBBW, ODDO BHF, STIFEL, and Warburg Research. UBS also initiated coverage in December 2024. On December 31, 2024, the average target price of the Jenoptik share as assessed by our analysts was 31.09 euros (prior year: 34.29 euros).

G04 Analyst recommendations (as of December 31, 2024)



Chapter 2

Combined Management Report

General Group Information

Group Structure

Legal and organizational structure

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

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

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

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

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

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

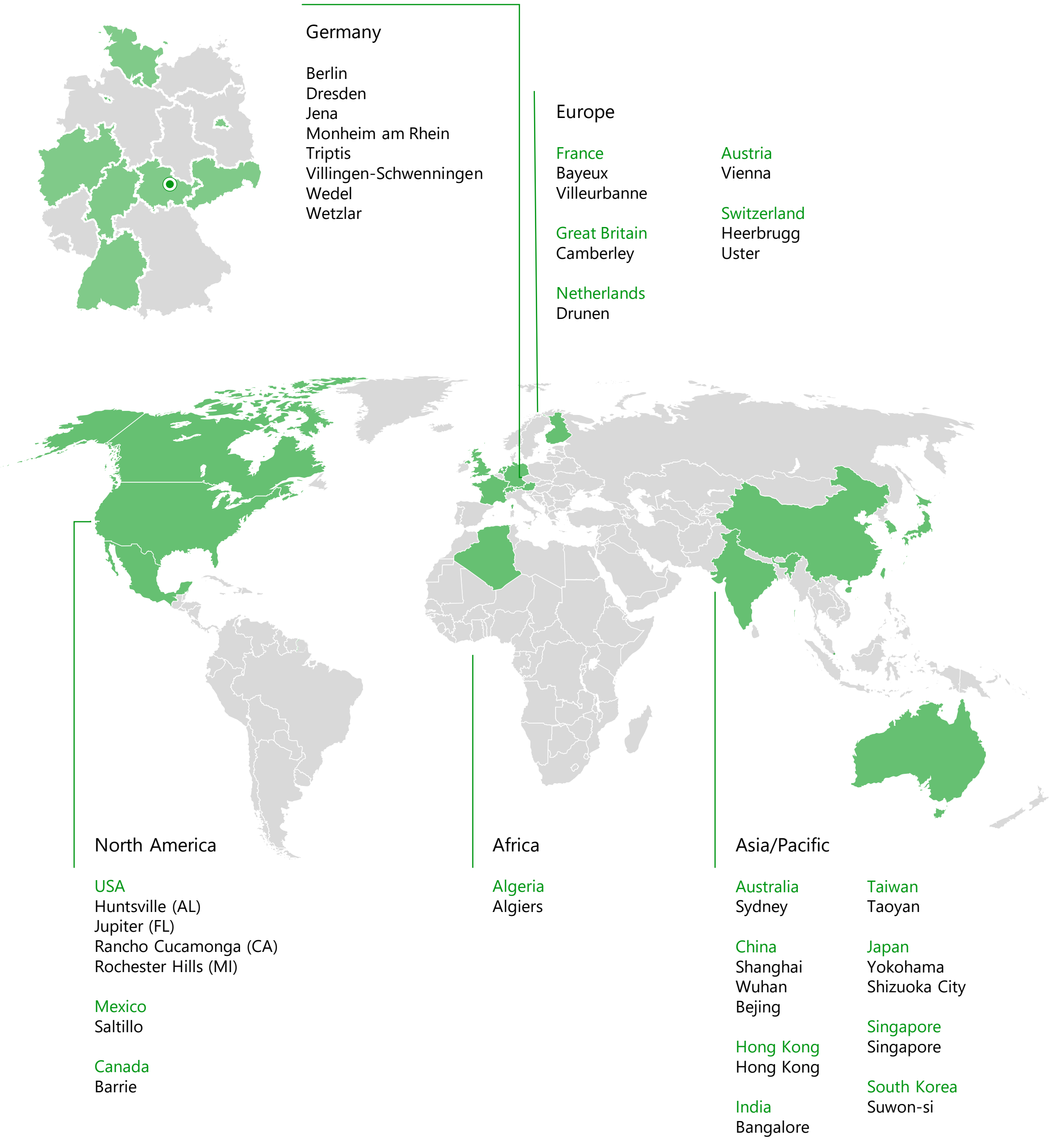
Since January 1, 2025, Jenoptik has been operating under a new structure. Further details can be found in the chapter "Targets and Strategies" and the Forecast Report.

Key locations

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

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

G06 Selected locations of the Jenoptik Group



Last updated: December 2024

Business Model and Markets

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

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

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

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

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

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

The Jenoptik Divisions in the Fiscal Year 2024

Advanced Photonic Solutions

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

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

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

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

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

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

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

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

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

Smart Mobility Solutions

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

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

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

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

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

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

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

Non-Photonic Portfolio Companies

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

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

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

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

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

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

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

Targets and Strategies

Strategic orientation of the Group

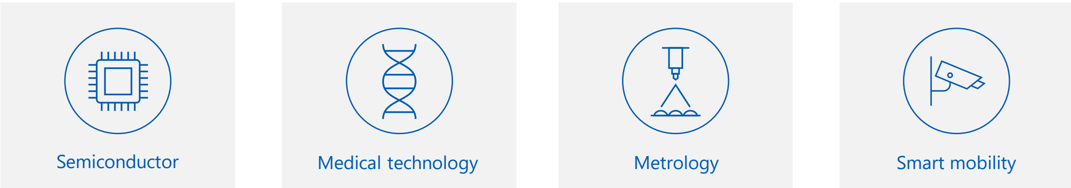
As already described in the chapter "Business model and markets," Jenoptik's range of services is predominantly based on optical/photonic product solutions. High-precision, flexible photonics products, methods, and processes will continue to play a growing role in industrial value creation as so-called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

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

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

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

G07 Areas of growth



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

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

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

Organic growth/expansion of revenue with key customers

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

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

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

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

Innovation

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

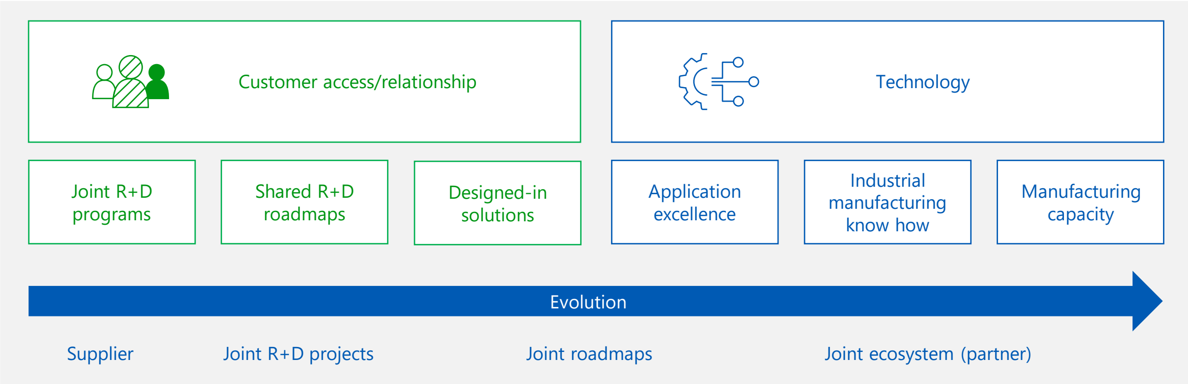
As a system partner, Jenoptik works with customers on new solutions. They often involve us at a very early stage of the development process, enabling us to strengthen our relationships and steadily boost value creation. At the same time, we also want to drive our own innovation forward independently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

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

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

Further information can be found in the “Research and Development” chapter

G08 Our value proposition



Internationalization

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

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

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

Employees – our most important resource

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

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

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

Sustainability is part of our corporate strategy

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

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

Key measures for strategy implementation

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

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

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

Financial targets 2026

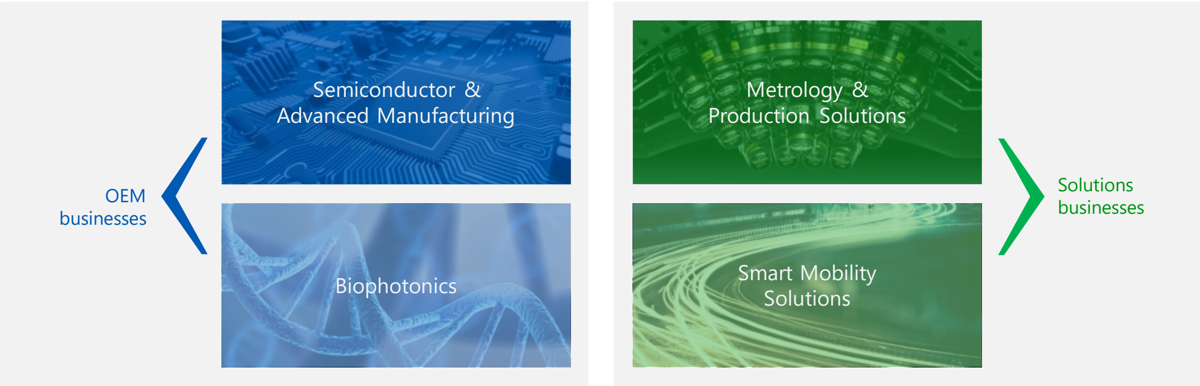
In November 2024, Jenoptik deferred the financial targets originally set for 2025 by one year, due in particular to the expected delay in the recovery in the semiconductor equipment industry. We are now aiming to increase revenue to around 1.2 billion euros and achieve an EBITDA margin of 21 to 22 percent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

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

New structure as of January 1, 2025

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

G09 Organizational structure since January 1, 2025



Future strategic orientation of the operating business

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

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

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

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

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

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

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

Control System

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

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

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

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

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

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

G10 Performance indicators for corporate management

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

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

Explanation of the indicator base

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

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

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

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

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

Research and Development

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

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

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

Innovation process

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

Innovation culture

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

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

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

Memberships in associations

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

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

Employees in research and development

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

Development output

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

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

T04 R+D output (in million euros)

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

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

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

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

Patents

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

Key projects

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

T06 Key projects in 2024

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

Employees

Development of employee numbers

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

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

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

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

T07 Employees by region (including trainees and temporary staff)

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

T08 Revenue per employee

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

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

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

Training & HR development

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

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

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

Further information on this can be found in the Sustainability Statement

Economic Report

Macroeconomic and Sectoral Developments

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

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

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

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

T09 Change in gross domestic product (in percent)

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

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

* Estimate

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

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

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

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

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

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

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

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

Legal Framework Conditions

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

Earnings, Financial, and Asset Position

Comparison of actual and forecast course of business

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

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

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

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

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

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

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

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

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

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

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

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

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

Earnings position

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

Earnings position

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

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

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

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

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

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

T11 Revenue by segment (in million euros)

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

T12 Revenue by region (in million euros)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

T15 EBITDA (in million euros)

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

T16 EBIT (in million euros)

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

T17 ROCE (in million euros)

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

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

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

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

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

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

Order position

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

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

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

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

T18 Order intake (in million euros)

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

T19 Order backlog (in million euros)

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

T20 Book-to-bill ratio

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

G11 Development of the book-to-bill ratio

Financial position

Financial management principles

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

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

See point 5.7 of the Notes for more information on factoring

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

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

See point 8.2 of the Notes for more information on liquidity

Capital structure and financing analysis

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

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

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

Further information can be found in the Notes, point 8.2

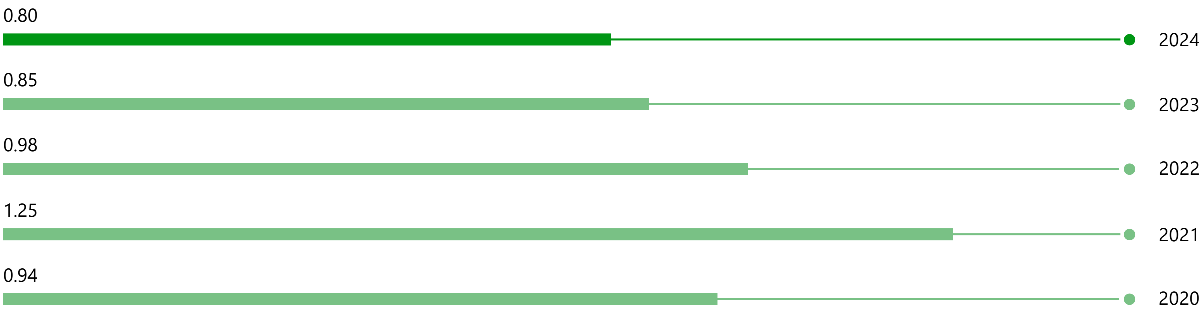
In addition to cash and cash equivalents of 84.9 million euros, the Group had access to firmly committed, unused credit lines of almost 400 million euros to fall back on at the end of 2024. This means that Jenoptik had around 480 million euros available for corporate development projects at the end of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

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

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

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

G12 Debt-to-equity ratio



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

T21 Net and gross debt (in million euros)

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

Analysis of cash flows

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

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

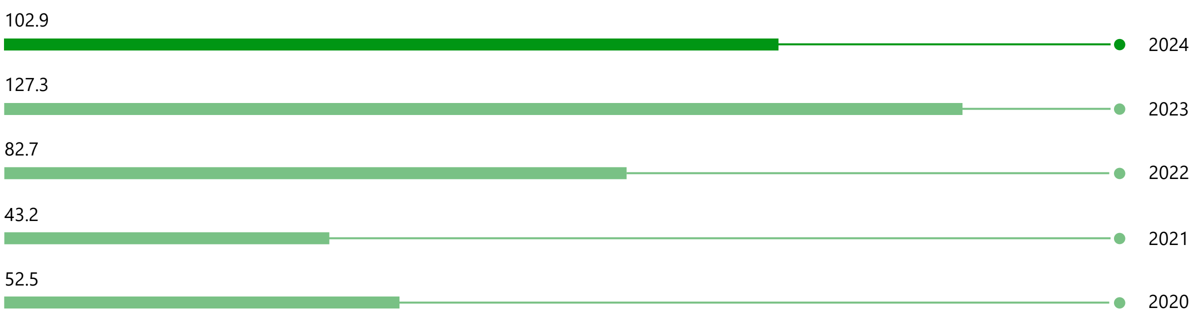
The free cash flow is calculated as the Group's cash flows from operating activities before income tax payments of 193.0 million euros (prior year: 193.7 million euros) and cash flows from operating investing activities, i.e., the balance of proceeds from and payments for intangible assets and property,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

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

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

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

G13 Free cash flow (in million euros)



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

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

Asset position

Analysis of capital expenditure

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

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

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

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

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

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

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

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

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

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

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

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

Analysis of statement of financial position

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

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

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

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

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

T25 Elements of working capital (in million euros)

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

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

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

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

G14 Equity ratio (in percent)

T26 Financial debt by due date (in million euros)

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

Assets and obligations not recognized in the statement of financial position

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

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

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

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

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

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

General Statement by the Executive Board on the Development of Business

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

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

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

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

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

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

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

Segment Report

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

For more information, see the Group Structure chapter

The divisions’ product portfolio and competitive positioning are set out in greater detail in the “Group Business Model” chapter.

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

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

Advanced Photonic Solutions

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

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

[1] Based on total external and internal revenue

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Smart Mobility Solutions

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

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

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

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

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

[1] Based on total external and internal revenue

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

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

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

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

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

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

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

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

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

Non-Photonic Portfolio Companies

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

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

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

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

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

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

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

[1] Based on total external and internal revenue

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

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

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

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

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

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

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

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

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

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

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

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

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

JENOPTIK AG Management Report

(abridged version according to HGB)

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

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

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

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

Asset, Financial, and Earnings Position

T30 Abbreviated statement of income of JENOPTIK AG

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

Earnings position

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

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

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

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

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

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

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

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

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

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

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

T31 JENOPTIK AG statement of financial position

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

Asset and financial position

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

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

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

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

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

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

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

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

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

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

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

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

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

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

General statement by the Executive Board on the development of business

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

Risks and opportunities

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

Forecast Report

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

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

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

Risk and Opportunity Report

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

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

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

G15 Risk assessment

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

Structure and organizational integration of enterprise risk management

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

G16 Process of risk reporting

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

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

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

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

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

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

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

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

Procedure and processes of enterprise risk management

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

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

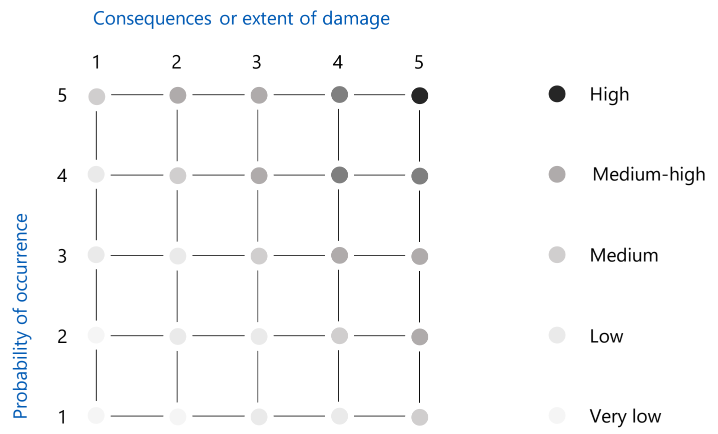
G17 Risk and opportunity categories

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

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

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

G18 Calculation of risk scores



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

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

Risk prevention and assurance of compliance

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

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

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

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

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

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

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

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

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

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

Group Risk and Opportunity Profile

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

T32 Risk and opportunity categories with definitions

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

Financial risks and opportunities

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

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

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

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

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

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

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

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

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

Geopolitical risks and opportunities

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

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

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

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

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

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

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

Technological risks and opportunities

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

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

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

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

Environmental risks and opportunities

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

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

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

Social risks and opportunities

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

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

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

Governance-related risks and opportunities

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

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

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

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

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

Governance risks are assessed as low throughout the Group.

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

T33 Risk profile of the Jenoptik Group in 2024

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

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

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

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

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

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

Forecast Report

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

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

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

T34 Gross domestic product forecast (in %)

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

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

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

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

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

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

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

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

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

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

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

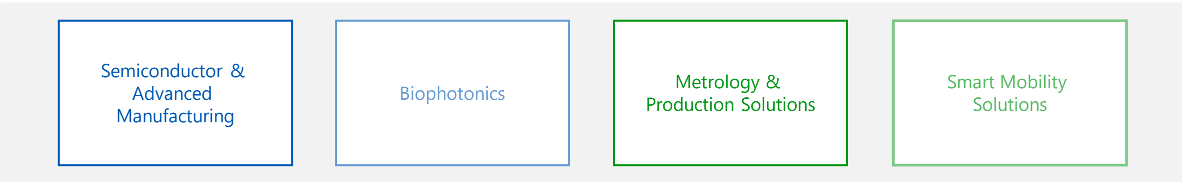
The global traffic safety market is expected to experience average annual growth of 9.6 percent to around 5.1 billion US dollars by 2026, according to the US market research company MarketsandMarkets. The key drivers for this are the increasing urbanization and expansion in the transport and traffic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

Expected Development of the Business Situation

Planning assumptions for the Group and segments

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

G19 Segments of the Jenoptik Group



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

General Statement by the Executive Board on Future Development

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

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

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

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

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

Jena, March 19, 2025
JENOPTIK AG

Dr. Stefan Traeger
President & CEO

Dr. Prisca Havranek-Kosicek
Chief Financial Officer

Dr. Ralf Kuschnereit
Member of the Executive Board

Sustainability Statement

General Information

Our take on sustainability

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

T36 List of disclosure requirements

General Disclosure	ESRS	See page
Our take on sustainability		
Principles for the preparation of the Sustainability Statement	BP-1, BP-2	p. 87
Sustainability Governance		p. 88
Role and responsibilities of the administrative, management and supervisory bodies	GOV-1, GOV-2	p. 88
Sustainability-related performance in incentive systems	GOV-3	p. 92
Statement on due diligence	GOV-4	p. 93
Risk management and internal controls of the sustainability reporting	GOV-5	p. 94
Strategy, targets, business model, and value chain	SBM-1	p. 95
Stakeholder engagement	SBM-2	p. 98
Process for determining and evaluating key impacts, risks, and opportunities	IRO-1	p. 99

Principles for the preparation of the Sustainability Statement

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

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

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

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

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

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

T37 ESRS disclosure requirement included by reference

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

Sustainability governance

Role and responsibilities of the administrative, management and supervisory bodies

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

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

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

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

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

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

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

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

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

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

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

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

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

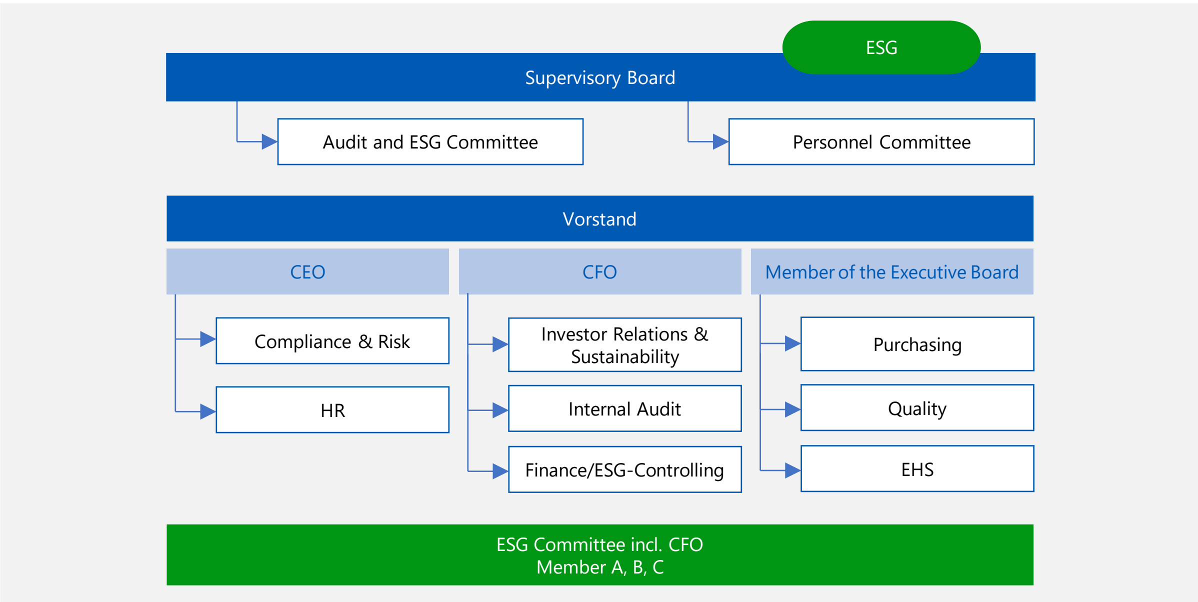
In the 2024 reporting period, the Supervisory Board and the Audit and ESG Committee were informed of the process and results of the double materiality analysis, the transformation plan, and energy management as well as the activities in the social (diversity, commitment, and trainees) and governance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

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

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

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

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



Sustainability-related performance in incentive systems

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

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

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

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

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

T38 ESG targets and target achievement in the multiplier 2024

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

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

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

T39 Target agreement for ESG targets 2024 (LTI)

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

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

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

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

Declarations on due diligence

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

T40 ESRS disclosure requirements

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

Risk management and internal controls of the sustainability reporting

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

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

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

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

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

Strategy, targets, and business model

Strategy

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

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

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

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

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

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

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

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

Sustainability targets

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

T41 Overview of key sustainability targets

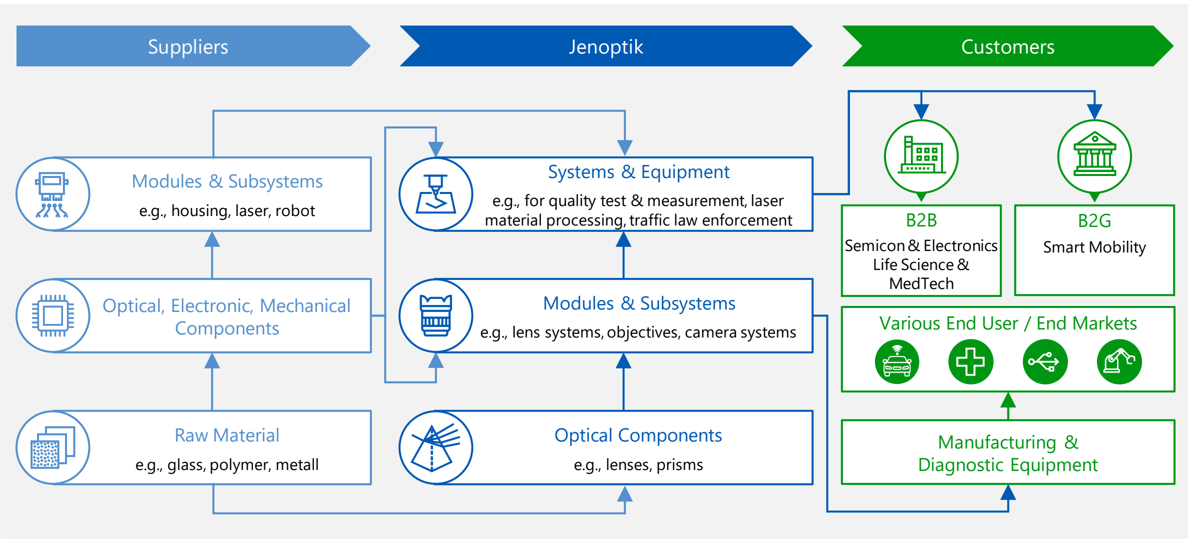
Aspects	Performance indicators	Base year 2019	2024	Target 2025
Enviroment	Portion of green electricity	63.1 %	95.8 %	> 90 %
	CO_2 reduction Comp. with base year 2019 (10,161 t)	0	55.8 %	> 55 %
	Achieving net zero (Scope 1+ 2) by 2035 at the latest			
Social	Diversity rate	25.5 %	31.6 %	33 %
	Engagement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

Business model and value chain

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

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

G21 Illustration of the value chain



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

Stakeholder commitment

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

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

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

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

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

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

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

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

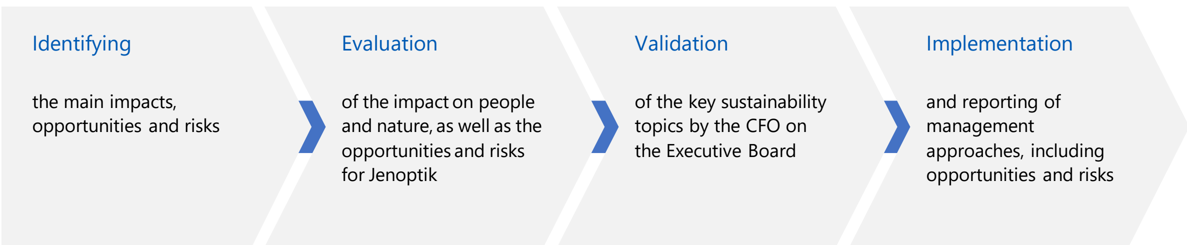
For further information on customers and suppliers, see the "Business model and markets" chapter of the Management Report from p. 26 on

Process for identifying and assessing significant impacts, risks and opportunities

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

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

G22 Process steps of the materiality analysis



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

Materiality analysis: Process for determining materiality and stakeholder involvement

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

T42 Key impacts, risks, and opportunities

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

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

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

T43 List of the essential disclosure obligations

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

Environmental information

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

T44 List of disclosure requirements

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

Climate-related impacts, risks, and opportunities

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

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

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

Policies related to climate protection and climate change adaptation

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

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

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

Transition plan for climate protection

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

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

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

T45 Key decarbonization levers

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

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

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

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

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

Actions and resources related to climate policies

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

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

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

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

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

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

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

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

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

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

Goals related to climate protection and climate change adaptation

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

T47 Climate protection goals

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

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

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

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

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

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

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

Energy consumption and energy mix

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

T48 Energy consumption (in MWh) and energy mix

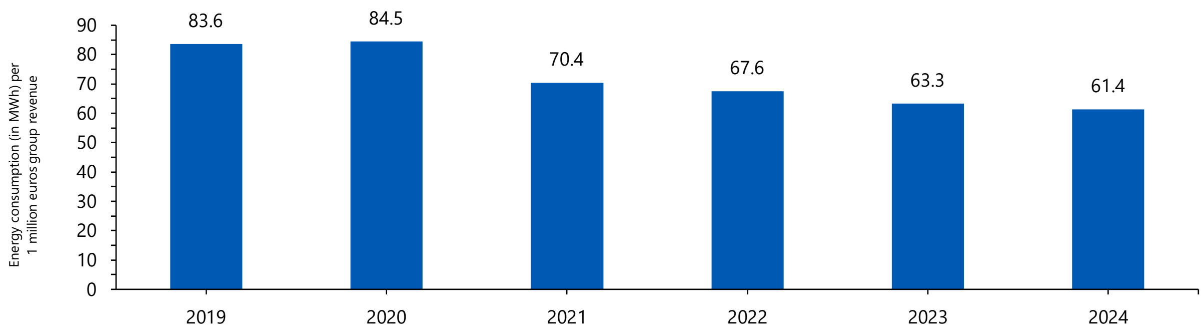
	2024	2023
(1) Fuel consumption from coal and coal products	0	0
(2) Fuel consumption from crude oil and crude oil products	5,264	4,460
(3) Fuel consumption from natural gas	5,488	4,925
(4) Fuel consumption from other fossil sources	0	0
(5) Consumption from purchased or received electricity, heat, steam,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

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

T49 Energy intensity

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

G23 Energy efficiency



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

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

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

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

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

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

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

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

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

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

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

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

T50 Greenhouse gas emissions (in t CO_2eq)

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

* According to the table of goals under E1-4

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

Determination method for essential Scope 3 category

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

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

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

Information on EU taxonomy

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

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

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

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

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

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

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

Taxonomy-eligible economic activities

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

T54 Revenue share/total revenue

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

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

T55 CapEx share/total CapEx

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

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

T56 OpEx share/total OpEx

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

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

Social information: Own Workforce

General social information

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

T57

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

Policies and governance related to own workforce

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Incidents, complaints, and severe human rights impacts

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

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

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

Characteristics of the undertaking's employees

Number of employees

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

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

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

Characteristics of company employees

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

T58 Workforce structure by gender and type of employment as headcount

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

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

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

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

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

T60 Group age distribution

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

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

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

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

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

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

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

Jenoptik as an attractive employer

Description of material impacts, opportunities, and risks

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

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

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

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

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

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

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

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

Policies for Jenoptik as an attractive employer

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

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

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

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

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

Measures regarding Jenoptik as an attractive employer

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

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

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

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

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

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

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

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

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

Parameters and targets for Jenoptik as an attractive employer

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

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

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

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

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

T61 Average training hours

Female	Male	Other	Total
6.16	5.82	< 5	5.92

T62 Completed and systemically documented employee performance reviews in %

Female	Male	Other	Total
48.6	50.5	100	49.9

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

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

T63 Collective agreement coverage

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

Equal treatment and equal opportunities for all

Description of material impacts, opportunities, and risks

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

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

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

Policies on equal treatment and opportunities

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

Actions for equal treatment and opportunities

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

Parameters and targets for equal treatment and opportunities

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

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

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

Occupational health and safety

Description of the main impacts, risks and opportunities

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

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

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

Policies on occupational health and safety

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

Actions for occupational health and safety

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

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

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

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

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

See governance information, section supplier management p. 145

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

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

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

Parameters for occupational health and safety

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

Governance information

General governance information

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Corporate culture and corporate policy

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

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

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

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

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

Whistleblower protection

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

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

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

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

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

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

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

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

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

Supplier management

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

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

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

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

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

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

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

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

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

Corruption and bribery

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

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

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

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

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

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

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

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

Political influence and lobbying activities

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

Additional Information and Notes/Appendix

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

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

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

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

Information and Notes Relating to Takeover Law

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

1. Composition of the share capital

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

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

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

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

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

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

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

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

4. Holders of shares with special rights conferring controlling powers

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

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

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

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

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

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

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

7. Authority of the Executive Board to issue and buy back shares

Detailed information on the authority of the Executive Board to issue shares, i.e., on the Authorized Capital 2023 and the Conditional Capital 2021, as well as the authority of the Executive Board to buy back treasury shares, can be found in the Group Notes under item 5.10 “Equity.”

8. Key agreements in the event of a change of control resulting from a takeover bid

Clauses in contracts concluded by JENOPTIK AG, which apply in the event of a change in control within the ownership structure of JENOPTIK AG following a change of control, exist for the financing agreements described below with a total utilized volume of 376.1 million euros as of December 31, 2024 (prior year: 395.6 million euros).

The conditions for accepting a change in control are set out differently in each of the loan agreements. For the debenture bonds with a total utilized volume of 367.8 million euros (prior year: 377.9 million euros) a change in control gives the lenders the right to demand the repayment of the loan amount plus interest accumulated up to the repayment date within 25 banking days of receipt of the change of control notification. A change of control applies if one or more persons acting in concert, who are not attributable to the group of main shareholders existing on the date the contract is concluded, acquire more than 50 percent of the voting rights or nominal capital, directly or indirectly at any time, whereby the attribution of voting rights is carried out in accordance with the provisions of § 30 of the German Securities Acquisition and Takeover Act (WpÜG).

Under the revolving syndicated loan, every change in the current shareholder base of JENOPTIK AG, as a result of which at least 50 percent of the shares or voting rights are held by one or several persons acting in concert as described in § 2 (5) WpÜG, results in the possibility that lenders (i) may refuse to participate in further disbursements and (ii) may terminate loan commitments, in full or in part, declare outstanding disbursements and undrawn line commitments due in whole or in part, including accrued interest. The syndicated loan has a total volume of 400 million euros, of which 8.3 million euros had been utilized as of December 31, 2024 (prior year: 17.7 million euros).

9. Compensation agreements by the company with Executive Board members or employees in the event of a change of control

No right to give notice of termination in the event of a change of control, i.e., the acquisition of at least 30 percent of voting rights by a third party, has been agreed with the members of the Executive Board. In such cases, they also have no claim to any severance payment. If the premature termination of an Executive Board mandate is agreed with an Executive Board member due to a change of control, the amount of a severance payment is limited to a maximum of two years' annual remuneration in accordance with the respective recommendations of the German Corporate Governance Code, as amended on April 28, 2022. Under no circumstances, however, the severance payment may be higher than the remuneration due for the remaining term of the service contract.

Corporate Governance Statement (with Corporate Governance Report)

In this statement, The Executive and Supervisory Boards report on the corporate governance of the company in accordance with § 289 f, § 315 d HGB and Principle 23 of the German Corporate Governance Code (the Code).

The JENOPTIK AG Executive and Supervisory Boards affirm their commitment to responsible corporate governance and control, geared towards long-term value creation and encompassing all units within the Group. They see good corporate governance as the foundation for sustained corporate success and, at the same time, an important contribution to strengthening the trust in Jenoptik on the part of shareholders, business partners, employees, and the general public.

Corporate Governance

In December 2024, the Executive and Supervisory Boards jointly adopted the following Declaration of Conformity in accordance with § 161 AktG, which is permanently available to shareholders on the company's website at www.jenoptik.com under the category Investors/Corporate Governance. If, in the future, changes arise at Jenoptik which have an impact on a declared compliance, the Declaration of Conformity will be updated during the year.

Declaration of Conformity by the Executive Board and Supervisory Board of JENOPTIK AG in the Fiscal Year 2024

According to § 161 (1)(1) AktG, the Executive and Supervisory Boards of a listed company are required to issue a declaration once a year that the recommendations of the "Government Commission on the German Corporate Governance "("Code") as published by the Federal Ministry of Justice in the official section of the Federal Gazette (Bundesanzeiger) have been and are complied with, or to indicate which recommendations have not been or will not be applied and why not.

The Executive Board and the Supervisory Board of JENOPTIK AG support the recommendations of the Code in the version dated April 28, 2022, and state that, pursuant to § 161 (1)(1) AktG:

Since the last Declaration of Conformity as of December 12. 2023 the recommendations of the Code have been complied with with the exception of the recommendation stated below under 1. and will be complied with in the future with the exceptions under 1. and 2. which are declared as a precautionary measure.

1. In accordance with recommendation C.4 of the Code, a Supervisory Board member who is not a member of the Executive Board of a listed company shall not accept more than five Supervisory Board mandates at non-group listed companies or comparable functions, with an appointment as Chair of the Supervisory Board being counted twice.

   A deviation from this recommendation has been declared as a precautionary measure for the period since the last declaration of conformity and for the future. Our Supervisory Board member, Ms. Elke Eckstein, is a member of the following supervisory bodies: Saferoad Holding AS, Norway (not listed), KK Wind Solutions A/S, Denmark (not listed), BE Semiconductor Industries NV, Netherlands (stock-listed), U-Blox Holding AG, Switzerland (listed) as well as of Viacon Group AB, Sweden (not listed). Provided that the position at Jenoptik, which from Jenoptik's point of view is internal to the Group, is also counted in the addition of the seats, Ms. Eckstein holds a total of six Supervisory Board and comparable mandates at listed and not listed companies, so that a deviation from recommendation C.4 is declared as a precautionary measure.

   The Supervisory Board has ensured that Ms. Eckstein always has sufficient time to perform her duties at JENOPTIK AG.

2. In accordance with recommendation C.10 of the Code the Chair of the Supervisory Board, the Chair of the Audit Committee, as well as the Chair of the committee that addresses Executive Board remuneration, shall be independent from the company and the Executive Board. When assessing the independence of Supervisory Board members from the company and its Executive Board, shareholder representatives shall particularly take into consideration – in accordance with recommendation C.7 – whether the respective Supervisory Board member has been a member of the Supervisory Board for more than twelve years.

   As a precautionary measure, a deviation from this recommendation is declared for the future. Mr. Wierlacher has been a member of the Supervisory Board since June 6, 2012, and Chairman of the Supervisory Board of JENOPTIK AG since 2015. Mr. Wierlacher has already announced that he will not stand for re-election when his mandate expires in June 2026. At the time of his last reappointment in June 2022, Mr. Wierlacher had been a member of the Supervisory Board for 10 years only. The Supervisory Board does not believe that Mr. Wierlacher's now twelve years of service on the Supervisory Board constitute a material and not merely temporary conflict of interest, nor does it believe that Mr. Wierlacher's performance of his duties as Chairman of the Supervisory Board and Personnel Committee is impaired. On the contrary, the Supervisory Board is of the opinion that Mr. Wierlacher's many years of knowledge of the Jenoptik Group and its products and technologies make a significant contribution to promoting and supporting the work of the entire Supervisory Board.

December 11, 2024
JENOPTIK AG

For the Executive Board

Dr. Stefan Traeger

For the Supervisory Board

Matthias Wierlacher

Information on Methods of Corporate Governance

Code of conduct, compliance, opportunity and risk management

At Jenoptik, economic success and responsibility for our actions are inextricably linked. For us, respect, fairness, openness, and compliance with statutory provisions and intra-group regulations are essential factors for responsible dealing with all stakeholders. Jenoptik’s most important principles of conduct are summarized in an Integrity Code which is equally binding on all employees, managers, and the Executive Board of the Jenoptik Group. It sets out the fundamental principles and rules for our actions within the company as well as towards external partners and the public. This enables us to ensure a high level of integrity as well as ethical and legal standards within the Jenoptik Group. Should any employees have questions about the Jenoptik Integrity Code or if they suspect any violations of the law or regulations, they may confidentially approach their respective manager or the contact persons named in the Integrity Code. Employees may also report significant violations that require confidential treatment using a digital and anonymous whistleblowing system in several languages on our internal platforms as well as the Jenoptik website. It is operated independently by EQS Group AG. The data is stored on protected servers in Germany. Confidential processing of reports, which can also be submitted by telephone or email, is carried out exclusively by appropriately trained Jenoptik employees.

> For information on the Jenoptik Integrity Code, see www.jenoptik.com under the category Investors/Corporate Governance/Integrity Code

Requirements for our suppliers and sales partners are set out in the Jenoptik Group's Code of Conduct for Business Partners, which applies to all business partners worldwide. Jenoptik has also signed the Diversity Charter and is a signatory to the UN Global Compact.

Compliance with national and internationally recognized compliance requirements is an essential element of our risk prevention and the processes of the Jenoptik Compliance Management System (CMS). The Jenoptik values, the Jenoptik Integrity Code and numerous process descriptions form the basis of the CMS. Compliance with them is central to the trust of our business partners, shareholders, and the public in Jenoptik's performance and integrity. The CMS is continuously developed and adapted in line with changing conditions.

With the group guidelines and process descriptions for key business processes, the Jenoptik Group has a globally uniform framework. Central departments, divisions, and regions can reinforce this set of rules with more detailed regulations in accordance with their respective requirements. The guidelines are regularly reviewed, and extended or updated as necessary. This system of processes is designed to identify any possible deficits in the company at an early stage and to take appropriate actions to minimize or eliminate them.

On the Executive Board, Dr. Stefan Traeger is responsible for the central Compliance, Trade Compliance & Risk Management department. Global compliance activities are coordinated by the center of excellence in Germany and supported by local colleagues in the Americas and the Asia/Pacific region.

In order to familiarize employees with these topics and to improve employee awareness, regular online training courses and in-person events are held on compliance-related subjects, such as anti-corruption, anti-trust law, export control, IT security, and data protection. The aim of this is to create a company-wide uniform understanding of our compliance standards. Main training courses are offered for new employees as well as mandatory e-learning refresher courses for all employees. In addition, employees can contact the central Compliance & Risk Management department with any questions relating to compliance issues at Jenoptik as well as use a help desk on the intranet or a smartphone app.

For further information on compliance and supplier management, see the "Sustainability Statement" chapter

For Jenoptik, good corporate governance also includes continuous and systematic management of opportunities and risks. To this end, a revised Enterprise Risk Management System (ERM) was implemented throughout the entire organization in 2024. The goal is to support the implementation of the group strategy and to define actions that create an optimum balance between growth and return targets on the one side and the associated risks on the other.

For detailed information on risk management and the internal control system, see the Risk and Opportunity Report

Sustainability

Jenoptik's understanding of sustainability is based on the conviction that the economic goals of the company, and thus long-term profitable growth, can only be achieved by behaving responsibly in line with the environment and society. In the separate Sustainability Statement, which also contains the non-financial disclosures in accordance with the German Commercial Code (HGB) in a separate section, we provide detailed information on Jenoptik's sustainability management, e.g., in the environmental, social and governance areas.

For further information, see the Sustainability Statement

Composition and Procedures of the Executive Board, the Supervisory Board, and its committees

JENOPTIK AG is a stock corporation under German law with a dual management system, comprising the Executive Board and Supervisory Board. Tasks and powers of the Executive and Supervisory Boards as well as their composition and working methods are essentially determined by the German Stock Corporation Act, the Articles of Association of JENOPTIK AG, and the Rules of Procedure. The Executive Board runs the company on its own responsibility and in the interests of the company with the aim of sustainably increasing the company's value. It takes into account the concerns of all stakeholders, in particular shareholders and the Group's employees. The Supervisory Board advises and monitors the Executive Board in its leadership of the company and is involved in decisions of fundamental importance to the company.

Executive Board

The members of the Executive Board of JENOPTIK AG are appointed by the Supervisory Board. In 2024, the JENOPTIK AG Executive Board consisted of the following persons: Dr. Stefan Traeger, Dr. Prisca Havranek-Kosicek, Dr. Ralf Kuschnereit.

All members of the Executive Board share common responsibility for the overall management of the Group and decide on fundamental questions of business policy, the corporate strategy, in which environmental, social and governance objectives are given appropriate consideration alongside long-term economic goals, as well as planning with financial and sustainability-related targets. The Executive Board has not set up any committees. It is supported in the management of the company by the Executive Management Committee (EMC). At monthly meetings, the members of the EMC provide the Executive Board with information on all events relevant to the company and the economic situation of the divisions.

The Executive Board also ensures compliance with statutory provisions and internal regulations and requirements (compliance). It is responsible for the preparation of interim reports and statements, Consolidated and Annual Financial Statements, and for setting up the control and risk management system tailored to the company's risk situation and the compliance management system. The Executive Board ensures that strategic, operational, financial, and compliance-related risks and opportunities, as well as sustainability issues within these categories, are identified, presented transparently and comparably, systematically assessed, and managed at an early stage. The specific allocation of responsibilities and tasks within the Executive Board (including the responsibility for sustainability issues (environment, social, governance))) is regulated in an organizational chart as an appendix to the Executive Board's Rules of Procedure.

T66 Members of the the Executive Board

	Dr. Stefan Traeger Chairmen of the Executive Board	Dr. Prisca Havranek-Kosicek Member of the Executive Board	Dr. Ralf Kuschnereit Member of the Executive Board
Executive responsibilities (as of 1.1.2025)	▪ SBU Metrology & Production Solutions ▪ SBU Smart Mobility Solutions ▪ Prodomax ▪ Region Asia ▪ Human Resources/Labour Director (HR), Strategy & Business Development incl. Mergers & Acquisitions (M&A), Marketing & Communication, Legal, Compliance & Risk incl. Data Protection and Export Control Exportkontrolle	▪ Finance, Tax, Insurance, Treasury, Sustainability, Corporate Real Estate, Investor Relations, Internal Audit, IT incl. Information Security	▪ SBU Semiconductor & Advanced Manufacturing ▪ SBU Biophotonics ▪ Region North America ▪ Business System & Operational Excellence, Corporate Innovation & Digital Transformation, Purchasing, Quality, Environmental, Health and Occupational Safety, Intellectual Property (IP)
Further membership in supervisory boards and comparable supervisory bodies	▪ Aixtron SE (member, listed) ▪ JENOPTIK North America, Inc., USA (gi, chairman, CSB) ▪ JENOPTIK (Shanghai) Precision Instrument and Equipment Co., Ltd., China (gi; member, CSB) ▪ JENOPTIK (Shanghai) International Trading Co., Ltd., China (gi, member, CSB) ▪ JENOPTIK JAPAN Co. Ltd., Japan (gi, member, CSB) ▪ Prodomax Automation Ltd., Kanada (gi, member, CSB)	▪ JENOPTIK North America, Inc., USA (gi, member, CSB) ▪ Sulzer AG, Switzerland (member, CSB, listed)	▪ JENOPTIK JAPAN Co. Ltd., Japan (gi, member, CSB) ▪ JENOPTIK Optical Systems, LLC, USA (gi, chairman, CSB, until June 30, 2024) ▪ JENOPTIK North America, Inc. (gi, member, CSB, since June 2024) ▪ SwissOptic (Wuhan) Co., Ltd., China (gi, member until April 24, 2024, CSB)

Abbreviations: CSB - comparable supervisory bodies, gi - group-internal mandate

The members of the Executive Board work closely together in a collegial manner and continually inform one another of important measures and events within their assigned areas. Executive Board meetings take place at least once a month. The Supervisory Board has issued Rules of Procedure for the Executive Board. These define which significant business transactions require the approval of the Executive Board as a whole or of the Supervisory Board. In addition, the way the Executive Board is working internally, and the methods of reporting to and coordination with the Supervisory Board are regulated in greater detail.

The Chairman of the Executive Board coordinates the cooperation of the Executive Board with the Supervisory Board. Members of the Executive Board are required to disclose conflicts of interest to the Supervisory Board without delay and to inform the other members of the Executive Board of this.

> For more information about the working methods and composition of the Executive Board, see the Rules of Procedure of the Executive Board at www.jenoptik.com/about-jenoptik/management/executive-board-and-executive-management-committee-emc

Supervisory Board

The Supervisory Board of JENOPTIK AG has equal representation in accordance with the German Codetermination Act and consists of twelve members, six of whom are elected by the shareholders at the Annual General Meeting and six of whom are nominated by the employees in accordance with the Codetermination Act. The Supervisory Board is composed in such a way that, as a whole, it is endowed with the knowledge, abilities, and professional experience necessary to carry out its tasks in an orderly manner. Each member ensures that they have sufficient time available in which to perform their duties. Six of its twelve members, three shareholder and three employee representatives, are female, currently exceeding the requirements of § 96 (2)(1) AktG. The concept of diversity pursued with respect to the composition of the Supervisory Board is described in section "2. Diversity policy for the Supervisory Board" of this statement. The shareholder representatives were elected individually at the 2022 or 2024 Annual General Meeting, three of them for a term of office until the end of the 2025 Annual General Meeting and three until the end of the 2026 Annual General Meeting.

Further details on the composition of the Supervisory Board and its committees see § 11 of the Articles of Associations of JENOPTIK AG, the Report of the Supervisory Board and the 2024 Annual Financial Statements of JENOPTIK AG

The Chairman of the Supervisory Board is elected by the members of the Supervisory Board. He coordinates the work of the Supervisory Board, presides over its meetings, and represents the body externally. The Chairman maintains regular contact with the Executive Board, in particular with the Chairman of the Executive Board, who also between meetings informs the Supervisory Board Chairman immediately on important events that are of crucial importance to the position and development of the company. In the event of a tied vote by the Supervisory Board, a second round of voting is conducted in which the Board Chairman casts two votes, insofar as this is permitted by law. The Chairman of the Supervisory Board also chairs the Personnel, Mediation, Investment, and Nomination Committees, but not the Audit and ESG Committee or the Innovation Committee.

The Supervisory Board meets at least four times a year, but as a rule meets five times a year because of the Supervisory Board's strategy meeting which takes place in the fall. Taking into account the results of the audit as well as the recommendations of the Audit and ESG Committee, the Supervisory Board examines and approves the Annual and Consolidated Financial Statements, the Sustainability Statement with the additional non-financial disclosures, the Combined Management Report of JENOPTIK AG and the Group, and adopts the Annual Financial Statements. EY GmbH & Co. KG, Wirtschaftsprüfungsgesellschaft, Stuttgart, was appointed to audit the Annual and Consolidated Financial Statements for the fiscal year 2024. The Supervisory Board also decides on the Executive Board's proposal for the appropriation of accumulated profits, which is then submitted to the Annual General Meeting for resolution. It decides and regularly reviews the system for the remuneration of Executive Board members. Together with the Executive Board, the Supervisory Board is also responsible for preparing the Remuneration Report. It also deals with various sustainability issues, in particular the sustainability strategy. The Supervisory Board also meets regularly without the Executive Board.

At regular intervals, the Supervisory Board carries out a review of how effectively the Supervisory Board as a whole and its committees fulfill their duties. This is externally evaluated every three years. In the intervening period, it is discussed and reviewed internally on an annual basis. After the last external evaluation was carried out in 2023, the Supervisory Board carried out an internal self-assessment in the past fiscal year. As a result of the last external review, a formalized onboarding process for new Supervisory Board members was adopted as a first step. The implementation of this process is intended to ensure the smooth integration of new Supervisory Board members by providing them with the necessary information and tools to work effectively. As a further action, an Innovation Committee of the Supervisory Board was established to support the implementation of new ideas and technologies as well as digitization topics within the company. Overall, the most recent reviews of the cooperation within the Supervisory Board and its skills, have revealed a positive picture of the activities of the Supervisory Board and its committees, even in a benchmark of comparable companies, and confirmed the professional and trusting cooperation within the Supervisory Board.

All Supervisory Board members are to disclose any conflicts of interest to the Supervisory Board without delay. There were no conflicts of interest requiring disclosure with regard to the Supervisory Board members in the fiscal year 2024.

The Rules of Procedure for the Supervisory Board govern key aspects of cooperation within the Board and with the Executive Board.

See Rules of Procedure for the Supervisory Board at
www.jenoptik.com/about-jenoptik/management/supervisory-board

The Supervisory Board currently has six committees that, with the exception of the Nomination Committee, which is composed only of shareholder representatives, are made up of equal numbers of shareholder and employee representatives. The candidates' professional and personal expertise is taken into account in the formation of committees.

The committees prepare decisions for the Supervisory Board or, in individual cases, make decisions in place of the Supervisory Board insofar as this is permitted by law. The respective committee chairmen report to the Board on the content discussed and the resolutions and recommendations approved no later than at the next Supervisory Board meeting.

The Audit and ESG Committee meets at least four times a year. It monitors the accounting, the accounting processes, and auditing of the financial statements and deals with the effectiveness, appropriateness, and further development of the compliance, risk management, and internal control systems. After obtaining a declaration of independence from the auditor as well as verifying their qualifications, it prepares the Supervisory Board's recommendation to the Annual General Meeting for election of the auditor, grants the audit assignment to the elected auditor, and sets out the main points for the audit. It consults with the auditor on the assessment of the audit risk, audit strategy, and audit planning, and regularly assesses the quality of the audit. It also adopts and updates a catalog of previously approved permissible non-audit services for the auditor. On the basis of the auditor's reports, and following its own review, the Audit and ESG Committee submits proposals to the Supervisory Board for the adoption of the Annual Financial Statements of JENOPTIK AG and the approval of the Consolidated Financial Statements. The Chairman of the committee regularly discusses the progress of the audit with the auditor outside of meetings and reports on this. The committee also regularly discusses individual agenda items with the auditor without the Executive Board. Due to the ever-increasing importance of sustainability issues and the specialist expertise available in the Audit Committee in particular, the Supervisory Board assigned additional, exclusively preparatory ESG tasks to the committee in the past fiscal year to enable a more intensive and efficient discussion of sustainability-related issues. In addition to the non-financial KPIs and the preliminary review of the Sustainability Statement for the Supervisory Board, the Audit and ESG Committee will therefore in the future also deal with other, sustainability issues not related to accounting, provided that these do not concern ESG issues handled by other committees, e.g., the Personnel Committee. With this expansion of duties, the Audit Committee was renamed the Audit and ESG Committee. The Internal Audit department, the Legal department, the Compliance & Risk Management department, IT, and other Corporate Center departments report regularly to the Audit and ESG Committee.

T67 Committee memberships of the Supervisory Board members (as of December 31, 2024)

Members of the Personnel Committee	Members of the Mediation Committee	Members of the Nomination Committee	Members of the Audit and ESG Committee	Members of the Investment Committee	Members of the Innovation Committee (since March 25, 2024)
Matthias Wierlacher, Chairman	Matthias Wierlacher, Chairman	Matthias Wierlacher, Chairman	Thomas Spitzenpfeil, Chairman	Matthias Wierlacher, Chairman	Prof. Ursula Keller (Chairwoman since May 6, 2024)
Jakob Habermann, Deputy Chairmen	Evert Dudok	Evert Dudok	Daniela Mattheus, Deputy Chairwoman	Jakob Habermann, Deputy Chairman	Evert Dudok
Evert Dudok	Alexander Münkwitz	Elke Eckstein	Dörthe Knips	André Hillner	Elke Eckstein
Elke Eckstein	Jakob Habermann		Alexander Münkwitz	Ursula Keller	André Hillner
Dörthe Knips				Christina Süßenbach	Alexander Münkwitz
Franziska Wolf				Thomas Spitzenpfeil (since March 26, 2024)	Christina Süßenbach
				Elke Eckstein (up to March 25, 1024)	

Both Thomas Spitzenpfeil as Chairman of the Audit and ESG Committee and Daniela Mattheus as his deputy have expertise in accounting and auditing as defined by § 100 (5) AktG. It is the opinion of the Supervisory Board that both are independent members (detailed information on this can be found in "2. Diversity policy for the Supervisory Board"). They are no former members of the Executive Board of JENOPTIK AG.

Mr. Spitzenpfeil's expertise in the field of accounting is based on his professional career and his current activities as CFO of the Zentiva Group and member of the Advisory Committee of Joachim Goldbeck GmbH, in the application of accounting principles and internal control and risk management systems. His expertise in auditing consists of specialist knowledge and many years of experience in supporting the audits at various corporations, some of which are listed on the stock exchange, in positions of responsibility.

Due to her professional career at two major accounting firms, Ms. Mattheus has extensive expertise in the field of accounting and corporate governance. For many years, she headed the Audit Committee Institute e.V. at KPMG, subsequently becoming Corporate Governance Leader EMEIA in the Financial Accounting Advisory Service at Ernst & Young. She is also Honorary President of the Financial Expert Association e. V. Due to her extensive and many years of expertise as a member of supervisory boards and chair of audit committees at various German listed and non-listed corporations, she has extensive knowledge of auditing financial statements. She completed further training as a "Certified Sustainability Reporting Specialist", and is also actively involved in discussing current developments in the field of sustainability reporting and its auditing in specialist committees, contributing this additional expertise to the Audit and ESG Committee.

> For further information on the activities of Ms. Mattheus and Mr. Spitzenpfeil in these areas see resumes of both members at www.jenoptik.com/about-jenoptik/management/supervisory-board

The Personnel Committee meets at least once a year. It deals with the long-term succession planning for the members of the Executive Board and prepares their appointment by the Supervisory Board. The Personnel Committee regularly reviews the remuneration system for the Executive Board members, which is then approved by the Supervisory Board and submitted to the Annual General Meeting for approval in accordance with the statutory provisions. The Personnel Committee also prepares the conclusion and settlement of the target agreements for the short-term and long-term variable remuneration for the Executive Board members. If necessary, it may be supported by external, independent consultants.

The Nomination Committee proposes to the Supervisory Board suitable candidates for election to the Supervisory Board to the Annual General Meeting and meets only when required. Its proposals are developed taking into account the requirements and skills profile for the Supervisory Board as well as the Diversity Statement which is part of the Supervisory Board's Rules of Procedure. The committee also takes into account whether overall compliance with the gender ratio has been objected to in accordance with § 111 (5) and 96 (2) AktG (for detailed information, see "2. Diversity policy for the Supervisory Board").

The Investment Committee advises the Executive Board and supports the Supervisory Board on investment or divestment decisions requiring approval in accordance with the Executive Board's Rules of Procedure, in particular with the preparation and operational implementation of resolutions on the acquisition or sale of equity interests in companies or parts of companies.

Newly established in the past fiscal year, the Innovation Committee advises the Executive Board on issues relating to digitization and innovation for the medium and long-term development of the Jenoptik Group.

The Mediation Committee, which deals with matters relating to § 31 (3)(1) of the Codetermination Act, only meets when necessary.

> For further details on the activities of the Supervisory Board and its committees in the fiscal year 2024 (as well as on individual attendance at meetings) see the Supervisory Board Report in this Annual Report. The allocation of responsibilities of the individual committees can be found in the Rules of Procedure of the Supervisory Board at www.jenoptik.com under the category Corporate Governance/Supervisory Board

Remuneration of the Executive Board and Supervisory Board

The remuneration for the members of the Executive and Supervisory Boards is described in the Remuneration Report in this Annual Report. The last vote on the adjusted remuneration system for members of the Executive Board by the Annual General Meeting on June 7, 2023 resulted in approval with 94.21 percent of the votes cast. The resolution on the remuneration system for the members of the Supervisory Board was approved by 99.77 percent at the 2022 Annual General Meeting.

> The Remuneration Report of the Executive Board and Supervisory Board and the auditor's report on the content of this Remuneration Report as well as the applicable remuneration system as per § 87a(1) and (2)(1) AktG and the last remuneration resolution as per § 113 (3) AktG can be found at www.jenoptik.com in the Investors/Corporate Governance or Annual General Meeting sections

Specifications for Promoting the Participation of Women in Management Positions/Targets for the Proportion of Women

In accordance with § 11 1(5) and § 96 (2) AktG, the Supervisory Board at JENOPTIK AG must be comprised of at least 30 percent women and 30 percent men. With Elke Eckstein, Prof. Ursula Keller, and Daniela Mattheus on the shareholder side and Dörthe Knips, Christina Süßenbach, and Franziska Wolf on the employee side, a total of six women are currently in the Supervisory Board. This equates to 50 percent, so Jenoptik currently significantly exceeds the legally required gender quota on the Supervisory Board.

In accordance with § 111(5) AktG, the Supervisory Board of Jenoptik is also required to determine targets for the proportion of women on the Executive Board. In March 2023, the Supervisory Board resolved that the Executive Board of JENOPTIK AG should include at least one woman until March 31, 2028. With the Executive Board consisting of three people, this corresponds to a target of 33 percent. With the appointment of Dr. Prisca Havranek-Kosicek, this target has been achieved.

In accordance with § 76 (4) AktG, the Executive Board of JENOPTIK AG resolved a target of 25 percent for the proportion of women in the first management level below the Executive Board. This target figure is to be achieved by June 30, 2027. The first management level below the Executive Board of JENOPTIK AG includes all Executive/Senior Vice Presidents, Vice Presidents, and Directors employed at JENOPTIK AG. As of December 31, 2024, the proportion of women in the first management level below the Executive Board equated to 29.2 percent (prior year: 20.8 percent). A target for the second management level has not been set because JENOPTIK AG as a Corporate Center has flat management structures and therefore no continuous second management level.

At the end of 2024, women made up 47.7 percent of all employees at JENOPTIK AG (prior year: 50.9 percent). Jenoptik has also voluntarily set itself a further target figure, the diversity rate, which is calculated from the average percentage of managers with an international background as well as female managers throughout the Group. As of December 31, 2024, the diversity rate was 31.6 percent (prior year: 29.4 percent) and is set to rise to 33 percent by 2025.

> For further information on measures taken to increase diversity within the Jenoptik Group (such as the Jenoptik Diversity Council, internal and external recruiting campaigns, or various women's networks) see the Sustainability Statement

Description, Targets, and Implementation of Diversity Policy with Results Achieved

1. Diversity policy for the Executive Board including the results achieved in fiscal year 2024

The diversity policy for the Executive Board facilitates a long-term and orderly selection process for the appointment of new Executive Board members. The aim is to fill the Executive Board in such a way that it has the knowledge, skills, and professional experience that, when taking into account the statutory framework, are necessary for the proper performance of the Executive Board's duties, and essential for the activities of the Jenoptik Group.

The Supervisory Board makes decisions for the long-term succession planning of the Executive Board and is supported in this by the Personnel Committee. Both the Personnel Committee and the Supervisory Board itself regularly discuss the contract terms and renewal options for current Executive Board members and, where relevant, also discuss possible successors. It is based on the requirements and skills profile for the Executive Board which is continuously developed further. This is an integral element of the diversity policy and defines various criteria that must be fulfilled, such as education, professional background, and the personality requirements of the candidate. When necessary, the Personnel Committee and the Supervisory Board are supported by independent external experts.

During the fiscal year 2022, as part of the expansion of the Executive Board to three members from January 1, 2023, the Supervisory Board with the support of the Personnel Committee revised and updated the requirements profile for the Executive Board. When appointing members to the Executive Board, appropriate consideration is to be given to the international nature of the company and its dealing with other cultures. The diversity policy also takes into account the specifications of the Supervisory Board's Rules of Procedure with regard to the appointment of Executive Board members. For instance, the maximum age limit for the appointment of Executive Board members is 65 years at the time of the appointment. The initial appointment of Executive Board members shall be for a maximum of three years in accordance with the Code, unless the Supervisory Board agrees on a longer initial appointment period due to special circumstances in individual cases. The weighting of the individual criteria is based on the respective Executive Board seat to be filled and the associated areas of responsibility. The goal is to ensure that the Executive Board members as a whole complement each other as well as in the best possible way in terms of their skills, abilities, and experience.

The composition of the Executive Board as of December 31, 2024 fully complies with the requirements and skills profile. With the appointment of Dr. Ralf Kuschnereit as a member of the Executive Board as of January 1, 2023, the photonics and operational expertise on the Executive Board has been further strengthened. Together with Dr. Prisca Havranek-Kosicek, who was also appointed as Chief Financial Officer in the fiscal year 2023, a wide spectrum of knowledge and experience as well as educational and professional backgrounds is now covered in the Executive Board as a whole due to the different personalities, educational backgrounds, professional careers, and diverse international experience provided by each member of the Executive Board. In August 2024, the Supervisory Board decided to reappoint CEO Dr. Stefan Traeger as CEO for a further three years with effect from July 1, 2025, extending his contract, which runs until June 30, 2025, until June 30, 2028. This continuity in the management of the company provided by Dr. Stefan Traeger should create the basis for further realizing the organic growth potential as a focused and profitable photonics group.

The current term of office of Dr. Ralf Kuschnereit and Dr. Prisca Havranek-Kosicek is three years in accordance with the Code.

For more information on the résumés of the members of the Executive Board see
www.jenoptik.com/about-jenoptik/management/executive-board-and-executive-management-committee-emc

2. Diversity policy for the Supervisory Board

The diversity policy for the Supervisory Board is to ensure that the Supervisory Board is filled in such a way that, as a whole, the board has the necessary knowledge, skills, and professional experience to perform its duties. This ensures professional and qualified control by the Supervisory Board, in accordance with the requirements of the German Stock Corporation Act, the German Corporate Governance Code, the Articles of Association, and the Rules of Procedure of the Supervisory Board of JENOPTIK AG.

The diversity policy is implemented in the election of shareholder representatives. When searching for candidates for the Supervisory Board, the Nomination Committee of the Supervisory Board ensures that the objectives for the composition of the Jenoptik Supervisory Board ("Diversity Statement", see Annex 1 of the Rules of Procedure of the Supervisory Board), the requirements of the German Stock Corporation Act and the German Corporate Governance Code, and the requirements and skills profile of the Supervisory Board are met. In doing so, the Nomination Committee also takes into account the existing skills and abilities of the elected employee representatives and subsequently submits suitable candidate proposals for the election of shareholder representatives by the Annual General Meeting or for judicial replacement appointments in the event of a temporary shortfall on the Supervisory Board. When selecting the respective candidates, the Nomination Committee and the Supervisory Board ensure that they are able to devote the necessary time to performing their duties.

The requirements profile developed by the Supervisory Board defines various criteria with regard to diversity, functional, and structural expertise, as well as strategic and company-related skills. The criteria relate to the requirements of the Supervisory Board mandate at Jenoptik as a global photonics group in a challenging competitive environment. This requirements profile has been and will continue to be considered in elections to the Supervisory Board. It is being continuously developed. Due to the rapid progress in the use of artificial intelligence ("AI") and the increasing digitization in all areas of application, the requirements for the necessary knowledge of Supervisory Board members in the areas of digitization, digital transformation of the company, and integration of AI into the corporate business models have increased. This was taken into account in the past fiscal year by adjusting the requirements and skills profile, in which two separate areas of expertise ("Digitization, IT, AI, cybersecurity" and "Innovation") will be considered in the future when selecting suitable candidates for these areas.

It is the opinion of the Supervisory Board that its current composition fully meets the required abilities, experience, and skills are fulfilled in their entirety. The twelve members of the Supervisory Board bring a wide range of specific knowledge and expertise to the work of the Supervisory Board.

The table T68 from pages 165 on detail the qualification matrix of the JENOPTIK AG Supervisory Board. This is based on the revised requirements and skills profile of the Supervisory Board in the composition of the Supervisory Board on December 31, 2024. The diversity of the professional and educational backgrounds of the individual members of the Supervisory Board can be seen in the résumés published on our website at www.jenoptik.com/about-jenoptik/management/supervisory-board and updated annually in February.

In accordance with its Diversity Statement, the Supervisory Board currently includes at least three members with extensive international experience. Furthermore, the Supervisory Board should include at least four women. With three women on the shareholder side and three women on the employee side, the proportion of at least 30 percent required by the German Stock Corporation Act is exceeded with a current figure of 50 percent.

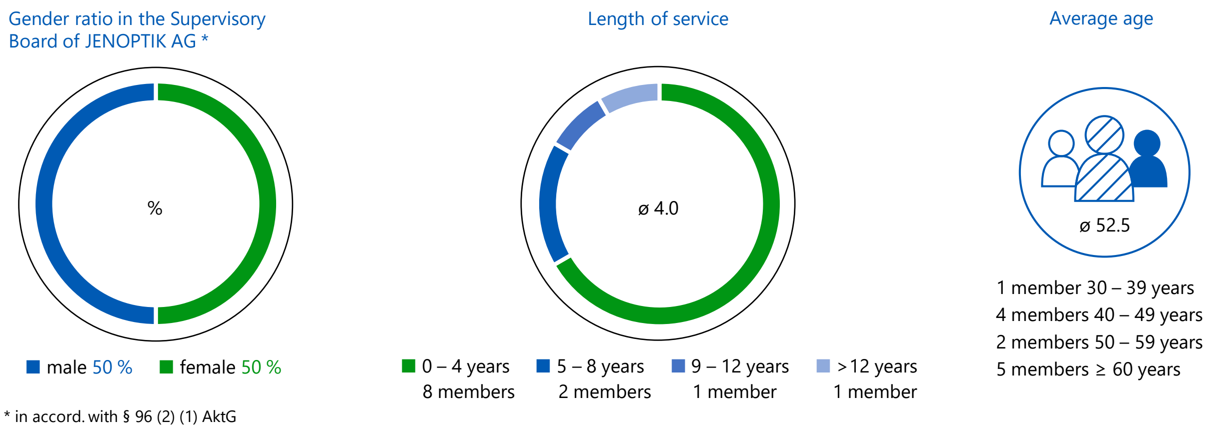
A period of twelve years was set as the standard length of service for members of the Jenoptik Supervisory Board. This limit was deliberately determined to be the standard length of service in order to be able to continue to take individual factors into account when electing members, which may, in exceptional cases, also justify a longer period of service for individual Supervisory Board members. In this way, stability in the composition may promote trusting cooperation within the Board. One member of the Supervisory Board, Mr. Wierlacher, currently exceeds this standard limit. Nevertheless, the Supervisory Board is convinced that Mr. Wierlacher continues to maintain the necessary critical distance from the Executive Board and the company. Mr. Wierlacher has also already announced that he will not stand for reelection when the duration of his current position expires in June 2026. If, in individual cases, there is a deviation from the regular limit of length of service, this shall be justified accordingly in the relevant recommendation for election to the Annual General Meeting. As can be seen in the following graphic G24, the average length of service for members of the Supervisory Board on December 31, 2024, was 4.0 years (prior year: 4.0 years).

No member of the Supervisory Board provides either an advisory or executive function with customers, suppliers, creditors, or other business partners of JENOPTIK AG that would lead to a significant and not merely temporary conflict of interest.

As a whole, the members are familiar with the photonics sector in which Jenoptik operates.

In accordance with the Rules of Procedure, all members were under the age of 70 not only at the time of their respective election, but also at the end of 2024 (see chart below).

G24 Composition of the Supervisory Board



Last updated: 31/12/2024

Five of the six shareholder representatives (83.3 percent) are independent in the opinion of the Supervisory Board. They are Elke Eckstein, Prof. Ursula Keller, Daniela Mattheus, Evert Dudok, and Thomas Spitzenpfeil.

Further information on the Executive Board and Supervisory Board, in particular on their working methods, including work in the committees, participation in meetings, and other positions held by members, can be found in the Supervisory Board Report and in the Notes to the Annual Financial Statements of JENOPTIK AG.

> The résumés of the Supervisory Board members including the positions they hold can be found at www.jenoptik.com/about-jenoptik/management/supervisory-board

In the opinion of the Supervisory Board, the members in the following composition as at December 31, 2024 have the following personal and professional qualifications contained in the skills profile:

T68 Qualification matrix

	Matthias Wierlacher	Evert Dudok	Elke Eckstein	André Hillner*	Prof. Dr. Ursula Keller	Dörthe Knips*
Length of service/initial appointment	2012	2015	2017	2022	2022	2017
Diversity						
Current appointment until	2026	2025	2025	2027	2026	2027
Year of birth	1963	1959	1964	1979	1959	1974
Gender	Male	Male	Female	Male	Female	Female
Nationality	Austrian	Dutch	German	German	Swiss	German
Governance-specific skills						
Independence[1]	n. a.	✓	✓	n. a.	✓	n. a.
Availability	✓	✓	✓	✓	✓	✓
Corporate governance experience	✓		✓			
(Supervisory or Executive Board) experience in listed companies	✓		✓			
CEO experience (in non-listed companies)	✓	✓	✓			
CFO experience (in non-listed companies)	✓					
Financial and business skills	✓	✓	✓			✓
Functional/structural skills						
Personnel expertise, worker participation and social matters	✓	✓	✓	✓		✓
Sales and marketing expertise		✓	✓			
Operational expertise		✓	✓	✓		✓
Strategic and company-related skills in the following areas						
Digitization, AI, Cybersecurity		✓	✓		✓	
Innovation		✓	✓	✓	✓	
Technology		✓	✓	✓	✓	
Strategy and growth/M+A/portfolio management	✓		✓			
Markets and internationality		✓	✓		✓	
Entrepreneurship/management	✓	✓	✓		✓	
Capital markets	✓					
Specific industry/sector experience			✓	✓		✓
ESG expertise			✓			

[1] According to the Supervisory Board's self-assessment for the shareholder representatives

✓ = Criterion is deemed to be met on the basis of a self-assessment by the Supervisory Board if there is good knowledge or experience in the dimension concerned. These can be acquired through existing qualifications or as part of the work as a member of the Supervisory Board (for example, many years of service on the Audit Committee)

* Employee representative

T68 Qualification matrix

	Jakob Habermann	Daniela Mattheus	Alexander Münkwitz*	Thomas Spitzenpfeil	Christina Süßenbach*	Franziska Wolf*
Length of service/initial appointment	2024	2023	2022	2022	2022	2022
Diversity						
Current appointment until	2027	2025	2027	2026	2027	2027
Year of birth	1986	1972	1978	1962	1980	1982
Gender	Male	Female	Male	Male	Female	Female
Nationality	German	German	German	German	German	German
Governance-specific skills						
Independence[1]		✓	n. a.	✓	n. a.	n. a.
Availability	✓	✓	✓	✓	✓	✓
Corporate governance experience		✓		✓		
(Supervisory or Executive Board) experience in listed companies		✓		✓		
CEO experience (in non-listed companies)						
CFO experience (in non-listed companies)				✓		
Financial and business skills		✓	✓	✓	✓	
Functional/structural skills						
Personnel expertise, worker participation and social matters	✓	✓	✓	✓	✓	✓
Sales and marketing expertise						
Operational expertise					✓	
Strategic and company-related skills in the following areas						
Digitization, AI, Cybersecurity		✓	✓	✓		
Innovation						
Technology						
Strategy and growth/M+A/portfolio management		✓		✓		
Markets and internationality						
Entrepreneurship/management		✓		✓		
Capital markets		✓		✓		
Specific industry/sector experience		✓	✓	✓	✓	
ESG expertise		✓		✓		

[1] According to the Supervisory Board's self-assessment for the shareholder representatives

✓ = Criterion is deemed to be met on the basis of a self-assessment by the Supervisory Board if there is good knowledge or experience in the dimension concerned. These can be acquired through existing qualifications or as part of the work as a member of the Supervisory Board (for example, many years of service on the Audit Committee)

* Employee representative

Further Information on Corporate Governance

Annual General Meeting

JENOPTIK AG shareholders exercise their rights at the Annual General Meeting that takes place at least once a year. Each share is accorded one vote; there are no special voting rights. The shares of JENOPTIK AG are registered shares and the holders of the shares are entered in the share register of JENOPTIK AG. Only shareholders entered in the share register have the right to vote at the Annual General Meeting. The use of electronic means of communication, in particular the Internet and the shareholder portal, makes it easier for shareholders to participate in the Annual General Meeting. They may either participate directly in the Annual General Meeting, or exercise their voting rights via a company-nominated proxy who is bound by the shareholder's instructions, via postal voting, or by authorizing a person of their choice. They also have the option of casting their vote by means of electronic communication. The shareholders are adequately supported by the company in this process. The documents and information legally required for the Annual General Meeting are available on our website at www.jenoptik.com/investors/annual-general-meeting. The speech by a representative of the Executive Board and, after the Annual General Meeting, the attendance and voting results are also published there.

The Annual General Meeting in the fiscal year 2024 was held in person. Shareholders who did not have the opportunity to be present on site were given the opportunity to cast their votes, in particular by means of electronic communication, e.g., via the Internet-based shareholder portal available on Jenoptik's website. They were also able to use the portal to follow the Annual General Meeting there in audio and video. In addition, the speech by a representative of the Executive Board was published in advance in text form on the website and broadcast live on the Internet.

By resolution of the Annual General Meeting on June 7, 2023, the Articles of Association were amended and the Executive Board was authorized to provide that the Annual General Meeting may in the future also be held as a virtual Annual General Meeting without the physical presence of shareholders or their proxies. This authorization is valid for two years from the date of entry in the commercial register.

Transparent information

As part of our investor relations work, we report comprehensively on the position and development of the company. We use the Internet in particular for this purpose and make information available at www.jenoptik.com in the Investors category.

> For further informations on investor relations activities, see the chapter "The Jenoptik share"

Jenoptik immediately publishes major changes to its shareholder structure when it is informed that reportable voting rights tresholds have been reached, fallen below, or exceeded. All publications are available on the JENOPTIK AG website www.jenoptik.com/investors/share in the section on voting rights announcements. Further information can also be found in the Annual Financial Statement of JENOPTIK AG.

Directors' dealings

Reportable securities transactions by members of the Executive or Supervisory Boards as per Article 19 of the EU Market Abuse Regulation are published at www.jenoptik.com under the category Investors/Corporate Governance/Directors' Dealings. In the fiscal year 2024, we received a total of three notifications from Dr. Stefan Traeger, Dr. Prisca Havranek-Kosicek, and Dr. Ralf Kuschnereit.

> For further information on the shares acquired by the members of the Executive Board in the fiscal year 2024, see table T76 in the Remuneration Report

Accounting and auditing

Jenoptik prepares the Consolidated Financial Statements as well as the Interim Consolidated Statement in accordance with the IFRS Accounting Standards and the additional requirements of commercial law according to § 315e(1) HGB, as they are to be used in the European Union. JENOPTIK AG's Annual Financial Statements, which are decisive for the dividend payment, are compiled in accordance with the requirements of the German Commercial Code and the German Stock Corporation Act. The Consolidated Financial Statements and the Annual Financial Statements, including the Combined Management Report, are examined by the auditor. On June 18, 2024, the Annual General Meeting again elected EY as the auditor of the Consolidated Financial Statements and the Annual Financial Statements for the fiscal year 2024 on the recommendation of the Supervisory Board. EY was initially appointed in the fiscal year 2016 following an external tender. The position of responsible auditor for the auditing of the Consolidated Financial Statements and the Annual Financial Statements as well as the Combined Management Report was taken on for the first time by Martin von Michaelis. The auditor's report for the past fiscal year 2024 was signed by Martin von Michaelis and Jonny Klimpke, by Steffen Maurer, and Martin von Michaelis in 2023 and by Steffen Mauer and Alexander Murrmann in 2022. In 2021, it was signed by Steffen Maurer and Uwe Pester, in 2019 and 2020 by Michael Blesch and Steffen Maurer, and from 2016 to 2018 by Michael Blesch and Uwe Pester. The statutory provisions regarding the rotation obligations have been fulfilled. At its meeting on November 8, 2023, the Audit Committee decided to launch a tendering process in accordance with the requirements of EU Regulation 537/2014 for the Annual and Consolidated Financial Statements of JENOPTIK AG for the fiscal years beginning in 2026 and is actively pursuing this. The audit of the Sustainability Statement, which fulfills the requirements for the summarized non-financial declaration according to the German Commercial Code (HGB) and, for the first time, the requirements of the CSRD, was conducted with so-called "limited assurance" by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft ("PwC"). PwC has been auditing the Non-financial Report since 2017 (except for 2020) and the Sustainability Declaration since 2024. The Remuneration Report was formally audited by EY.

The Supervisory Board has agreed with the auditor that it shall inform the Supervisory Board chairman of all important events and findings that emerge during the audit. This includes occasions when inaccuracies are established during the audit in the Declaration of Conformity submitted by the Executive Board and Supervisory Board in accordance with § 161 AktG.

The Audit Committee reviewed the quality of the audit prior to submitting the election proposal to the Annual General Meeting. EY confirmed to the Supervisory Board in a declaration of independence that there were no business, financial, personal, or other links between the auditor, its bodies, and audit managers on the one side and the company and its board members on the other, that could give rise to doubts about the independence of the auditor. It also provided information on the extent to which non-audit services had been provided for Jenoptik in the previous fiscal year or which had been contractually agreed for the current year. In August 2024, the committee reviewed EY's non-audit services provided in the past year and confirmed the catalog of approved, predefined non-audit services approved in the prior year.

Chapter 3

Remuneration Report

Remuneration Report

Contents

With this report, the Executive Board and Supervisory Board inform, pursuant to § 162 of the German Stock Corporation Act (AktG), on the remuneration granted and owed to the current and former members of the Executive Board and Supervisory Board of JENOPTIK AG for the fiscal year 2024, including a comparative presentation of the annual change in remuneration for the members of the Executive Board, the development of the company's earnings, and the average remuneration of employees. At its meeting on August 8, 2024, the Audit Committee appointed EY GmbH & Co KG Wirtschaftsprüfungsgesellschaft, Stuttgart, to carry out a formal audit of the Remuneration Report in accordance with § 162 (3) AktG.

The year 2024 was once again marked by ongoing geopolitical tensions, particularly the war in Ukraine and the Middle East conflict, with corresponding effects on the global economy. Despite a challenging economic environment, Jenoptik demonstrated its continuing resilience and ability to grow, achieving year-on-year revenue growth of 4.7 percent and an EBITDA margin of 19.9 percent, which was driven by a continued strong order backlog and the Group's solid positioning in its core markets. In line with the "Pay for Performance" principle, this performance by Jenoptik is also reflected in the variable remuneration for the Executive Board.

A. Executive Board Remuneration

I. Executive Board remuneration system

Following preparation by the Personnel Committee, the Supervisory Board is responsible for specifying the remuneration system and determining the total remuneration for the individual Executive Board members. The criteria for defining the appropriateness of the individual total remuneration are primarily the respective tasks and areas of responsibility of the members of the Executive Board, their personal performance, and the economic situation, the success of the company, and its future prospects. Another factor is the level of remuneration customary in a comparable environment and in relation to defined peer groups within the company.

Jenoptik's corporate strategy focuses on its core expertise in photonics, combined with increased investment in research and development, innovation, operational excellence, and organic growth. The remuneration system for members of the Executive Board aims to provide key incentives for implementing this corporate strategy by setting ambitious targets in line with the strategy. In a similar way to the control system, the remuneration system is aligned with the long-term corporate strategy and with the Group's short to medium-term objectives. The key indicators for corporate management are used to assess the performance of the Executive Board. The long-term targets are in line with the envisaged business performance and aim to make it measurable in a targeted way. Jenoptik aims to promote long-term and sustainable development with a multi-year variable remuneration component and a consideration of sustainability criteria from various ESG areas (ESG: environmental, social, governance; hereinafter "ESG targets") in both one-year and multi-year variable remuneration.

G25 An overview of the remuneration system

Relative share of total target remuneration	Remuneration components	Description
~ 38 % – 43 %	Basic remuneration	
~ 2 %	Fringe benefits	
~ 9 % – 12 %	Company pension plan	
~ 17 % – 23 %	One-year variable remuneration	– Scheme type: Target bonus model – Limit: max. 200 % of target amount – Performance criteria: ▪ 40 % revenue growth ▪ 40 % EBITDA margin ▪ 20 % cash conversion rate ▪ Multiplier (0.8 to 1.2) to assess individual and collective performance of the Executive Board and ESG targets
25 % – 30 %	Multi-year variable remuneration	– Scheme type: Virtual performance share plan – Performance period: Four years – Limit: ▪ Target attainment: max. 150 % per target ▪ Payout: max. 200 % of target amount – Performance criteria: ▪ 30 % return on capital employed (ROCE) ▪ 25 % relative total shareholder return (TSR) compared to TecDax ▪ 25 % relative total shareholder return (TSR) compared to individual peer group ▪ 20 % ESG targets
	Malus & clawback	– Opportunity to reduce bonus via the multiplier in the sense of a malus – Right of the company to repayment of the multi-year variable remuneration (clawback)
	Maximum remuneration pursuant to § 87a(1) (2) AktG	– Chairman of the Executive Board: 2,550,000 euros p. a. – Ordinary member of the Executive Board : 1,800,000 euros p. a.
	Share ownership	– Obligation to hold shares: 100 % fixed gross annual remuneration

If the targets set are not met, the variable remuneration may be reduced to zero. At the same time, if the targets are exceeded, it can only increase up to a clearly defined upper limit ("cap") in terms of amount, thereby avoiding the incentive to take excessive risks.

The system of remuneration applicable for the Executive Board in the fiscal year 2024 was decided by the Supervisory Board with the assistance of an independent external remuneration advisor and approved by the Annual General Meeting on June 7, 2023 with a majority of 94.21 percent of the votes. The revision of the remuneration system focused on creating an even stronger share-based link to further align the interests of the Executive Board and shareholders. In addition, and in line with the strategic agenda, ESG targets are now explicitly included in the long-term variable remuneration.

The remuneration system thus resolved applies since January 1, 2023 for all current members of the Executive Board and is published on the Jenoptik website at www.jenoptik.com/about-jenoptik/management/executive-board-and-executive-management-committee-emc. For the ongoing 2021 and 2022 performance share installments granted to Dr. Stefan Traeger and Mr. Hans-Dieter Schumacher, who left the company on March 31, 2023, the previous remuneration system remains in effect.

II. Determination of total target remuneration, appropriateness of Executive Board remuneration

The Supervisory Board has determined the amount of the total target remuneration for the members of the Executive Board in accordance with the remuneration system for Executive Board members approved by the Annual General Meeting. In 2024, Dr. Stefan Traeger's total target remuneration increased by approximately 50,000 euros, while it remained unchanged for the other two Executive Board members.

T69 Target remuneration for the fiscal year 2024 in euros

	Dr. Stefan Traeger President & CEO			Dr. Prisca Havranek-Kosicek Executive Board member			Dr. Ralf Kuschnereit Executive Board member		
	Target remuneration	Min.	Max.	Target remuneration	Min.	Max.	Target remuneration	Min.	Max.
Non-performance-related remuneration									
Fixed remuneration	700,000	700,000	700,000	450,000	450,000	450,000	450,000	450,000	450,000
Fringe benefits	20,120	20,120	20,120	27,676	27,676	27,676	15,860	15,860	15,860
Pension contributions	200,000	200,000	200,000	100,000	100,000	100,000	100,000	100,000	100,000
Total	**920,120**	**920,120**	**920,120**	**577,676**	**577,676**	**577,676**	**565,860**	**565,860**	**565,860**
Performance-related remuneration							**0**	**0**	**0**
One-year variable remuneration (bonus for fiscal year 2024)	340,000	0	680,000	200,000	0	400,000	200,000	0	400,000
Multi-year variable remuneration							0	0	0
of which performance shares 2024	460,000	0	920,000	300,000	0	600,000	300,000	0	600,000
Total	**800,000**	**0**	**1,600,000**	**500,000**	**0**	**1,000,000**	**500,000**	**0**	**1,000,000**
Total remuneration	**1,720,120**	**920,120**	**2,520,120**	**1,077,676**	**577,676**	**1,577,676**	**1,056,860**	**565,860**	**1,565,860**

Maximum remuneration. The maximum remuneration (including pension contributions and fringe benefits) set by the Supervisory Board for the members of the Executive Board and approved by the Annual General Meeting is 2,550,000 euros per fiscal year for the Chairman of the Executive Board and 1,800,000 euros for ordinary members of the Executive Board. The basic remuneration is a fixed value. The upper limit for the one-year and multi-year variable remuneration granted and owed in 2024 – as shown in table T77 – was not reached. Although attainment of the performance targets for the 2024 installment of performance shares will not be determined until the first quarter of 2028, it is already certain that, even if the maximum target is achieved in 2028, the fixed maximum remuneration for the fiscal year 2024 will not be exceeded.

Customary level of the specific total remuneration in comparison with other companies and within the company. The appropriateness of the remuneration was last reviewed in mid-2022 by comparing the level and structure of the remuneration with that at companies in the TecDax and SDax indices. These two indices were chosen as the companies included are largely comparable with Jenoptik in terms of country and sector and Jenoptik itself was listed on both indices at that time (Jenoptik was only included in the MDax with effect from March 2023). In order to take the size of the company into account, Jenoptik was classified in the peer groups on the basis of the criteria of revenue, employees, and market capitalization; the size-adjusted remuneration bands derived from this were then analyzed. In addition, a vertical analysis with the remuneration of managers and the workforce as a whole was also made. The Supervisory Board came to the conclusion that the remuneration agreed with the members of the Executive Board is customary and appropriate in a horizontal and vertical comparison in accordance with the requirements of the German Corporate Governance Code.

III. Specific configuration of the remuneration system

The remuneration for the Executive Board of Jenoptik consists of non-performance-related and performance-related components.

1. Non-performance-related remuneration

Fixed remuneration. The non-performance-related basic salary is paid on a pro rata basis each month. It totaled 700,000 euros p. a. for Dr. Stefan Traeger (prior year: 675,000 euros) and 450,000 euros p. a. for each of the other Executive Board members (prior year: 450,000 euros).

Retirement benefits. Agreements relating to occupational retirement benefits have been concluded with the members of the Executive Board. The commitment is based on a pension fund reinsured by a life insurance policy. This is a defined contribution scheme within the framework of a provident fund. The annual and the long-term costs for Jenoptik are clearly defined. On reaching retirement age, the payouts will no longer affect Jenoptik – with the exception of a possible subsidiary liability. In 2024, pension contributions amounted to 200,000 euros for Dr. Stefan Traeger and 100,000 euros each for Dr. Ralf Kuschnereit and Dr. Prisca Havranek-Kosicek. The annual pension contributions have remained unchanged for all members of the Executive Board since they joined the company. The surrender value of the pension commitment pursuant to § 169 of the German Insurance Contract Act (VVG) as of December 31, 2024 is 1,493,752.32 euros for Dr. Stefan Traeger (prior year: 1,288,768 euros), 205,881.87 euros for Dr. Prisca Havranek-Kosicek (prior year: 97,632 euros), and 207,338.17 euros for Dr. Ralf Kuschnereit (prior year: 98,377 euros).

Fringe benefits. There are an accident insurance and a directors and officers liability insurance for the members of the Executive Board. The latter includes a contractual obligation to pay a deductible amounting to 10 percent of the loss per claim, with a maximum sum of 150 percent of the fixed remuneration of the Executive Board member in question for all claims within a given year. Executive Board members are also entitled to the private use of a company vehicle. Dr. Prisca Havranek-Kosicek has opted for a mobility allowance based on the rules for employees entitled to a company vehicle instead of a company car; the cost of a BahnCard 100 covered by Jenoptik is deducted from this allowance.

2. Performance-related remuneration components

The variable remuneration of the Executive Board is based on target agreements concluded with the respective member of the Executive Board in the first quarter of each calendar year. Jenoptik's long-term and sustainable development is supported by granting a multi-year variable remuneration component and taking sustainability criteria (ESG) into account in the one-year and multi-year variable remuneration. The same targets are agreed with all members of the Executive Board, as the Executive Board acts as a team and implements the targets together.

The variable remuneration comprises two components:

The (one-year) bonus (~ 40 percent of the variable remuneration) is based on the achievement of certain targets within a fiscal year and is paid in the subsequent year.

The second part of the variable remuneration (~ 60 percent of the variable remuneration) is granted as multi-year variable remuneration in the form of so-called performance shares. To this end, virtual shares are allocated to the members of the Executive Board on an annual basis. For each installment of performance shares granted, the target attainment is determined at the end of a four-year performance period and the amount resulting from a predefined calculation method is paid out.

The total variable remuneration for the year 2024 can amount to a maximum of 1,600,000 euros for Dr. Stefan Traeger and a maximum of 1,000,000 euros each for Dr. Ralf Kuschnereit and Dr. Prisca Havranek-Kosicek. If less than 50 percent of the targets are achieved, the variable remuneration will be 0 euros. For the respective maximum amount, 200 percent of the targets for one-year variable remuneration and 150 percent of the targets for multi-year variable remuneration must be achieved.

a) Bonus

(i) Bonus system. 40 percent of the bonus depends on the Group's revenue growth: Target attainment of 100 percent is reached if the revenue growth set out in the annual plan for the Jenoptik Group adopted by the Supervisory Board is achieved organically for the corresponding year, i.e., without taking into account companies or parts of companies acquired or sold. A further 40 percent of the bonus is based on the EBITDA margin contained in the annual plan. The third sub-target, accounting for 20 percent of the bonus, is 100 percent achieved if the ratio of free cash flow to EBITDA for the year in question (the cash conversion rate) reaches the figure from the annual plan approved by the Supervisory Board.

The yardstick for determining the degree of target attainment need not be linear. This means that a target attainment of 200 percent does not necessarily require a doubling of the initial value of the financial key indicator, in the same way as 50-percent target attainment does not necessarily have to be achieved at half of the originally defined financial baseline for 100 percent. The precise calibration of the targets is based on historical experience and future expectations, as well as the adopted budget for the respective year.

(ii) Targets for 2024. The financial targets agreed with the members of the Executive Board for 2024 were:

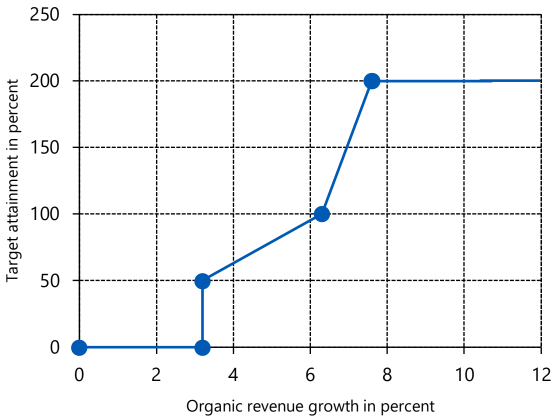
T70 Financial targets agreed for 2024

		Targets for 2024 in %		
Target	Weighting with target attainment of 100 %	100	50 (lower cap)	200 (upper cap)
Organic revenue growth in %*	40 %	6.3	3.2	7.6
EBITDA margin in %	40 %	20.0	13.4	24.0
Cash conversion rate in %	20 %	50.0	25.0	60.0

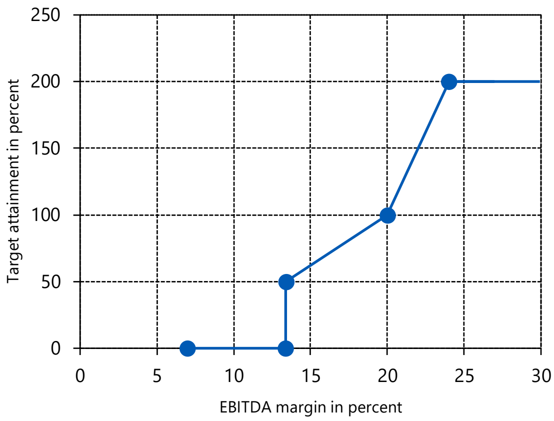
* Revenue growth is calculated based on the ratio between revenues achieved in 2024 and 2023. Acquisitions are not included. In addition, the shares of revenue of business units to be sold/closed in 2024 are deducted from the revenue for 2024 and 2023.

The following charts illustrate the target attainment curves for the 2024 bonuses:

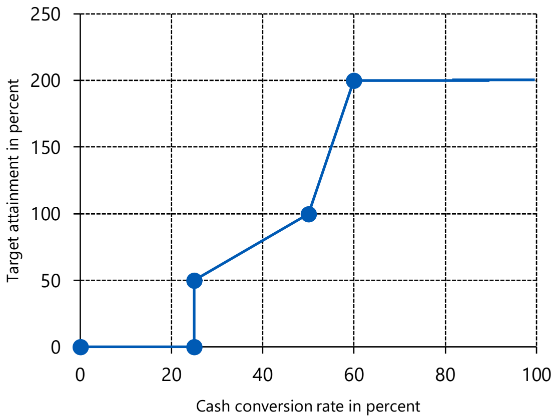
G26 Organic revenue growth



G27 EBITDA margin



G28 Cash conversion rate

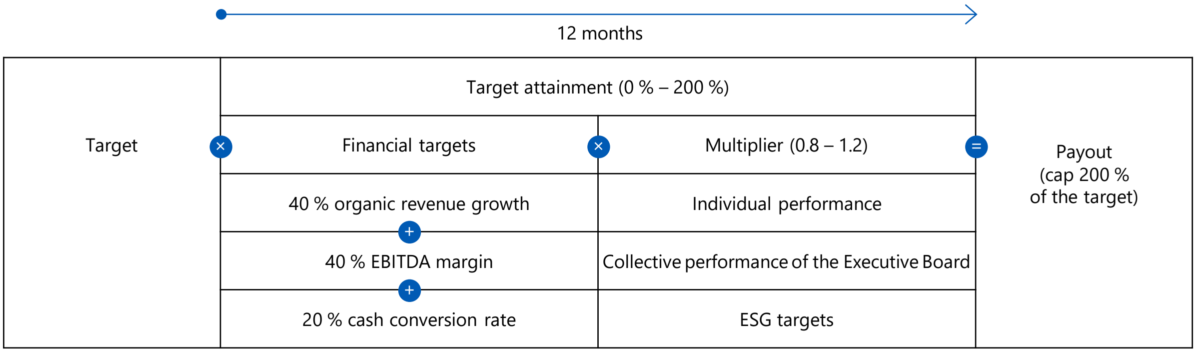


To take account of non-financial aspects, the bonus amount for the respective Board member resulting from the target attainment is then multiplied by a performance factor, the so-called multiplier. Its value can be between 0.8 and 1.2. The multiplier is determined on the basis of the individual performance of the Executive Board member, the collective performance of the Executive Board as a whole, and the attainment of ESG targets. These latter targets are derived from the Jenoptik Group’s ESG road map described in the Sustainability Statement and published on our website at www.jenoptik.com/sustainability/sustainability-targets. The ESG targets agreed for 2024 and their attainment are shown in table T72.

The Supervisory Board can use the multiplier to reduce the bonus in the sense of a malus arrangement by up to 20 percent even if the financial targets are met or exceeded, if, for example, the behavior of the Executive Board member strongly warrants it, but it is not serious enough to justify termination or liability due to breach of duty or a reduction in remuneration in accordance with § 87(2) AktG is not possible.

With 100 percent target attainment and a multiplier of 1.0 for the fiscal year, Dr. Stefan Traeger receives a bonus of 340,000 euros, Dr. Ralf Kuschnereit and Dr. Prisca Havranek-Kosicek bonuses of 200,000 euros each. In any case, the bonus for 2024 is capped at twice the above amounts for the Executive Board members, which corresponds to a target attainment of 200 percent. The bonus is paid with the subsequent payroll after the target settlement and approval of the Annual Financial Statements.

G29 One-year variable remuneration (bonus) 2024



(iii) Target attainment 2024. On the basis of its assessment, and taking into account all relevant factors, the Personnel Committee of the Supervisory Board has decided to propose to the Supervisory Board a uniform multiplier of 0.95 for all Executive Board members for the fiscal year 2024. In doing so, the achievement of the ESG targets shown in Table T72 and the extensive preparatory work for the implementation of the verticalized group structure that applies since 2025, as well as the progress of the construction and commissioning of the new factory in Dresden on time and on budget, were taken into account. However, the lower-than-expected order intake, the continued work required to achieve an appropriate working capital ratio and the ongoing challenges in connection with the further development of the Non-Photonic Portfolio Companies were also considered in the overall assessment.

The actual target attainment of the one-year variable remuneration for 2024 and the resulting payments for the fiscal year 2024 are as follows:

T71 Target attainment of the one-year variable remuneration for 2024 and payment in euros

Indicator	Fiscal year 2024 actually attained	Target attainment in %	Payment to Dr. Stefan Traeger	Payment to Dr. Prisca Havranek-Kosicek	Payment to Dr. Ralf Kuschnereit
Organic revenue growth in %*	4.7	74.19	100,898	59,352	59,352
EBITDA margin in %	19.9	99.24	134,966	79,392	79,392
Cash conversion rate in %	46.5	93.00	63,240	37,200	37,200
Subtotal			299,105	175,944	175,944
Multiplier			0.95	0.95	0.95
Total			**284,150**	**167,147**	**167,147**

* Acquisitions are not included. In addition, the shares of revenue of business units to be sold/closed in 2024 are deducted from the revenue for 2024 and 2023

T72 ESG targets and target attainment 2024 in the multiplier

		2024 target	Target attainment
Green electricity rate	Active reduction of CO_2 emissions: Green electricity share as a proportion of the total electricity demand used by the main sites	95.0 %	95.8 %
Employee satisfaction	Global Engagement Score: Our employees' engagement, i.e., percentage of our employees who positively identify with their duties at Jenoptik and actively engage	Better than global benchmark[1] (72 %) but not less than 75 %[2]	76.0 %
CSR rate	Increased transparency in the supply chain to protect human rights and the environment: CSR rate: The percentage of suppliers of production materials with an annual purchase volume in excess of 200,000 euros for which full CSR self-assessments are available	55.0 %	60.9 %

[1] Determined annually based on Qualtrics (survey to assess the Engagement Score)

[2] This means that at least 75 % of employees who participated in the survey positively identify with Jenoptik and play an active role

b) Performance shares

(i) System of performance shares. Based on a value of 460,000 euros (prior year: 445,000 euros) for Dr. Stefan Traeger and 300,000 euros for the other Executive Board members (prior year: 300,000 euros) ("initial value" for 2024), performance shares are provisionally allocated to each member of the Executive Board in the first quarter of each fiscal year, usually at the balance sheet meeting of the Supervisory Board in the second half of March. The above values are reduced on a pro rata basis by periods during which there was no membership on the Executive Board.

In order to calculate the provisional number of performance shares to be allocated, the initial value is divided by the volume-weighted average closing price (VWAP) of the Jenoptik share on the last 60 trading days of the fiscal year preceding the provisional allocation. The VWAP for that period was 24.695 euros. For the 2024 installment, Dr. Stefan Traeger was provisionally allocated a total of 18,627 performance shares, Dr. Prisca Havranek-Kosicek and Dr. Ralf Kuschnereit a total of 12,148 performance shares each. Long-term performance targets are agreed for each installment. Their achievement is measured at the end of each four-year "performance period". For the performance shares provisionally allocated in 2024, the measurement will take place at the beginning of 2028.

The performance shares not yet paid out are:

T73 Performance shares

	Number of provisionally allocated performance shares			
Installment	Dr. Stefan Traeger	Dr. Prisca Havranek-Kosicek	Dr. Ralf Kuschnereit	Payout year
2021	17,832			2025
2022	12,682			2026
2023	18,029	10,129	12,154	2027
2024	18,627	12,148	12,148	2028

(ii) Targets for the 2024 installment. The performance targets to be achieved during the performance period are the return on capital employed (ROCE) with a weighting of 30 percent, the total shareholder return (TSR) of Jenoptik compared with the TecDax with a weighting of 25 percent, the total shareholder return (TSR) of Jenoptik compared with companies in an individual peer group with a weighting of 25 percent, and various ESG targets with a total weighting of 20 percent.

An average ROCE of 14 percent is currently set as the target value for the ROCE target. The ROCE target is achieved at 50 percent if the average ROCE over the performance period is 5 percentage points below the target ("lower cap"). If the average ROCE is more than 5 percentage points below the target value, target attainment is 0 percent. The target attainment for the ROCE target can be 150 percent at maximum. This is achieved if the average ROCE over the performance period is 5 percentage points or more above the target value of 14 percent ("upper cap"). Exceeding the ROCE target value by more than 5 percentage points does not result in a higher target attainment.

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

The development of Jenoptik's relative TSR compared with the TecDax and at least ten other companies in the peer group over the performance period is used as the second performance criterion, with a total weighting of 50 percent. By taking the relative TSR into account, both internal and external performance criteria are included in the multi-year variable remuneration. The relative TSR is determined as the difference in percentage points between the change in the Jenoptik share price, including notionally reinvested dividends, and the change in the respective benchmark index over the performance period. Half of this performance target is allocated to a comparison with the TecDax and half to a comparison with an individual peer group of international listed companies operating in the markets addressed by Jenoptik.

As of December 31, 2024, the individual peer group includes the companies shown in the following chart G30.

G30 Companies in the individual peer group

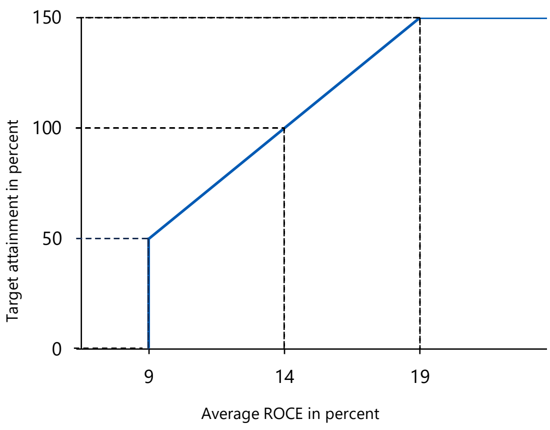
- Basler AG
- Coherent, Inc.
- Corning Inc.
- Gooch & Housego PLC
- IDEX Corporation
- IPG Photonics Corporation
- Kapsch AG
- LPKF Laser & Electronics AG
- Lumentum Holdings Inc.
- MKS Instruments, Inc.
- Novanta Inc.
- Sensys Gatso Group AB

In determining the relative TSR, only those companies in the peer group are taken into account. that were listed during the entire performance period Companies that were not listed throughout or at the end of the performance period are excluded from the relative TSR calculation.

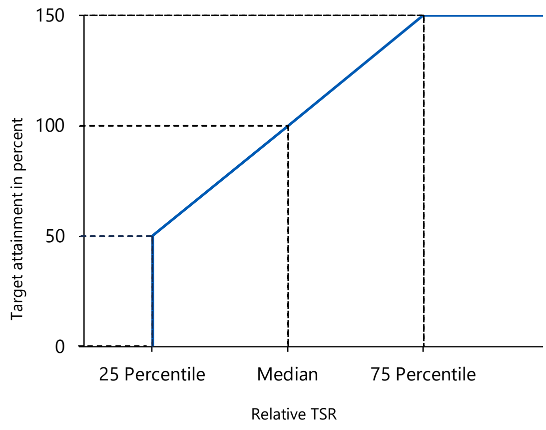
To determine target attainment, the TSR values of all companies in the respective peer group are ranked and Jenoptik's relative positioning is determined. Target attainment is determined on the basis of this relative positioning, the percentile. The target value for 100 percent target attainment is reached when Jenoptik's relative TSR within the peer group is at the median. If the development of Jenoptik's relative TSR is at the 25th percentile within the respective peer group, this results in target attainment of 50 percent ("lower cap"). If the development of the relative TSR is below the 25th percentile, target attainment falls to 0 percent. Similarly, target attainment is capped at 150 percent, and this "upper cap" is achieved if the relative TSR is positioned at or above the 75th percentile. Target attainment is interpolated on a linear basis between the aforementioned target attainment points (50 percent/100 percent/150 percent). The target attainment of the relative TSR is rounded to two decimal places.

The target attainment curve for the "relative TSR" performance criterion is as follows:

G31 ROCE target attainment curve



G32 Relative TSR target attainment curve



As a third performance criterion, ESG targets are included in the multi-year variable remuneration with a weighting of 20 percent. The selection of targets for each installment of the Performance Share Plan is based on a catalog of criteria derived from the materiality matrix. At the beginning of each fiscal year the Supervisory Board selects two to four specific long-term measurable ESG targets from this catalog of criteria and defines their weighting.

The following ESG targets were agreed for the 2024 installment:

T74 ESG target agreement 2024 (LTI)

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

[1] According to the data basis and scope of the audited Non-Financial Report of the Jenoptik Group for the respective fiscal year. In the event of M+A activities, the target will be adjusted in line with the Science Based Targets Initiative (SBTi) conditions

For each ESG target, the Supervisory Board determines values for the performance period for a target attainment of 100 percent ("target value"), 50 percent ("minimum value"), and 150 percent ("maximum value").

(iii) Calculation of the payout amount for the 2024 performance share installment in 2028. Depending on the level of target attainment, the number of performance shares to be finally allocated is determined at the end of the four-year performance period. It is limited to one and a half times the number of provisionally allocated performance shares ("allocation cap"). If less than 50 percent of the target is achieved, there is no entitlement to final allocation of performance shares.

The number of finally allocated performance shares is multiplied by the VWAP of the Jenoptik share on the last 60 trading days of the last fiscal year of the performance period ("payout price"). The dividends paid for the JENOPTIK AG shares during the performance period are added to this amount ("dividend equivalent"). The resulting amount is paid after the adoption of the annual financial statements. The payout amount is limited to a maximum of 200 percent of the initial value, i.e., for Dr. Stefan Traeger to 920,000 euros for the 2024 installment (prior year: 890,000 euros) and for the other members of the Executive Board to 600,000 euros per calendar year ("payout cap"). In the event of extraordinary, unforeseen developments, the Supervisory Board may reduce the payment at its reasonable discretion pursuant to § 87 (1)(3)(2) AktG (see chapter III. 2. c).

In the event of termination of the Executive Board mandate, performance shares that have not yet been allocated finally, but only provisionally, are not finally allocated and paid out prematurely, but evaluated, allocated and then paid out in accordance with the regular procedure at the end of the respective performance period. If the employment relationship is terminated or dissolved before the end of the performance period (1) by extraordinary notice of termination by the company for good cause attributable to the member of the Executive Board or (2) at the instigation of the member of the Executive Board without good cause attributable to the company, all provisionally allocated performance shares for which the performance period has not yet expired will be forfeited without substitution or compensation. The Executive Board service contracts contain provisions for capital and conversion measures and the event of a delisting, which are aimed at ensuring that the performance shares are financially equivalent to real shares.

(iv) Calculation of the payout amount for the performance share installment in 2021. The fiscal year 2024 was the last year of the performance period of the performance shares provisionally allocated to Dr. Stefan Traeger and Hans-Dieter Schumacher in 2021 (2021 installment). The long-term variable remuneration is deemed to be granted and owed in the final year of the performance period. The relevant share price for determining the number of performance shares to be provisionally allocated in 2021 was 24.114 euros, so Dr. Stefan Traeger and Hans-Dieter Schumacher, who left the company in the fiscal year 2023, were provisionally allocated 17,832 and 12,441 performance shares respectively for the 2021 installment.

The arithmetic average ROCE achieved during the 2021 to 2024 performance period was 10.4 percent, which was above the lower cap of 9 percent applicable to this installment. This corresponded to a target attainment of 64.00 percent. The relative TSR during the relevant measurement period was minus 12.68 percent, resulting in a target attainment of 64.64 percentage points. With a weighting of 30 percent for the ROCE target and 70 percent for the relative TSR target, the overall weighted target attainment rate for the 2021 performance share installment is 64.45 percent.

The final number of performance shares was then calculated by taking the number of performance shares provisionally allocated at the beginning of the performance period (17,832 and 12,441 shares respectively) and multiplying it by the overall target attainment, resulting in a final number of performance shares of 11,492 shares for Dr. Stefan Traeger and 8,018 shares for Hans-Dieter Schumacher. The payout amount is calculated by multiplying the final number of performance shares by the volume-weighted average price of the last 60 trading days of the last fiscal year of the performance period ("payout price"), i.e., 2024. The payout price calculated in this way was 22.653 euros. In 2024, Dr. Stefan Traeger will therefore receive a total of 260,328.28 euros (corresponding to 11,492 shares * 22.653 euros) and Hans-Dieter Schumacher a total of 181,631.75 euros (corresponding to 8,018 shares * 22.653 euros) for the 2021 performance share installment.

T75 Performance share installment 2021

	Number of performance shares provisionally allocated for the 2021 installment (allocation price: 24.114 euros)	ROCE target value for 100 % target attainment	TSR target value for 100 % target attainment	ROCE value achieved in % = target attainment	TSR value achieved in % = target attainment	Number of definitively allocated performance shares	Payout amount in euros with payout price 22.653 euros
Dr. Stefan Traeger	17,832	14 %	+ 5 %	10.4 = 64.00 %	– 12.68 = 64.64 %	11,492	260,328.28
Hans-Dieter Schumacher (Member of the Executive Board until 30/4/2023)	12,441	14 %	+ 5 %	10.4 = 64.00 %	–12.68 = 64.64 %	8,018	181,631.75

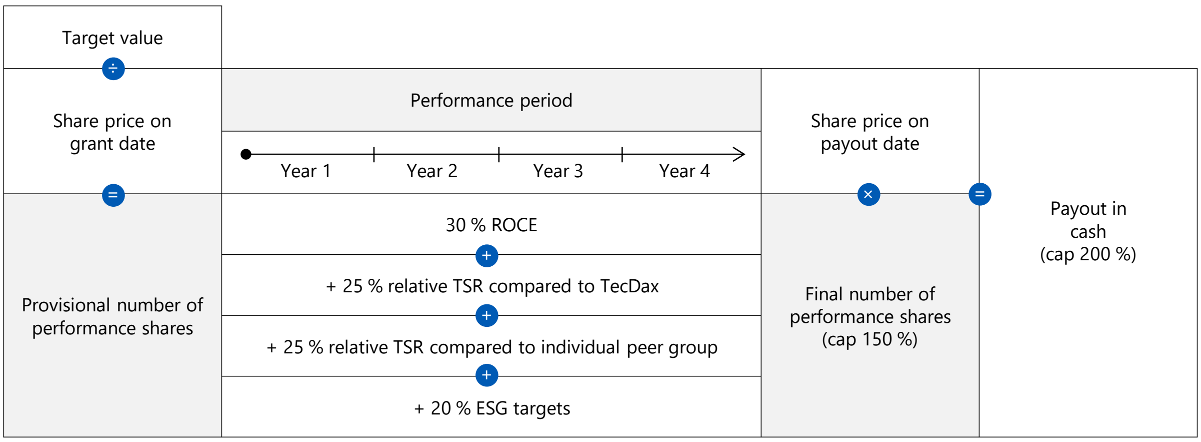
(v) Summary. The system of remuneration with performance shares is summarized as follows:

Year 1: Agreement of a performance target for the year 1 installment (“installment 1”) with the member of the Executive Board; provisional allocation of performance shares for installment 1; calculation of the provisional number by dividing the initial value by the VWAP of the last 60 trading days of the prior year.

Years 1–4: Performance period for installment 1.

Year 5: Measurement of target attainment, from which determination of the number of final performance shares to be allocated for installment 1, taking into account the allocation cap; multiplication of this final number by the VWAP of the last 60 trading days of year 4. Payout of this amount to the member of the Executive Board, taking into account the payout cap.

G33 Multi-year variable remuneration



c) Adjustments in the event of extraordinary developments

In the event of extraordinary events or developments, the Supervisory Board is authorized to make appropriate adjustments to the plan conditions for the one-year variable remuneration and the performance shares at its reasonable discretion. Extraordinary events or developments may include, for example, the acquisition or sale of a company or an interest in a company requiring approval, a merger with another company, changes in the legal and/or regulatory framework, or significant changes in accounting policies and valuation methods.

3. Other agreements

Clawback. The company has a right to repayment of the multi-year remuneration if, within three years after payout of the multiple variable remuneration, it becomes apparent that one of the audited and approved consolidated financial statements during the four-year performance period was objectively incorrect, and therefore had to be subsequently corrected in accordance with the relevant accounting standards ("performance clawback"). In the event of intentional breaches of duty by a member of the Executive Board in the form of a breach of material provisions of the Jenoptik Integrity Code, a breach of material contractual duties, or a breach of material duties of care as defined in § 93 AktG that meet the requirements of a gross breach of duty and justify revocation of the appointment as a member of the Executive Board, the Supervisory Board may, at its reasonable discretion, reduce the variable remuneration not yet paid for the year in which the breach occurred in part or in full to zero ("malus") or reclaim ("compliance clawback"). Clawback is not possible if the relevant breach occurred more than seven years ago.

In addition, the Supervisory Board has the option to reduce the one-year variable remuneration by selecting a low multiplier if there are significant reasons relating to the behavior of a member of the Executive Board in addition to any statutory claims for damages under § 93 (2) AktG or a reduction in remuneration under § 87(2) AktG. Should JENOPTIK AG terminate the employment relationship for a good reason for which the member of the Executive Board is responsible, all provisionally allocated performance shares for which the performance period has not yet expired shall be forfeited without substitution or compensation (see chapter III. 2. b. (iii)). There was no reason to exercise this option in the fiscal year 2024, i.e., no variable remuneration components were clawed back.

Share ownership guidelines. In order to further strengthen the link with the shares and to give the members of the Executive Board an even greater incentive to sustainably increase the value of the company in the interests of the shareholders, the members of the Executive Board have been obliged to acquire Jenoptik shares in the amount of 100 percent of their respective annual gross basic remuneration by the end of a four-year build-up phase and to hold these shares for the duration of their Executive Board mandate.

T76 Commitment according to share ownership guidelines*

	Required		Proven	
	Percentage basic remuneration	Amount in euros	Amount in euros**	Number of shares
Dr. Stefan Traeger	100	700,000	670,414	27,965
Dr. Prisca Havranek-Kosicek	100	450,000	339,702	13,536
Dr. Ralf Kuschnereit	100	450,000	377,917	15,385

* As of 31/12/2024 (during the build-up phase)

** Based on the share price at the time of acquisition

Third-party benefit commitments. In the past fiscal year, no benefit commitments were promised or granted to any Executive Board member by a third party with regard to their activity as a member of the Executive Board.

Benefit commitments in the event of regular termination of employment. The members of the Executive Board are not entitled to bridging payments following their regular departure from the company. Nor was any right of termination agreed with them in the event of a change of control.

Benefits in the event of the premature termination of employment. In the event of a member of the Executive Board being dismissed pursuant to § 84 (3) AktG in conjunction with the relevant provisions of the German Codetermination Act, the rights under the employment contract shall remain unaffected. In this case, however, the member of the Executive Board is entitled to terminate the employment relationship extraordinarily and with immediate effect. At the same time, Jenoptik is entitled to release the Executive Board member from their obligation to render services.

In the event that the appointment as member of the Executive Board and the employment contract end prematurely without good cause within the meaning of § 626 of the German Civil Code (BGB), a severance payment may be agreed. This amounts to a maximum of two years' remuneration (plus fringe benefits) or the remuneration due for the remaining term of the service contract, whichever is lower ("severance payment cap"). The annual remuneration comprises the basic remuneration, the variable remuneration components, and the annual pension contribution. For the one-year variable remuneration, a target attainment of 100 percent and a neutral multiplier of 1.0 are assumed. Virtual performance shares that have already been provisionally allocated but whose performance period has not yet expired are not forfeited in the event of premature termination. They are valued in accordance with the normal procedure at the end of the performance period depending on the attainment of the performance criteria, allocated, and paid out.

However, should the company terminate the employment relationship without notice for a good reason for which the member of the Executive Board is responsible, pursuant to § 626 BGB, all provisionally allocated virtual performance shares for which the performance period has not yet expired shall be forfeited without substitution or compensation (see chapter II. 2. b. (iii)).

Non-competition clause. A post-contractual non-competition clause was agreed with the current members of the Executive Board for a period of one year following the end of their contract of employment. An amount of 50 percent of the annual remuneration, including one-year and multi-year variable remuneration (with a target attainment level of 100 percent and a multiplier of 1.0) and pension contributions have been agreed as compensation for the non-competition clause. Any severance payment shall be offset against the compensation. Prior to termination of the employment relationship, Jenoptik may also waive the post-contractual non-competition clause by means of a written declaration.

Ancillary activities. The acceptance of seats on a supervisory board, advisory board, or comparable supervisory bodies of companies outside the Group requires the approval of the Supervisory Board.

Rejection of the remuneration system. Should the Annual General Meeting reject the remuneration system and/or the Remuneration Report, the members of the Executive Board have committed themselves to enter into discussions on an adaptation of the remuneration system.

4. Remuneration of Hans-Dieter Schumacher

Hans-Dieter Schumacher left the company when his employment contract expired on March 31, 2023. Performance shares granted to Hans-Dieter Schumacher in prior years will not be paid out until the end of the respective four-year performance period, despite his departure. The 2020 performance share installment was paid out in the fiscal year 2024 (see table T75). The fiscal year 2024 also marked the final year of the performance period for the performance shares provisionally allocated to Hans-Dieter Schumacher in 2021 (see A. III. 2. b. iv and table T77 for details). They will be paid out in April 2025.

IV. Detailed presentation of the total remuneration for the members of the Executive Board

Table T77 below contains the remuneration components granted and owed to members of the Executive Board in office in the fiscal year 2024, as well as former Executive Board members, for the past fiscal year. For current members of the Executive Board, remuneration granted and owed is understood to mean remuneration granted for professional activities performed in the fiscal year 2024, irrespective of whether payout takes place in 2024 or later. For current and former members of the Executive Board, the long-term variable remuneration is deemed to be granted and owed in the last year of the performance period, even if payout is not made until the following year, because only then can it be determined that all performance criteria were fulfilled. This means that the performance shares allocated in 2021 are deemed to be granted and owed in the fiscal year 2024, even if payment is only made in April 2025 after the adoption of the 2024 Annual Financial Statements.

T77 Remuneration granted and owed in the fiscal years 2024 and 2023

	Dr. Stefan Traeger Chairman of the Executive Board				Dr. Prisca Havranek-Kosicek Executive Board member			
	2024		2023		2024		2023	
	in euros	in %	in euros	in %	in euros	In %	in euros	in %
Non-performance-related remuneration								
Fixed remuneration	700,000	47.8	675,000	42.8	450,000	60.4	375,000	59.9
Fringe benefits	20,120	1.4	19,630	1.2	27,676	3.7	19,099	3.1
Pension contributions	200,000	13.7	200,000	12.7	100,000	13.4	83,333	13.3
Total	**920,120**	**62.8**	**894,630**	**56.7**	**577,676**	**77.6**	**477,432**	**76.3**
Performance-related remuneration								
One-year variable remuneration (bonus for fiscal year 2024)	248,150	19.4	n. a.		167,147	22.4	n. a	
One-year variable remuneration (bonus for fiscal year 2023)	n. a.		294,228	18.7	n. a.		148,600	23.7
Multi-year variable remuneration (performance shares 2021)	260,328	17.8	n. a.		0	0	n. a.	
Multi-year variable remuneration (performance shares 2020)	n. a.		388,749	24.6	n. a		0	0
Total	**544,478**	**37.2**	**682,977**	**43.3**	**167,147**	**22.4**	**148,600**	**23.7**
Total remuneration	**1,464,598**	**100.0**	**1,577,607**	**100.0**	**744,823**	**100.0**	**626,032**	**100.0**

	Dr. Ralf Kuschnereit Executive Board member				Hans-Dieter Schumacher Member of the Executive Board until 31/3/2023			
	2024		2023		2024		2023	
	in euros	in %	in euros	in %	in euros	in %	in euros	in %
Non-performance-related remuneration								
Fixed remuneration	450,000	61.4	450,000	60.5	0	0	112,500	23.3
Fringe benefits	15,860	2.2	15,860	2.1	0	0	5,383	1.1
Pension contributions	100,000	13.6	100,000	13.4	0	0	40,000	8.3
Total	**565,860**	**77.2**	**565,860**	**76.0**	**0**	**0**	**157,883**	**32.7**
Performance-related remuneration					**0**	**0**	**0**	**0**
One-year variable remuneration (bonus for fiscal year 2024)	167,147	22.8	n. a.		0	0	n. a.	
One-year variable remuneration (bonus for fiscal year 2023)	n. a.	0	178,320	24.0	n. a.	0	44,580	9.2
Multi-year variable remuneration (performance shares 2021)	0	0	n. a.		181,632	100.0	n. a.	
Multi-year variable remuneration (performance shares 2020)	n. a.	0	0	0	n. a.	0	281,029	58.1
Total	**167,147**	**22.8**	**178,320**	**24.0**	**181,632**	**100.0**	**325,609**	**67.3**
Total remuneration	**733,007**	**100.0**	**744,180**	**100.0**	**181,632**	**100.0**	**483,492**	**100.0**

V. Comparative presentation of the annual change in remuneration, the development of the company’s earnings, and the average remuneration of employees considered over the last five fiscal years

Table T78 below presents the total remuneration granted and owed to the members of the Executive Board and Supervisory Board in the years 2020 to 2024.

The Executive Board’s total remuneration comprises the fixed remuneration, the one-year and multi-year variable remuneration, fringe benefits, and pension contributions. Should a member not have worked for Jenoptik for the full calendar year, the amount is extrapolated to a full twelve months.

The Supervisory Board’s total remuneration comprises the fixed remuneration paid for 2024 for membership of the Supervisory Board and the committees, as well as the attendance fees for meetings held in 2024.

Furthermore, the average remuneration for the total workforce and of employees paid in accordance with collective agreements in Germany over the last five fiscal years. The total workforce includes all employees below Executive Board level (including non-pay-scale employees and senior executives). The table also shows the average remuneration for all pay-scale employees in Germany. Pay-scale employees are salaried employees covered by collective bargaining agreements and employees on a par with the collective bargaining agreement but not bound by it. In addition to the basic salary, the average remuneration for the total workforce and pay-scale employees include bonuses, special payments, variable remuneration for the year in question (for the year 2024 the provision amount) and the employer's share of social security contributions, but not any severance pay or sign-on bonuses. Should an employee not have worked for Jenoptik for the full calendar year, the amount is extrapolated to a full twelve months. Due to differing salary levels worldwide, the presentation is restricted to employees working in Germany, particularly as all members of the Executive Board are also employed and based in Germany.

The company’s development of earnings is presented on the basis of the Jenoptik performance indicators of revenue, EBITDA, and free cash flow of the Jenoptik Group. The overview was supplemented by a comparative presentation of the development of the annual net profit of JENOPTIK AG as per the German Commercial Code (HGB).

T78 Comparative presentation of the change in the remuneration of the Executive Board, the Supervisory Board, employees, and the development of the company's earnings

		2024		2023		2022		2021	2020
Remuneration in euros	2024 amount	Change in %	2023 amount	Change in %	2022 amount	Change in %	2021 amount	Change in %	2020 amount
Earnings development in million euros[1]									
Revenue	1,115.8	4.7	1,066.0	8.7	980.7	9.5	895.7	16.7	767.2
EBITDA	221.5	5.7	209.6	13.9	184.1	3.9	177.2	58.8	111.6
Free cash flow (before income taxes)	102.9	– 19.2	127.3	54.0	82.7	31.7	62.8	0.8	62.3
JENOPTIK AG annual net profit as per German Commercial Code	29.9	– 58.3	71.7	29.4	55.4	346.3	16.0	– 56.9	37.2
Average remuneration for employees [2,5]									
Total workforce in Germany (excluding the Executive Board) [2]	84,000	7.7	78,000	4.0	75,000	0	75,000	2.7	73,000
Pay-scale employees in Germany [2]	80,000	9.6	73,000	5.8	69,000	0	69,000	3.0	67,000
Remuneration granted and owed to the Executive Board									
Dr. Stefan Traeger	1,464,598	– 7.2	1,577,607	16.1	1,358,578	– 5.9	1,443,249	19.6	1,206,741
Dr. Prisca Havranek-Kosicek [6]	744,823	– 0.9	751,238	/	/	/	/	/	/
Dr. Ralf Kuschnereit	733,007	– 1.5	744,180	/	/	/	/	/	/
Hans-Dieter Schumacher [3,6]	181,632	– 83.3	1,090,881	15.5	944,766	– 34.4	1,439,997	16.7	1,234,072
Remuneration granted and owed to the Supervisory Board[4]									
Matthias Wierlacher	149,000	1.4	147,000	8.5	135,432	11.9	121,000	19.2	101,500
Jakob Habermann (since January 1, 2024)	103,000	n. a.	/	/	/	/	/	/	/
Astrid Biesterfeldt (until June 15, 2022)	/	/	/	/	26,171	– 54.9	58,000	11.5	52,000
Evert Dudok	78,852	9.5	72,000	10.0	65,466	48.8	44,000	14.3	38,500
Michael Ebenau (until October 15, 2020)	/	/	/	/	/	/	/	/	57,536
Elke Eckstein	83,014	1.2	82,000	21.6	67,432	28.4	52,500	11.7	47,000
André Hillner (since June 15, 2022)	72,352	11.3	65,000	80.2	36,062	/	/	/	/
Prof. Ursula Keller (since January 22, 2022)	75,631	32.6	57,055	17.0	48,774	/	/	/	/
Thomas Klippstein (until June 15, 2022)	/	/	/		29,938	– 53.6	64,500	5.7	61,000
Dörthe Knips	83,000	7.1	77,500	13.3	68,432	29.1	53,000	10.4	48,000
Dieter Kröhn (until March 31, 2022)	/	/	/	/	12,596	– 76.5	53,500	12.6	47,500
Daniela Mattheus (since November 1, 2023)	77,000	455.4	13,863	/	/	/	/	/	/
Alexander Münkwitz (since June 15, 2022)	77,852	11.2	70,000	41.1	49,603	/	/	/	/
Doreen Nowotne (until October 15, 2023)	/	/	66,233	– 13.4	76,466	10.0	69,500	8.6	64,000
Heinrich Reimitz (until June 15, 2022)	/	/	/	/	37,240	– 52.9	79,000	14.5	69,000

	2024		2023		2022		2021		2020
Remuneration in euros	2024 amount	Change in %	2023 amount	Change in %	2022 amount	Change in %	2021 amount	Change in %	2020 amount
Stefan Schaumburg (until December 12, 2023)	/	/	100,000	9.7	91,199	14.7	79,500	57.5	50,470
Thomas Spitzenpfeil (since June 15, 2022)	88,839	11.0	80,000	80.8	44,260	/	/	/	/
Frank-Dirk Steininger (until June 15, 2022)	/	/	/	/	23,404	– 53.7	50,500	517.6	9,757
Christina Süßenbach (since June 15, 2022)	72,352	/	65,000	80.2	36,062	/	/	/	/
Prof. Andreas Tünnermann (until December 31, 2021)	/	/	/	/	/	/	57,000	21.3	47,000
Franziska Wolf (since June 15, 2022)	65,000	1.6	64,000	75.0	36,562	/	/	/	/

[1] Key indicators for revenue, EBITDA, and free cash flow from continuing operations in 2023 and 2024; on an overall group basis until 2021

[2] Personnel expenses including employer share of social security contributions without severance pay and sign-on bonuses. Excluding VINCORION and Hillos. Pay-scale employees are salaried employees covered by collective bargaining agreements and employees on a par with but not covered by collective bargaining agreements. Combined workforce includes pay-scale employees as well as non-pay-scale employees and senior executives. 2022 includes Trioptics and Jenoptik Medical for the first time. Combined workforce includes pay-scale employees as well as non-pay-scale employees and senior executives. 2022 includes Trioptics and BG Medical for the first time

[3] In the case of Hans-Dieter Schumacher, from 2019 including LTI payouts under the LTI model applicable until 2017 (for the last time in 2021)

[4] In the pandemic year 2020, the members of the Supervisory Board waived 10 percent of their fixed remuneration

[5] Correction of prior years (due to adjusted calculation basis)

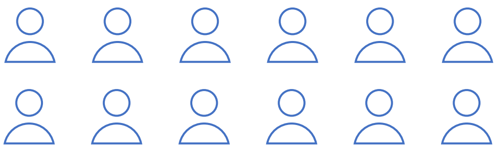
[6] The amount has been extrapolated in 2023 to a full 12 months

B. Supervisory Board Remuneration

Current remuneration for the members of the Supervisory Board is regulated by § 19 of the Articles of Association of JENOPTIK AG and was approved by the Annual General Meeting on June 15, 2022 with a majority of 99.77 percent.

G34 Supervisory Board Remuneration

Basic remuneration for the Supervisory Board



Chairman of the Supervisory Board	Deputy	Member
100,000 euros	75,000 euros	50,000 euros

Additional remuneration for committee work

in euros	Audit and ESG Committee	Personnel Committee	Investment Committee	Innovation Committee	Nominations Committee
Chairman	20,000	10,000	10,000	10,000	10,000
Deputy	15,000				
Member	10,000	5,000	5,000	5,000	5,000

Each member of the Supervisory Board receives a fixed annual remuneration of 50,000 euros for their services (prior year: 50,000 euros). No variable remuneration is provided. This ensures independent control of the Executive Board by the Supervisory Board. The Chairman of the Supervisory Board receives double and their deputy one-and-a-half times this amount.

In addition, each member of a committee receives an annual remuneration in the sum of 5,000 euros per year. The committee chairperson receives twice this amount. The annual remuneration for members of the Audit and ESG Committee, whose duties are particularly labor- and time-intensive, is 10,000 euros. The Chairman of the Audit and ESG Committee receives double and their deputy one-and-a-half times this amount. These allowances are intended to take account of the particular responsibility and greater time commitment associated with individual roles on the Supervisory Board. This also implements the recommendation of Point G.17 of the German Corporate Governance Code.

No remuneration is paid for membership of committees that did not meet during the fiscal year. Members of the Supervisory Board who have only served on the Supervisory Board or a committee for part of the fiscal year receive a pro rata payment. All the aforementioned remuneration is payable after the end of the fiscal year.

The members of the Supervisory Board are paid a meeting allowance of 1,000 euros for attending a meeting. This also applies to participation in conference calls or video conferences. If several meetings are held on the same day, only half of the attendance fee is paid from the second meeting onwards. Verified expenses incurred in connection with a meeting are reimbursed in addition to the meeting allowance, but are limited to an amount of 1,000 euros for meetings held in Germany. JENOPTIK AG also reimburses the members of the Supervisory Board for any value added tax applicable to the payment of their expenses.

The members of the Supervisory Board are covered by a directors and officers liability insurance.

There are no further remuneration-related agreements between the company and the members of the Supervisory Board which go beyond the provisions of § 19 of the Articles of Association. In particular, when a member leavies the Supervisory Board, there is no provision granting remuneration to the members of the Supervisory Board after the end of their term of office.

Jenoptik did not pay any other remuneration or benefits to the members of the Supervisory Board for services rendered personally by them, in particular consulting and intermediary services.

The following table shows the remuneration granted and owed to the members of the Supervisory Board of JENOPTIK AG for the fiscal year 2024 pursuant to § 162 (1)(1) AktG:

T79 Supervisory Board remuneration

	Total remuneration in euros	in %	Fixed remuneration 2024 in euros	in %	Committee remuneration in euros	in %	Meeting attendance fees in euros	in %
Matthias Wierlacher (Chairman)	149,000	100	100,000	67.1	30,000	20.1	19,000	12.8
Jakob Habermann (Deputy Chairman)	103,000	100	75,000	72.8	10,000	9.7	18,000	17.5
Evert Dudok	78,852	100	50,000	63.4	13,852	17.6	15,000	19.0
Elke Eckstein	83,014	100	50,000	60.2	15,014	18.1	18,000	21.7
André Hillner	72,352	100	50,000	69.1	8,852	12.2	13,500	18.7
Prof. Ursula Keller	75,631	100	50,000	66.1	12,131	16.0	13,500	17.8
Dörthe Knips	83,000	100	50,000	60.2	15,000	18.1	18,000	21.7
Daniela Mattheus	77,000	100	50,000	64.9	15,000	19.5	12,000	15.6
Alexander Münkwitz	77,852	100	50,000	64.2	13,852	17.8	14,000	18.0
Thomas Spitzenpfeil	88,839	100	50,000	56.3	23,839	26.8	15,000	16.9
Christina Süßenbach	72,352	100	50,000	69.1	8,852	12.2	13,500	18.7
Franziska Wolf	65,000	100	50,000	76.9	5,000	7.7	10,000	15.4
Total	**1,025,894**		**675,000**		**171,393**		**179,500**	

At regular intervals and at the latest every four years, the Supervisory Board reviews whether the remuneration received by its members is appropriate in view of their duties and the company's situation. Due to the special nature of the Supervisory Board's work, a vertical comparison with the remuneration paid to company employees is in general not used when reviewing the Supervisory Board remuneration. The remuneration system for the Supervisory Board can be found on our website at www.jenoptik.com/investors/corporate-governance under the heading Remuneration.

Jena, March 19, 2025

For the Executive Board

Dr. Stefan Traeger
President & CEO

Dr. Prisca Havranek-Kosicek
Chief Financial Officer

Dr. Ralf Kuschnereit
Member of the Executive Board

For the Supervisory Board

Matthias Wierlacher
Chairman of the
Supervisory Board

Chapter 4

Consolidated Financial Statements

Consolidated Statement of Comprehensive Income

Consolidated Statement of Profit or Loss

in thousand euros	Note No.	1/1-31/12/2024	1/1-31/12/2023
Continuing operations			
Revenue	4.1	1,115,787	1,066,048
Cost of sales	4.2	742,639	695,527
Gross profit		**373,148**	**370,521**
Research and development expenses	4.3	64,023	60,923
Selling expenses		103,416	102,984
General administrative expenses		62,196	65,987
Other operating income	4.5	17,861	18,767
Other operating expenses	4.6	14,800	33,067
EBIT		**146,574**	**126,328**
Financial income	4.7	6,976	6,973
Financial expenses	4.7	23,154	21,925
Financial result		**– 16,179**	**– 14,952**
Earnings before tax from continuing operations		**130,395**	**111,375**
Income taxes	4.8	– 37,798	– 37,563
Earnings after tax from continuing operations		**92,597**	**73,812**
Discontinued operation			
Earnings after tax from discontinued operation	**4.9**	**1,646**	**– 350**
Group			
Earnings after tax		**94,243**	**73,462**
Results from non-controlling interests		1,596	997
Earnings attributable to shareholders	4.10	92,646	72,466
Earnings per share in euros (undiluted = diluted)	**4.10**	**1.62**	**1.27**
Earnings per share from continuing operations in euros (undiluted = diluted)		**1.59**	**1.27**

Consolidated Statement of Comprehensive Income

in thousand euros	Note No.	1/1-31/12/2024	1/1-31/12/2023
Earnings after tax		**94,243**	**73,462**
Items that will never be reclassified to profit or loss		**– 2,229**	**– 660**
Actuarial gains/losses from the valuation of pensions and similar obligations	5.11	– 2,229	– 660
thereof: income taxes		373	202
Items that are or may be reclassified to profit or loss		**– 6,603**	**9,788**
Cash flow hedges	8.2	– 7,265	945
thereof: income taxes		2,871	– 372
Foreign currency exchange difference	2.3	662	8,844
thereof: income taxes		– 834	707
Total other comprehensive income		**– 8,832**	**9,128**
Total comprehensive income		**85,410**	**82,591**
Thereof attributable to:			
Non-controlling interests		1,632	279
Shareholders		83,778	82,312

Consolidated Statement of Financial Position

Assets in thousand euros	Note No.	31/12/2024	31/12/2023
Non-current assets		**1,151,290**	**1,099,825**
Intangible assets	5.1	692,772	712,512
Property, plant and equipment	5.2, 5.3	419,917	365,115
Other non-current assets	5.4	14,820	13,015
Deferred tax assets	4.8	23,780	9,182
Current assets		**588,719**	**567,087**
Inventories	5.5	267,009	269,261
Current trade receivables	5.6	130,820	144,239
Contract assets	5.7	86,835	68,079
Other current financial assets	5.8	3,744	5,347
Other current non-financial assets	5.9	15,414	12,472
Cash and cash equivalents		84,897	67,690
Total assets		**1,740,009**	**1,666,912**

Equity and liabilities in thousand euros	Note No.	31/12/2024	31/12/2023[1]
Equity	**5.10**	**967,196**	**903,313**
Share capital		148,819	148,819
Capital reserve		194,286	194,286
Other reserves		617,232	553,487
Non-controlling interests		6,859	6,720
Non-current liabilities		**511,996**	**496,034**
Pension provisions	5.11	7,121	4,627
Other non-current provisions	5.12	14,545	14,257
Non-current financial debt	8.1, 8.2	463,899	472,323
Other non-current liabilities		3,419	1,936
Deferred tax liabilities	4.8	23,011	2,891
Current liabilities		**260,817**	**267,565**
Income tax payables		8,294	6,305
Other current provisions	5.12	37,358	37,815
Current financial debt	8.1, 8.2	17,217	18,437
Current trade payables		105,595	108,810
Contract liabilities	5.7	60,308	68,400
Other current financial liabilities	5.14	10,884	8,058
Other current non-financial liabilities	5.15	21,160	19,741
Total equity and liabilities		**1,740,009**	**1,666,912**

[1] Adjusted due to amendment to IAS 1 (classification of liabilities as current or non-current, see section 1.2)

Consolidated Statement of Cash Flows[1]

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
Earnings before tax from continuing operations	130,395	111,375
Earnings before tax from discontinued operation	1,646	– 350
Earnings before tax	**132,041**	**111,026**
Financial income and expenses	16,179	14,952
Depreciation and amortization	74,912	70,870
Impairment and reversals of impairments from non-current assets	53	12,394
Profit/loss from disposals of non-current assets, subsidiaries and other business units	– 1,095	4,415
Other non-cash income/expenses	– 70	– 514
Dividends received	0	95
Change in provisions	– 1,150	– 7,026
Change in working capital	– 22,705	– 17,447
Change in other assets and liabilities	– 5,188	4,891
Cash flows from operating activities before income tax payments	**192,978**	**193,656**
Income tax payments	– 25,858	– 26,665
Cash flows from operating activities	**167,120**	**166,991**
Capital expenditure for intangible assets	– 9,878	– 9,044
Proceeds from sale of property, plant and equipment	3,069	21,368
Capital expenditure for property, plant and equipment	– 83,235	– 78,636
Sale of subsidiaries and other business units, net of cash disposed of	2,031	2,013
Acquisition of subsidiaries, net of cash acquired	0	3,761
Proceeds from sale of investments accounted for using the equity method	0	8,480
Proceeds from other financial investments	248	3,967
Capital expenditure for other financial investments	– 887	– 1,377
Interest and similar income received	623	988
Cash flows from investing activities	**– 88,029**	**– 48,481**
Dividend to shareholders of the parent company	– 20,033	– 17,171
Dividend to non-controlling interests	– 1,483	– 4,083
Proceeds from additions of financial liabilities	13,980	13,187
Repayments of loans	– 23,468	– 68,076
Payments for leases	– 15,254	– 14,242
Change in group financing	320	1,142
Interest and similar expenses paid	– 16,447	– 15,697
Cash flows from financing activities	**– 62,385**	**– 104,940**
Cash-effective change in cash and cash equivalents	**16,706**	**13,570**
Change in cash and cash equivalents from foreign currency effects	409	– 2,518
Change of loss allowcance and consolidation-related changes in cash and in cash equivalents	92	– 120
Cash and cash equivalents at the beginning of the period	67,690	56,758
Cash and cash equivalents at the end of the period	**84,897**	**67,690**

[1] For further information see section 6 "Disclosures on Consolidated Statement of Cash Flows"

Consolidated Statement of Changes in Equity

in thousand euros	Note No.	Share capital	Capital reserve	Retained earnings	Cash flow hedges	Cumulative exchange differences	Actuarial effects	Equity attributable to shareholders of JENOPTIK AG	Non-controlling interests	Total
Balance at 1/1/2023		**148,819**	**194,286**	**455,858**	**570**	**28,605**	**3,813**	**831,951**	**11,356**	**843,307**
Net profit for the period	4.10			72,466				72,466	997	73,462
Other comprehensive income after tax	2.3, 5.10, 5.11, 8.2				945	9,562	– 660	9,846	– 718	9,128
Total comprehensive income				**72,466**	**945**	**9,562**	**– 660**	**82,312**	**279**	**82,591**
Acquisition of non-controlling interests				– 436		– 64		– 500	– 831	– 1,331
Transactions with owners (dividend)	6			– 17,171				– 17,171	– 4,083	– 21,255
Balance at 31/12/2023		**148,819**	**194,286**	**510,717**	**1,514**	**38,103**	**3,153**	**896,592**	**6,720**	**903,313**
Balance at 1/1/2024		**148,819**	**194,286**	**510,717**	**1,514**	**38,103**	**3,153**	**896,592**	**6,720**	**903,313**
Net profit for the period	4.10			92,646				92,646	1,596	94,243
Other comprehensive income after tax	2.3, 5.10, 5.11, 8.2				– 7,265	626	– 2,229	– 8,868	36	– 8,832
Total comprehensive income				**92,646**	**– 7,265**	**626**	**– 2,229**	**83,778**	**1,632**	**85,410**
Transactions with owners (dividend)	6			– 20,033				– 20,033	– 1,494	– 21,527
Balance at 31/12/2024		**148,819**	**194,286**	**583,330**	**– 5,751**	**38,728**	**924**	**960,337**	**6,859**	**967,196**

Notes

1. Presentation of the Group Structure

1.1 Parent company

The parent company is JENOPTIK Aktiengesellschaft (hereinafter: JENOPTIK AG), Jena, Germany, and is registered in the Commercial Register of the official district court of Jena in Department B under the number 200146. JENOPTIK AG is listed on the German Stock Exchange in Frankfurt and traded, among others, on the TecDax and the MDax.

The list of shareholdings is published in the company register in accordance with § 313 (2) Nos. 1 to 4 of the German Commercial Code (Handelsgesetzbuch [HGB]) and is disclosed in the Notes under the heading “List of Shareholdings of the Jenoptik Group”. The entities to which the simplification relief regulations were applied as specified in § 264 (3) HGB are disclosed in the section “Other Required and Supplementary Disclosures under HGB”.

1.2 Accounting principles

Jenoptik is a international technology group. For the fiscal year 2024, the consolidated financial statements of JENOPTIK AG were prepared in accordance with the IFRS Accounting Standards (IFRS) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) mandatory to be applied at the reporting date in the European Union, and the regulations under commercial law in accordance with § 315e (1) HGB that apply as a supplement.

The consolidated financial statements were prepared in euros. Unless otherwise specified, all amounts are presented in thousand euros. Please note that there may be rounding differences compared to the mathematically exact amounts (monetary units, percentages, etc.). The consolidated statement of profit or loss was prepared in accordance with the cost of sales method.

The fiscal year of JENOPTIK AG and of the subsidiaries included in the consolidated financial statements corresponds to the calendar year.

For materiality reasons, individual items are aggregated in the statement of comprehensive income and the statement of financial position. The classifications for these items are shown in the Notes.

Change in accounting principles

The following IFRS were applied in the consolidated financial statements for the first time in the fiscal year 2024:

Standard/Interpretation		Effects
IAS 1	Classification of liabilities as current or non-current with covenants (2020/2022)	Reclassification of current to non-current financial debt
IFRS 16	Lease liabilities in a sale-and-leaseback	No effects
IAS 7, IFRS 7	Supplier finance arrangements	No effects

Amendment to IAS 1. As part of the syndicated loan agreement, Jenoptik utilizes bilateral credit lines or overdrafts; prior to the amendment to IAS 1, these were classified as current financial debt due to the intention to repay them in the short term. Since Jenoptik has the right to postpone settlement until the end of the term of the syndicated loan (December 2028), in the fiscal year 2024 this is reported as non-current financial debt. As a result of the first-time application, as of December 31, 2024, utilizations under the syndicated loan in the sum of 171 thousand euros (retrospective restatement prior year: 5,836 thousand euros) are shown in non-current financial debt, having been classified as current financial debt prior to the first-time application of the amendment to IAS 1.

Standards that have been published but not yet adopted as mandatory

The following new or amended standards and interpretations have already been adopted by the IASB but have not yet become mandatory or not yet been incorporated into European law. Jenoptik did not take these into account in the consolidated financial statements as of December 31, 2024 and does not intend to make use of the early adoption of these standards.

Standard/interpretation		Application mandatory	EU endorsement	Expected effects
IAS 21	Lack of exchangeability	1/1/2025	Done	No effects
Improvements to IFRS 1, 7, 9, and 10, as well as IAS 7	Annual improvements to the IFRS: Volume 11	1/1/2026	Open	No significant effects
IFRS 9, IFRS 7	Amendments to the classification and measurement of financial instruments	1/1/2026	Open	No significant effects
IFRS 9, IFRS 7	Contracts Referencing Nature-dependent Electricity	1/1/2026	Open	Under the current power purchase agreements, no effects
IFRS 18	Presentation and disclosures in the financial statements	1/1/2027	Open	Effects being examined

IFRS 18 “Presentation and Disclosures in Financial Statements.” IFRS 18 contains requirements for the presentation and disclosure of information in the financial statements and replaces IAS 1 “Presentation of Financial Statements.” In particular, IFRS 18 requires the presentation of certain categories and additional subtotals in the statement of profit or loss, the disclosure in the notes of profit-oriented, company-specific performance indicators and introduces new guidelines on the grouping of information (aggregation and disaggregation). Additionally, numerous disclosure options in the statement of cash flows will be eliminated.

The new standard is to be applied for fiscal years commencing on or after January 1, 2027.

The effects of the first-time application of IFRS 18 on the consolidated financial statements is currently being assessed, in particular with regard to the structure of the statement of profit or loss, and the associated allocation of income and expenses, the statement of cash flows and the additional disclosure requirements.

1.3 Assumptions and estimates

Preparing EU-compliant IFRS consolidated financial statements requires making assumptions about certain items, which affects their recognition in the balance sheet or income statement, and disclosure of contingent assets and liabilities. All assumptions and estimates are made to the best knowledge and belief and aim to provide a true and fair view of the Group’s asset, financial, and earnings position.

The underlying assumptions and estimates are continuously reviewed. This results in certain discretionary leeways for the preparer of the consolidated financial statements. Against the backdrop of the macroeconomic and geopolitical conditions, such as the tensions between China on the one hand and partners Taiwan and the USA on the other, and increased trade restrictions, there are currently increased uncertainties regarding estimates and forecasts and thus risks regarding significant adjustments to carrying values in the future. This particularly affects:

– further US tariffs on non-American products with implications for production and price adjustments,
– risks in Advanced Photonics Solutions on the sales and procurement side in the event of an escalation of the conflict between China and Taiwan and the associated impact on the global semiconductor market,
– indirect risks to the supply and price development of energy and other raw materials as well as logistics services due to the Russian war against Ukraine.

Significant climate-related risks for the Group's business activities do not exist. The assumptions and estimates underlying the consolidated financial statements take into account, as necessary, potential climate-related impacts and the impact of the company-specific sustainability targets, which are published on the JENOPTIK AG website at www.jenoptik.com in the sustainability section. This particularly affects the forecast of future revenue for the Non-Photonic Portfolio Companies segment, driven by the shift towards e-mobility, as well as planned expenditures for sustainable investments, such as in buildings or increasing the share of green electricity.

The assumptions and estimates made for the preparation of these consolidated financial statements relate mainly to:

- the assumptions and forecasts for assessing the impairment of goodwill and the capitalized development costs (see sections “Intangible assets” and “Impairment of property, plant, and equipment and intangible assets”),
- the realizability of future tax benefits in the valuation of deferred tax assets (see section “Income tax payables”),
- the actuarial parameters used to measure provisions for pensions and similar obligations for the Swiss pension system (see section “Pension provisions”) and
- the measurement of economically retained risks from business disposals (see sections “Discontinued operation” and “Contingent liabilities and commitments”).

2. Consolidation Principles

2.1 Group of consolidated entities

Along with JENOPTIK AG, all significant subsidiaries over which Jenoptik has control are included in full in the consolidated financial statements. This is in general the case if Jenoptik holds more than half of the voting rights of a company.

The list of shareholdings is shown in the Notes in the section "List of Shareholdings of the Jenoptik Group."

The consolidated financial statements of JENOPTIK AG include 34 (prior year: 37) fully consolidated subsidiaries, of which 5 (prior year: 5) have their legal seat in Germany and 29 (prior year: 32) have theirs abroad. The reduction arises from the deconsolidation of entities that are no longer operational. One entity (prior year: 1) will continue to be included in the consolidated financial statements based on the equity method.

The subsidiaries in the table below have material investments held by non-controlling shareholders. Additional entities have insignificant investments held by non-controlling shareholders. The corresponding non-controlling interest can be seen in the List of Shareholdings.

Name	Registered office of the entity	Non-controlling interests in %
Beijing TRIOPTICS Optical Test Instruments (China) Ltd.	China	49.00
TRIOPTICS Hong Kong Limited	Hong Kong	49.00

The following table summarizes the financial information of these subsidiaries, based on their respective IFRS individual financial statements including the impacts from the purchase price allocation. Impacts from the consolidation of Beijing TRIOPTICS Optical Test Instruments (China) Ltd. with its subsidiary TRIOPTICS Hong Kong Limited were taken into account.

in thousand euros	TRIOPTICS China + Hong Kong
Revenue	31,446
	(28,895)
Earnings after tax	3,320
	(2,026)
Other comprehensive income	319
	(– 749)
Total comprehensive income	3,639
	(1,276)
Non-current assets	1,562
	(2,610)
Current assets	15,771
	(16,710)
Non-current liabilities	265
	(606)
Current liabilities	9,256
	(11,977)
Net assets	7,811
	(6,738)
Cash flows from operating activities	5,664
	(– 1,850)
Cash flows from financing activities	– 2,777
	(– 9,043)

The figures in brackets relate to the prior year

2.2 Consolidation procedures

The assets and liabilities of the domestic and foreign entities included in full in the consolidated financial statements are recognized in accordance with the uniform accounting policies and valuation methods applicable for Jenoptik.

Capital consolidation is carried out in accordance with the acquisition method on the date of acquisition. The assets and liabilities of the subsidiaries are recognized at the fair values. Furthermore, identifiable intangible assets are capitalized and specific contingent liabilities classified as liabilities. The remaining difference between the consideration transferred, including the fair value of contingent considerations and the net assets acquired, corresponds to the goodwill.

Intra-group assets and liabilities, income and expenses, and cash flows from transactions between consolidated companies are eliminated. Assets from intra-group deliveries included in inventories, intangible assets and property, plant and equipment are adjusted by intra-group results. Consolidation transactions recognized as profit or loss are subject to the accrual of deferred taxes.

In the event of loss of control of a subsidiary, the assets and liabilities of the subsidiary are derecognized (deconsolidation) and any resulting gain or loss taken into account in the statement of profit or loss.

The consolidation methods applied were not changed compared to the prior year.

2.3 Foreign currency conversion

Annual financial statements of the consolidated entities prepared in foreign currencies are converted based on the functional currency concept as defined in IAS 21, using the modified reporting date exchange rate method. Since the subsidiaries conduct their business activities independently of the financial, economic, and organizational aspects, the functional currency is identical to the currency of their respective countries.

Assets and liabilities are consequently converted at the exchange rate on the reporting date, whereas expenses and income are converted at the average rate which is determined on a monthly basis. The resulting difference from the currency conversion is offset outside of profit or loss and shown separately in equity under "Cumulative exchange differences."

If group companies leave the group of consolidation, the relevant currency translation difference is released through profit or loss.

Receivables and payables in the individual financial statements of consolidated entities prepared in a local currency that differs from the subsidiary's functional currency are converted at the exchange rate on the reporting date. Foreign currency exchange differences are recognized under other operating income or other operating expenses in the statement of profit or loss and, those result from financial transactions are recognized in the financial result. This excludes foreign currency exchange differences from loan receivables that constitute a part of the net investment in a foreign operation. These foreign currency exchange differences are recognized in other comprehensive income and shown in equity under "Cumulative exchange differences" until the sale of the net investment; at the time of their disposal that the cumulative amount is reclassified into the statement of profit or loss.

The exchange rates used for the conversion are shown in the table below:

		Annual average exchange rate		Exchange rate on the reporting date	
	1 euro =	1/1 -31/12/2024	1/1 -31/12/2023	31/12/2024	31/12/2023
Australia	AUD	1.6398	1.6285	1.6772	1.6263
Canada	CAD	1.4817	1.4596	1.4948	1.4642
Switzerland	CHF	0.9523	0.9717	0.9412	0.9260
China	CNY	7.7854	7.6591	7.5833	7.8509
Great Britain	GBP	0.8465	0.8699	0.8292	0.8691
Hong Kong	HKD	8.4409	8.4676	8.0686	8.6314
India	INR	90.5146	89.3249	88.9335	91.9045
Japan	JPY	163.7216	151.9421	163.0600	156.3300
Korea	KRW	1,474.9433	1,413.2644	1,532.1500	1,433.6600
Singapore	SGD	1.4455	1.4523	1.4164	1.4591
Taiwan	TWD	34.6981	33.6738	33.9423	33.8607
USA	USD	1.0818	1.0816	1.0389	1.1050

3 Accounting Policies and Valuation Methods

3.1 Intangible assets

Goodwill

Goodwill is recognized as an asset and subject to an impairment test at least once a year on a defined date or whenever there is an indication that the (group of) cash-generating unit(s) could be impaired (see section "Impairment of property, plant, and equipment and intangible assets"). Goodwill is not amortized.

Upon gaining control, non-controlling interests are recognized based on their proportionate share of the acquired entity's identifiable net assets.

Acquired intangible assets

Intangible assets acquired for consideration primarily comprise licenses, software, and similar rights, as well as technologies and customer relationships obtained through business combinations. They are capitalized at cost and amortized on a straight-line basis over their useful economic lives. The useful life typically ranges from 4 to 7 years. Acquired technologies from business combinations are amortized over a term of 7 years, while customer relationships from individual acquisitions are amortized over a term of up to 15 years.

Amortization of intangible assets is allocated to the corresponding functional areas of the statement of profit or loss where they arise.

Internally generated intangible assets – development costs

Development costs are capitalized if the recognition criteria of IAS 38.57 are met. In principle, the achievement of these criteria is aligned with the milestones of the internal innovation process. Capitalized development costs are measured at cost, net of cumulative amortization and impairments. In this context, the cost covers all the costs directly attributable to the development process, as well as a fair share of related overheads. Capitalized development costs are amortized over the expected sales period of the products – in principle no longer than five years.

Development projects not yet completed are subject to impairment tests at least on an annual basis (see section "Impairment of property, plant, and equipment and intangible assets").

Amortization on capitalized development costs is recognized in cost of sales. In accordance with IAS 38, research costs and development costs that cannot be capitalized are expensed under research and development expenses.

3.2 Property, plant, and equipment

Property, plant, and equipment are measured at cost, less scheduled, straight-line depreciation. If the acquisition cost of individual components of an asset is material (particularly in the case of buildings), the depreciation is applied separately for each part of the property, plant, and equipment. Where necessary, impairments reduce the amortized cost. Production costs are calculated based on directly attributable specific costs as well as proportionate, directly attributable cost of materials and production overheads.

Costs for the repair of property, plant, and equipment are generally treated as an expense. Subsequent costs for components of property, plant, and equipment that are renewed at regular intervals are capitalized insofar as a future economic benefit is likely and the corresponding costs can be reliably measured.

As in the prior year, depreciation is generally based on the following useful lives:

	Useful life
Buildings (depending on components)	12-80 years
Machinery and technical equipment	5-15 years
Other equipment, operating, and office equipment	3-15 years

Upon decommissioning, sale, or relinquishment of property, plant, and equipment, any resulting gain or loss, calculated as the difference between the sale proceeds and the net carrying amount, is recognized under other operating income or expenses.

3.3 Impairment of property, plant, and equipment and intangible assets

At each reporting date, property, plant, and equipment, as well as intangible assets, are reviewed for potential impairment indicators in accordance with IAS 36, "Impairment of Assets". If any such indications for individual assets, or a group of cash-generating unit(s), are identified, these will be subject to an impairment test.

The cash-generating unit for the impairment test is generally the reporting unit.

The goodwill impairment test is conducted at the level of a group of cash-generating units represented by the Advanced Photonic Solutions or Smart Mobility Solutions segments, or, for the Non-Photonic Portfolio Companies, by the HOMMEL ETAMIC and Prodomax operations under the existing segment. Jenoptik conducted the mandatory annual impairment test for goodwill as of December 31.

As part of the impairment test, the recoverable amount of an asset or (group of) cash generating unit(s) is first determined and then compared with the corresponding carrying amount in order to identify if there is any need for impairment.

The recoverable amount is the higher of the fair value less costs to sell and value in use of an asset or of a (group of) cash-generating unit(s).

The value in use, which involves assumptions and estimates, is determined by discounting expected future cash inflows. This is based on a fair market interest rate, before taxes, that reflects the risks associated with the assets not yet captured in the estimated future cash inflows.

If the recoverable amount of an asset is estimated to be less than the carrying amount, the asset is impaired to the recoverable amount. The impairments are immediately recognized in other operating expenses, through profit or loss.

If an impairment is reversed in a subsequent period, the carrying amount of the asset is adjusted to reflect the recoverable amount assessed. The maximum limit for the reversal of an impairment is determined by the amount that would have been recorded if an impairment had not been recognized in prior periods. The impairment reversal is immediately shown in other operating income, through profit or loss. There is no reversal of an impairment for goodwill.

3.4 Leases

On commencement of the contract, the Group assesses whether a contract constitutes or contains a lease. This is the case if the contract provides the right to control the use of an identified asset for a period of time in exchange for consideration. As a lessee, Jenoptik generally recognizes the rights of use of leased assets and corresponding lease liabilities in accordance with IFRS 16.

Rights of use are measured at cost less all accumulated depreciation. The cost includes the recognized lease liabilities, the initial direct costs incurred, as well as lease payments made at or before commencement. Rights of use are depreciated on a straight-line basis over the shorter of the lease term or the asset's useful life, which ranges from 1 to 22 years for real estate and from 1 to 5 years for machinery, technical equipment, and other operating and office equipment. The rights of use are shown in the balance sheet item under which the underlying asset would be recognized if it were the property of the Group.

Lease liabilities are recognized at present value. They include fixed payments, variable lease payments that are linked to an index or interest rate, and payments from the exercising of extension or purchase options that are considered to be reasonably certain.

When calculating the present value of the lease payments, the Group applies its incremental borrowing rate on the date of provision if the underlying interest rate for the lease cannot be readily determined. The Group’s lease liabilities are shown in the items “Non-current financial debt” and “Current financial debt”.

The Group makes use of the practical exemptions offered by IFRS 16 and recognizes the lease payments for short-term leases (excluding property) as well as low-value leased assets as expenses on a straight-line basis over the term of the lease.

3.5 Financial instruments

General

Financial instruments are contracts that result in a financial asset for one entity and a corresponding financial liability or equity instrument for another.

Financial assets and financial liabilities are recognized in the consolidated statement of financial position from the date on which the Group becomes a contractual party in the financial instrument.

Depending upon the Group’s business model for managing assets and the question as to whether the contractual cash flows of the financial instruments exclusively constitute repayments and interest payments on the outstanding nominal amount, the existing financial instruments are categorized in accordance with IFRS 9 either as “at amortized cost,” “at fair value through other comprehensive income,” or “at fair value through profit or loss” and recognized accordingly.

Financial assets

These include trade receivables, cash and cash equivalents, shares in companies, short-term investments, and derivative financial instruments.

Trade receivables are recognized for the first time in the statement of financial position at the transaction price, while other financial assets are recognized for the first time at fair value, which generally corresponds to the market value. If there is no active market, the fair value using financial mathematical methods, such as discounting estimated future cash flows at market interest rate or applying standard option price models.

At Jenoptik, all long-term shareholdings in companies are classified as “at fair value through other comprehensive income”, exercising the accounting option under IFRS 9.

Trade receivables, cash and cash equivalents, cash deposits and other financial assets are classified as "at amortized cost" in accordance with IFRS 9 and measured accordingly. Default risks are accounted for by considering the expected credit losses. Jenoptik applies the simplified impairment model, taking into account the expected credit losses on trade receivables over the entire term.

Financial liabilities

These include liabilities to banks, such as interest-bearing bank loans and bilateral credit lines or overdrafts, trade payables, derivative financial instruments, and other financial liabilities.

In principle – except for derivative financial instruments – financial liabilities are measured at amortized cost by applying the effective interest method.

Liabilities to banks are recognized at the amount received, net of direct emission costs. Financing costs, including premiums payable on repayment or redemption, are recognized in accordance with the accruals principle, using the effective interest method. Amortization via the effective interest method is included in the statement of profit or loss as part of the financial expenses.

Derivative financial instruments

Derivative financial instruments are to be categorized as "at fair value through profit or loss" in accordance with IFRS 9 unless these form part of a hedging relationship.

Jenoptik uses derivative financial instruments as hedging transactions to reduce volatilities in earnings from interest and foreign currency exchange rates. The use of derivative financial instruments is regulated in a group guideline. They are not used for speculative purposes.

The fair values were determined based on the market conditions existing at the balance sheet date – interest rates, exchange rates – and using generally accepted valuation methods. If the fair value is positive, it is recognized as a financial asset, otherwise as a financial liability.

Jenoptik uses cash flow hedges in order to hedge against risks from changes in foreign currency exchange and interest rates. If the hedging relationships are classified as effective, the changes in fair value are recognized outside of profit or loss in other comprehensive income (hedge accounting).

Reclassifications from equity to profit or loss are made in the period when the hedged underlying transaction is recognized in profit or loss. Fluctuations in value from derivative financial instruments that are not part of a hedging relationship, as well as financial instruments that are not classified as effective, are recognized immediately through profit or loss.

3.6 Inventories

Inventories are measured at the lower of cost and their net realizable value.

The net realizable value is the estimated proceeds from sale less the estimated costs of completion and any further costs that will still be incurred up to sale. For determining the net realizable value, devaluation routines are applied in addition to case-by-case assessment. The range, market price (based on existing orders), and marketability serve as indicators of lower net sales proceeds.

The cost includes all costs associated with the acquisition as well as other costs incurred in bringing the inventories to their present condition. These are net of any reductions, including rebates, bonuses, and trade discounts.

Cost includes full production-related costs determined based on normal capacity utilization. This takes into account, in particular, the costs incurred at the specific cost centers. Administrative costs are also considered insofar as they are attributable to production.

In principle, the valuation of similar inventory assets is based on the average method.

If fair values at the reporting date have decreased owing to lower prices on the sales market, the decrease is recognized. If the reasons for the write-down of inventories no longer exist and the net realizable value has increased accordingly, the reversal of the write-down is recognized as a reduction in cost of materials in the period in which the reversal occurs.

3.7 Contract assets and contract liabilities

A contract asset is the conditional right to receive consideration in return for goods or services transferred to a customer. Contract assets arise from the difference between revenue realized from the respective order and the payments received, net of trade receivables from invoices issued. Trade receivables are recognized when the right to receive consideration is no longer subject to any conditions.

If the requested payments, received and due, as well as the additional invoices issued exceed the realized revenue, a contract liability will be shown. A contract liability therefore constitutes the obligation of the group to transfer goods or services to a customer for which it has received a consideration from the customer or for which a requested payment is due. Contract liabilities are recognized as revenues as soon as the Group fulfills its contractual obligations.

The contract liabilities additionally include obligations from contractual penalties that must be taken into account as a variable consideration, reducing revenue.

Contract assets recognized in accordance with IFRS 15 are measured at the nominal value, taking into account impairments in the amount of the expected credit losses over the entire term.

Contract assets and contract liabilities are recorded overall as current, as they were incurred in the ordinary course of business.

3.8 Deferred taxes

Deferred tax assets and liabilities are calculated based on the expected tax burden or tax relief for future years, using the tax rate applicable at the time of realization. The effects of changes in tax rates on deferred taxes are recognized in the reporting period in which the legislative procedure underlying the change in tax rate is completed.

When calculating the recognition of deferred tax assets and liabilities, tax effects that may result from the future application of the global minimum taxation rules (Pillar II) are not considered.

Deferred tax assets and deferred tax liabilities are offset against each other insofar as taxes are levied by the same authority and relate to the same tax period.

3.9 Pension provisions

Defined benefit plans

Pension provisions for defined benefit retirement schemes are measured in accordance with IAS 19 using the projected unit credit method. This involves measuring future obligations based on benefit entitlements accrued pro rata as of the balance sheet date, considering trend assumptions for valuation parameters that impact benefit amounts. An actuarial expert opinion for this procedure is obtained at least once a year.

Assets that meet the requirements for plan assets under IAS 19.8 are recognized at their fair value and offset against the pension provisions.

Service costs of the pension provisions are recognized as personnel expenses within the respective functional costs. The net interest expense is reported in the financial result and calculated by multiplying the net liability at the beginning of the period by the discount rate used to value the pension provision at the beginning of the period.

Actuarial gains and losses due to adjustments and changes in assumptions in associated with the valuation of pension provisions and plan assets (including the difference between the actual return on plan assets realized and the return assumed at the beginning of the period) as well as from the adjustment to the asset ceiling, are recognized in other comprehensive income.

Defined contribution plans

For defined contribution pension schemes, the contributions payable are recognized directly as an expense.

3.10 Income tax payables

Income tax payables include obligations from current income taxes, including uncertain tax items. Claims for tax refunds are recognized under other current non-financial assets. Deferred taxes are disclosed in separate items in the statement of financial position.

Tax provisions for corporate income tax and trade tax or similar income tax expenses are determined based on the respective taxable income of the consolidated entities, net of any prepayments made.

3.11 Other provisions

In accordance with IAS 37, provisions are set aside to the extent that there is a current legal or de facto obligation to third parties from a past event that is likely to lead to an outflow of resources in the future and the amount of which can be reliably estimated. No provisions are set aside for expenses that are inherently linked to future operating activities.

Provisions are recognized at their settlement value discounted at the balance sheet date, provided that the interest effect is significant. The settlement value also includes the expected increases in prices and costs. The discounting is based on non-negative interest rates before taxes that reflect current market expectations with regard to the interest effect and that are dependent upon the corresponding term of the liability. The interest portion from the compounding of the provision, as well as any effects of changes in interest rates, are recognized in the financial result.

Provisions are measured based on empirical values, considering the circumstances at the balance sheet date.

Provisions for guarantees and warranties are made on a case-by-case basis and in aggregate. The provision amount is determined based on the historical development of warranties as well as a consideration of all currently known and potential future warranty claims, weighted with their probability of occurrence.

Claims to the right of recourse are only considered if these are as good as certain.

3.12 Share-based payments

The members of the Executive Board and some senior management personnel of Jenoptik receive multi-year variable remuneration (Long Term Incentives – LTI) in the form of virtual shares or (virtual) performance shares. "Both types of virtual shares are accounted for as share-based payments with cash settlement in accordance with IFRS 2. At the balance sheet date and depending upon the contractual provisions, a provision is set aside in the amount of the earned fair value of the payment obligation according to IFRS 2 and recognized through profit or loss.

3.13 Contingent liabilities

Contingent liabilities are potential obligations that are based on past events and the existence of which is only clarified by the occurrence or non-occurrence of one or more uncertain future events, which are, however, not fully within the control of Jenoptik. Moreover, current obligations can constitute contingent liabilities if there is insufficient certainty regarding the likelihood of outflows of resources to set aside a provision and/or the amount of the obligation cannot be estimated to sufficiently reliable extent. Contingent liabilities are not recognized but are explained in the section "Contingent liabilities" providing an outflow of resources is considered extremely unlikely.

3.14 Revenue

Revenue from contracts with customers is recognized in accordance with IFRS 15 when control of the goods or services is transferred to the customer. These are recognized at the amount of consideration expected to be received by the Group in exchange for these goods or services. For sales transactions with multiple performance obligations, revenues are allocated based on the stand-alone selling prices.

Revenue from the sale of goods is generally realized at the time when control of the good passes to the customer. The determination of this timing takes into account, among other things, the transfer of the legal ownership, the physical transfer of possession and any potentially agreed acceptance of the products by the customer.

In certain cases, the goods produced by Jenoptik as part of a specific order process represent assets with no alternative use to the Group. Subject to the additional requirement of an enforceable right to payment for the performance completed to date, the revenue is recognized over time, whereby the percentage of completion is generally determined in accordance with the input-oriented cost-to-cost method. This applies both to the production of individual assets as well as to development projects with subsequent volume production (customer-specific volume production).

Revenue from the provision of services that constitute separate performance obligations within the framework of IFRS 15 and from which the customer can benefit at the same time as the service is provided is recognized over time in accordance with the progress of completion on the balance sheet date. The percentage of completion is determined in accordance with the input-oriented cost-to-cost method.

Rental income from property, derived from the entities within normal business activities, as well as from embedded operating lease agreements in connection with Traffic Service Provision contracts, are recognized on a straight-line basis over the term of the corresponding contracts and reported in revenue. Under Traffic Service Provision contracts, Jenoptik provides integrated services within the context of traffic monitoring, such as supply of the equipment, operation, data preparation and analysis, as well as services.

If a contract contains a number of distinct components (multi-component contracts), these are recorded separately in accordance with the above principles.

In determining the amount of consideration in return that Jenoptik receives for fulfilling a customer order, agreed variable components are estimated at the beginning of the contract and then included in the transaction price when it is highly likely that the elimination of the uncertainty associated with the variable components of the consideration in return will not lead to a cancellation of revenue that has already been recognized. At Jenoptik, this applies to both agreed discounts and bonuses as well as to possible contractual penalties.

Since advances received from the customer are generally current, Jenoptik refrains from taking a financing component into account when determining the consideration in return.

3.15 Functional costs

Personnel and material costs as well as the depreciation/amortization of intangible assets and property, plant, and equipment are recognized in the respective functional costs where they arise.

3.16 Cost of sales

The costs incurred to achieve the revenue are recognized under cost of sales. This also includes the costs from the allocation of warranty provisions as well as additions to and reversal of provisions for onerous contracts in connection with customer orders. Research and development expenses on behalf of customers are also recognized in the cost of sales.

3.17 Selling expenses

Selling expenses also include the costs of obtaining a contract, which are immediately recognized as an expense, since the period of depreciation/amortization for the asset that the Group would otherwise have recognized does not exceed one year. Amortization of customer relationships and order backlogs acquired as part of business combinations are also recognized in the selling expenses.

3.18 Other operating income and expenses

Impairments and reversals of impairments on trade receivables and contract assets in accordance with IFRS 9 are included in other operating income and expenses. Income from the reversal of provisions is recognized in the functional costs, insofar as the provision was also set aside via the corresponding functional costs. If the provision was recognized under other operating expenses, the reversal of the provision is also recognized under other operating expenses. In addition, other operating income and expenses include currency exchange gains and losses from operating receivables and liabilities, as well as effects from the currency exchange hedging of net risk positions. Earnings contributions from investments accounted for using the equity method as well as gains or losses associated with their disposal and other taxes are also recognized in these items.

3.19 Financial income and financial expenses

The financial income and financial expenses of the Group mainly comprise interest income and interest expenses. In addition, the financial result includes currency exchange gains and losses from financial assets and liabilities as well as net gains and losses from hedging instruments for these financial assets and liabilities. Impairments and reversals of impairments on financial assets (other than those on trade receivables) are also recognized in financial income and expenses.

4 Disclosures on the Statement of Profit or Loss

4.1 Revenue

Detailed disclosures on revenue by division and region are shown in section "Segment report".

A breakdown of the timing of the transfer of goods or services (recognition of revenue over time and at a point in time) is shown below:

in thousand euros	Advanced Photonic Solutions	Smart Mobility Solutions	Non-Photonic Portfolio Companies	Other	Total
External revenue	**866,806**	**119,536**	**125,929**	**3,517**	**1,115,787**
	(821,192)	**(118,784)**	**(121,104)**	**(4,968)**	**(1,066,048)**
of which, recognized over time	323,086	58,576	79,029	3,517	464,208
	(309,911)	(54,794)	(69,939)	(4,968)	(439,612)
of which, recognized at a point in time	543,720	60,960	46,899	0	651,579
	(511,281)	(63,990)	(51,164)	(0)	(626,436)

The figures in brackets relate to the prior year

The revenue recognized over time includes revenue from customer-specific volume production in the sum of 277,071 thousand euros (prior year: 261,172 thousand euros). In addition, revenue for customer-specific individual production, services provided and from the Traffic Service Provision contracts were recognized over time.

The revenue recognized over time includes revenue of the Smart Mobility Solutions division from embedded operating lease contracts within the context of Traffic Service Provision contracts in the sum of 14,942 euros (prior year: 11,726 thousand euros) as well as rental revenue generated by the Corporate Center in the sum of 3,002 thousand euros (prior year: 3,523 thousand euros).

Revenue in the sum of 1,201 thousand euros (prior year: 60 thousand euros) for performance obligations that had already been fulfilled in previous years was realized in the fiscal year just passed, in particular because of variable components of consideration in return.

4.2 Cost of sales

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
Cost of materials and services purchased	411,173	393,619
Personnel expenses	239,279	220,552
Depreciation and amortization	46,047	41,447
Other cost of sales	46,140	39,909
Total	**742,639**	**695,527**

4.3 Research and development expenses

Research and development expenses cover expenses attributable to research and development activities that cannot be capitalized. This item in the statement of profit or loss does not include the expenses in connection with research and development services paid for by customers in the sum of 34,360 thousand euros (prior year: 27,909 thousand euros). These were allocated to cost of sales.

In the fiscal year just past, costs of 7,821 thousand euros for internal development projects (prior year: 5,496 thousand euros) were capitalized in intangible assets.

4.4 Expenses by types of expense

The following main types of expenses are included in cost of sales, selling and administrative expenses, and in research and development expenses:

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
Cost of materials and services purchased	438,722	422,267
Personnel expenses	411,379	388,493
Depreciation and amortization	74,912	70,870
Other expenses	47,261	43,791
Total	**972,274**	**925,421**

4.5 Other operating income

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
Currency gains	6,690	6,409
Income from reversal of impairments for trade receivables and contract assets	3,568	2,103
Income from services, clearing, rentals, and staff restaurant	2,389	2,693
Income from benefits in kind	1,970	2,283
Income from sale of intangible assets, property, plant, and equipment, and investments accounted for using the equity method	920	1,206
Income from government grants	647	352
Income from compensation/insurance payments	569	1,788
Other income	1,108	1,932
Total	**17,861**	**18,767**

Income from services, clearing, and rentals that does not result from the normal business activity of the entities is recognized under other operating income.

4.6 Other operating expenses

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
Currency losses	6,407	8,542
Impairments to trade receivables and contract assets	2,312	3,114
Reorganization and restructuring	1,604	0
Expenses from services, clearing, rentals, and staff restaurant	1,340	937
Other taxes	1,234	1,052
Losses from the sale of intangible assets, property, plant, and equipment, and investments accounted for using the equity method	771	5,271
Impairments to intangible assets and property, plant, and equipment	53	8,714
Impairments to investments accounted for using the equity method	0	3,994
Other expenses	1,081	1,444
Total	**14,800**	**33,067**

In 2024, the net balance of foreign currency gains and losses led to a net gain of 283 thousand euros (prior year: net loss 2,132 thousand euros).

Expenses from impairments and reversals of impairments from trade receivables and contract assets led to a net income in the sum of 1,256 thousand euros (prior year: expense of 1,011 thousand euros).

In the prior year, impairments were recognized to goodwill at HOMMEL ETAMIC in the sum of 8,290 thousand euros and in connection with the sale of TELSTAR-HOMMEL CORPORATION, Ltd., Pyeongtaek, Korea in the sum of 3,994 thousand euros.

4.7 Financial income and financial expenses

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
Income from the foreign currency valuation of financial transactions	6,210	6,135
Other interest and similar income	766	764
Investment resut	0	74
Total financial income	**6,976**	**6,973**
Financing costs for syndicated loans and debenture bonds	11.918	12,033
Expenses from the foreign currency valuation of financial transactions	7,085	5,164
Interest expenses for leases	2,378	1,848
Expenses from the compounding/discounting of other provisions and liabilities	383	314
Net interest expenses for pension provisions	148	148
Other interest and similar financial expenses	1.087	2,419
Investment result	155	0
Total financial expenses	**23,154**	**21,925**
Total	**– 16,179**	**– 14,952**

In fiscal year 2024, income from the foreign currency valuation of financial transactions in the sum of 6,210 thousand euros (prior year: 6,135 thousand euros) and the offsetting expenses in the sum of 7,085 thousand euros (prior year: 5,164 thousand euros) led to a net loss of 875 thousand euros (prior year: net gain 972 thousand euros). This result is attributable to currency gains and losses from the group financing.

4.8 Income taxes

Current income taxes (paid or owing), as well as deferred tax assets and deferred tax liabilities in the individual countries, are shown as income taxes. The current income taxes of the Jenoptik Group were calculated by applying the tax rates applicable at the balance sheet date.

The calculation of the deferred taxes for the domestic entities was based on a tax rate of 30.53 percent (prior year: 30.36 percent). In addition to the corporate income tax of 15.00 percent (prior year: 15.00 percent) and the solidarity surcharge of 5.50 percent of the corporate income tax (prior year: 5.50 percent), an effective trade tax rate of 14.70 percent (prior year: 14.54 percent) was taken into account. The calculation of deferred taxes for foreign entities is based on the tax rates that are currently or imminently applicable in the respective country.

Deferred taxes are recognized as either tax expenses or tax income in the consolidated statement of profit or loss, unless these directly relate to items recognized in other comprehensive income. In this case the deferred taxes are also recognized in other comprehensive income.

Uncertainties regarding the treatment of income for tax purposes are subject to continuous analysis. Where there is a probability of the tax authorities not accepting uncertain income tax treatment, an adequate risk provision is made. The amount of the risk provision shall be equal to the amount which represents the most likely value or expected value, taking into account any tax uncertainties. In this context, uncertain tax issues are not considered separately but together.

In various countries in which Jenoptik operates, laws implementing the global minimum taxation (Pillar II) have been passed or have come into force. These laws have been applicable to the Jenoptik Group for the first time from this fiscal year. In this context, Jenoptik has assessed the potential risks associated with Pillar II income taxes. Based on this analysis, it is assumed that minimum taxes will only be levied for Switzerland. Jenoptik's current tax expense includes 85 thousand euros in connection with income taxes under the Pillar II rules.

Tax expenses were classified according to origin as follows:

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
Current income taxes		
Germany	16,410	9,419
Abroad	12,657	12,326
Total	**29,067**	**21,745**
Deferred taxes		
Germany	13,593	18,257
Abroad	– 4,862	– 2,438
Total	**8,731**	**15,819**
Total income taxes	**37,798**	**37,563**

In 2024, the current income taxes included an expense in the sum of 606 thousand euros (prior year: income of 1,057 thousand euros) for previous periods. Deferred tax expenses include income relating to a different period in the sum of 255 thousand euros (prior year: expenses in the sum of 1,030 thousand euros).

Deferred tax expenses include an expense resulting from the development of temporary differences in the sum of 1,015 thousand euros (prior year: income 114 thousand euros).

As at the balance sheet date, the Jenoptik Group had the following tax loss carryforwards for offsetting against future profits:

in thousand euros	31/12/2024	31/12/2023
Corporate income tax	20,431	54,815
Trade tax	136,880	191,765

The decrease in tax loss carryforwards mainly resulted from the use in the past fiscal year. Taking into consideration all currently known positive and negative factors influencing the future tax results of the Jenoptik Group, a utilization of the corporate income tax loss carryforwards of 6,085 thousand euros (prior year: 20,424 thousand euros) and the use of trade tax loss carryforwards of 136,161 thousand euros (prior year: 191,046 thousand euros) is probable. A deferred tax asset of 21,372 thousand euros (prior year: 31,316 thousand euros) was recognized for these available tax loss carryforwards, of which 20,023 thousand euros (prior year: 27,769 thousand euros) was attributable to trade tax loss carryforwards.

For the remaining, non-utilizable losses carried forward, no deferred tax assets were recognized for corporate income tax purposes in the sum of 14,346 thousand euros (prior year: 34,391 thousand euros) and for trade tax purposes in the sum of 719 thousand euros (prior year: 719 thousand euros).

A portion of the tax losses with carryforward option is subject to a time limitation:

in thousand euros	31/12/2024	31/12/2023
Up to 1 year	66	262
2 to 5 years	188	250
6 to 9 years	773	563
More than 9 years	1,890	1,548
Total loss carryforwards with subject to a time limitation	**2,917**	**2,623**

No deferred tax assets were shown for deductible temporary differences in the sum of 26 thousand euros (prior year: 192 thousand euros) as these will probably not be realized in the underlying reporting period.

The following recognized deferred tax assets and deferred tax liabilities were attributed to recognition and measurement differences in the individual statement of financial position items and to tax loss carryforwards:

	Deferred tax assets		Deferred tax liabilities	
in thousand euros	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Intangible assets	14,175	13,869	31,553	34,785
Property, plant, and equipment	1,655	898	17,829	17,381
Financial investments	3,890	3,473	6,247	5,036
Inventories	9,389	8,615	2,028	2,305
Receivables and other assets	2,412	2,725	10,139	10,835
Provisions	4,703	5,182	707	1,161
Liabilities	13,576	14,107	2,250	2,391
Tax loss carryforwards and tax credits	21,722	31,316	0	0
Gross amount	**71,522**	**80,185**	**70,753**	**73,894**
Netting out	– 47,742	– 71,003	– 47,742	– 71,003
Recognition in the statement of financial position	**23,780**	**9,182**	**23,011**	**2,891**

The balance of deferred tax assets decreased by 5,523 thousand euros. Taking into consideration the deferred taxes recognized through other comprehensive income (plus 2,410 thousand euros), as well as the currency effects (plus 798 thousand euros) in the reporting year, this gave rise to deferred tax expenses of 8,731 thousand euros included in the statement of profit or loss.

Temporary differences in the sum of 145,795 thousand euros (prior year: 164,993 thousand euros) related to shares in subsidiaries for which no deferred tax liabilities had been recognized due to IAS 12.39. Deferred tax liabilities in the sum of 96 thousand euros (prior year: 145 thousand euros) were recognized on outside basis differences in accordance with IAS 12.40.

The following table shows the tax reconciliation between the tax expense expected in the respective fiscal year and the actual tax expense recognized. To determine the expected tax expense, the group tax rate of 30.53 percent applicable in the fiscal year 2024 (prior year: 30.36 percent) was multiplied by the earnings before tax.

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
Earnings before tax from continuing operations	130,395	111,375
Earnings before tax from discontinued operation	1,646	– 350
Earnings before tax	**132,041**	**111,026**
Income tax rate for the Jenoptik Group in %	30.53	30.36
Expected tax expense	**40,312**	**33,707**
The tax implications of the following facts led to a deviation between the actual and expected tax expense:		
Non-deductible expenses, tax-exempt earnings, and permanent differences	593	897
Impairments to goodwill	0	2,517
Change in the realizability of deferred tax assets and tax credits	– 611	1,240
Effects from differences in tax rates	– 2,610	– 1,255
Implications of changes in tax rates	– 55	57
Taxes for prior years	351	– 27
Other tax effects	– 182	427
Total adjustments	**– 2,514**	**3,856**
Actual income taxes	**37,798**	**37,563**
The breakdown of the actual income taxes is as follows:		
Income taxes attributable to the continuing operations	37,798	37,563
Income taxes attributable to the discontinued operation	0	0

4.9 Discontinued operation

On November 25, 2021, Jenoptik signed a contract to sell the segment VINCORION that was classified as a discontinued operation since the conclusion of this contract. The transaction closing and deconsolidation took place on June 30, 2022.

Earnings from discontinued operation

Individual claims on assets as well as limited obligations from indemnification agreements vis-à-vis VINCORION remained with Jenoptik from the commercial aspect. In fiscal year 2024, the majority of these obligations were finally settled, leading to income in the discontinued operation of 1,646 thousand euros (prior year: expense 350 thousand euros). Provisions for outstanding obligations will continue to be recognized at an appropriate level.

Net cash flows from discontinued operation

Cash flows from investing activities include payments received from the settlement of remaining claims and obligations from the sale of VINCORION in the sum of 2,031 thousand euros (prior year: 2,017 thousand euros).

4.10 Earnings of shareholders and earnings per share

Earnings attributable to shareholders include the earnings after tax from continuing operations and earnings after tax from the discontinued operation. Earnings per share equate to the earnings attributable to the shareholders, divided by the weighted average number of shares outstanding during the year.

	1/1-31/12/2024	1/1-31/12/2023
Earnings attributable to shareholders – continuing operations in thousand euros	91,001	72,815
Earnings attributable to shareholders – discontinued operation in thousand euros	1,646	– 350
Earnings after tax attributable to shareholders in thousand euros	**92,646**	**72,466**
Weighted average number of shares outstanding	57,238,115	57,238,115
Earnings per share in euros (undiluted = diluted)	**1.62**	**1.27**

From the earnings after tax from the continuing operations in the sum of 92,597 thousand euros (prior year: 73,812 thousand euros) an amount of 91,001 thousand euros (prior year: 72,815 thousand euros) is attributable to the shareholders of the parent company. The earnings after tax from the discontinued operation are attributable to the shareholders of the parent company in full.

Earnings per share from the discontinued operation (undiluted = diluted) amount to 0.03 euros (prior year: minus 0.01 euros).

5 Disclosures on the Statement of Financial Position

5.1 Intangible assets

in thousand euros	Development costs from internal Development projects	Acquired customer relationships	Acquired licenses, software and similar rights as well as technologies	Internally generated patents, software	Goodwill	Other intangible assets	Total
Cost	**25,048**	**166,525**	**87,319**	**2,830**	**579,630**	**457**	**861,809**
Balance as of 1/1	**(26,512)**	**(164,095)**	**(82,969)**	**(2,364)**	**(581,130)**	**(3,714)**	**(860,785)**
Currencies	5	– 1,833	188	0	– 1,422	0	– 3,062
	(3)	(3,683)	(– 16)	(0)	(7,660)	(2)	(11,332)
Additions	7,821	0	931	333	0	77	9,161
	(5,496)	(0)	(2,584)	(619)	(0)	(519)	(9,218)
Disposals	118	6,353	9,652	57	0	0	16,180
	(6,964)	(1,253)	(833)	(153)	(9,160)	(1,163)	(19,526)
Transfers (+/-)	0	0	399	0	0	– 399	0
	(0)	(0)	(2,615)	(0)	(0)	(– 2,615)	(0)
Cost	**32,755**	**158,339**	**79,184**	**3,107**	**578,208**	**135**	**851,728**
Balance as of 31/12	**(25,048)**	**(166,525)**	**(87,319)**	**(2,830)**	**(579,630)**	**(457)**	**(861,809)**
Amortization	**9,290**	**62,888**	**62,470**	**1,393**	**13,256**	**0**	**149,297**
Balance as of 1/1	**(13,260)**	**(44,881)**	**(56,694)**	**(1,182)**	**(14,126)**	**(0)**	**(130,143)**
Currencies	5	– 755	192	0	0	0	– 558
	(3)	(656)	(– 10)	(0)	(0)	(0)	(649)
Additions	1,859	17,384	6,577	284	0	0	26,103
	(1,058)	(18,604)	(6,598)	(228)	(0)	(0)	(26,489)
Impairments	0	0	28	0	0	0	28
	(0)	(0)	(0)	(0)	(8,290)	(0)	(8,290)
Disposals	0	6,353	9,557	4	0	0	15,915
	(5,032)	(1,253)	(811)	(18)	(9,160)	(0)	(16,274)
Amortization	**11,153**	**73,164**	**59,710**	**1,672**	**13,256**	**0**	**158,956**
Balance as of 31/12	**(9,290)**	**(62,888)**	**(62,470)**	**(1,393)**	**(13,256)**	**(0)**	**(149,297)**
Net carrying amount as of 31/12	**21,602**	**85,175**	**19,474**	**1,434**	**564,952**	**135**	**692,772**
	(15,758)	**(103,637)**	**(24,848)**	**(1,437)**	**(566,374)**	**(457)**	**(712,512)**

The figures in brackets relate to the prior year

Development costs from internal development projects in the sum of 12,897 thousand euros (prior year: 11,493 thousand euros) related to development projects not yet completed.

The acquired customer relationships from the acquisition of BG Medical and the SwissOptic Group contain a carrying amount of 74,950 thousand euros (prior year: 84,144 thousand euros) and a remaining amortization period of up to 12 years.

Assets acquired for consideration and still under development are shown as other intangible assets.

Goodwill and intangible assets with indefinite useful lives

Other than goodwill, there were no intangible assets with an indefinite useful life.

In the fiscal year 2024, goodwill continued to be allocated to the group of cash-generating units Advanced Photonic Solutions, Smart Mobility Solutions, HOMMEL ETAMIC, and Prodomax:

in thousand euros	31/12/2024	31/12/2023
Advanced Photonic Solutions	467,551	469,944
Smart Mobility Solutions	43,220	41,445
Non-Photonic Portfolio Companies		
Prodomax	43,867	44,784
HOMMEL ETAMIC	10,313	10,201
Total	**564,952**	**566,374**

As part of the new group structure from 2025 (see section "Segment reporting"), the groups of cash-generating units will be reorganized and goodwill reallocated according to the ratio of value in use. An impairment test both prior to the reorganization as of December 31, 2024, and immediately after the reorganization at the level of the new groups of cash-generating units did not lead to any impairment.

An impairment is recorded if the carrying amounts exceed the recoverable amount resulting from the higher of the two amounts – the fair value less costs to sell and value in use.

Jenoptik calculated the recoverable amount in the form of the value in use, based on a discounted cash flow method. The basis for this is the five-year corporate plan approved by the management. This took into consideration past experience as well as current operational results and was based on the management's best estimate of future development. The cash flows in the detailed planning phase were planned based on differentiated growth rates. These took into account the development and dynamics of the relevant sectors and target markets.

The following planning assumptions were used as a basis for the group of cash-generating units:

Advanced Photonic Solutions

After a successful year in 2024, we expect further growth in the Advanced Photonic Solutions division in the future. The division is primarily focused on the areas of Semiconductor & Advanced Manufacturing, Biophotonics, and Optical Test & Measurement. With the commissioning of the new high-tech factory to produce micro-optics and sensors (Fab in Dresden) at the beginning of 2025, we are expanding our capacities for growth in the semiconductor equipment market. Organizational efficiency increases and the growing demand will have a positive impact on the development of the division. The very good positioning in the future markets of semiconductors, medical technology, and optical metrology will enable Jenoptik to grow over a long-term period. Supported by continuous efficiency increases, the EBITDA is expected to continue to rise. An improvement in free cash flow is also expected, which was burdened by the high investment volume until the completion of the Fab Dresden.

Smart Mobility Solutions

The fiscal year 2024 of Smart Mobility Solutions was in line with expectations. The growing demand for public safety, particularly in the regions of the Americas, Middle East/Africa, and European foreign markets, will provide growth potential in the coming years. Due to increasing competition, the initiated structural and process optimizations will be continued and are expected to bring a sustained increase in revenue and profitability in the medium-term period, along with the ongoing development of the product portfolio. In particular, we expect growth in recurring revenues and an improvement in results from the Traffic Service Provision business in the Americas. The current trend towards further applications of traffic monitoring, such as the use of mobile phones and enforcement of seatbelt laws, is expected to open up additional growth opportunities for the division.

HOMMEL ETAMIC

Despite an increasingly gloomy order situation in the automotive market, HOMMEL ETAMIC had a good year in 2024. Despite the current weakness in the automotive market, we expect a rising trend in revenue development in the coming years due to intensified sales efforts and the development of new customer relationships in existing markets (e.g. e-mobility) as well as the development and expansion of new markets. In the medium term, we expect HOMMEL ETAMIC to achieve revenue growth at around market level in industrial metrology. Efficiency-enhancing measures in production, improved project execution, scale effects, and continuous structural and process optimizations will contribute to an increase in profitability in the medium term.

Prodomax

Following a successful 2024 with strong EBITDA margins, we anticipate continued growth in the future. Despite the current weakness in the automotive market, we expect delayed production start-ups from our customers, which may lead to a short-term delay in order intake. Business development over the medium term is anticipated to be positive and, together with the shift in the market towards e-mobility, should contribute to consistently high-quality earnings. Companies' increasing desire for automation is having a positive effect on Prodomax's future development of business.

To determine the free cash flow, the result of the respective planning year is adjusted for non-cash expenses and income, such as amortization and depreciation.

This assumes a perpetuity, the amount of which is determined individually for each cash-generating unit by the management from the fifth year of the planning time frame. The perpetuity includes a growth component in the form of a deduction on the capitalization interest rate of 0.9 to 1.0 percentage points (prior year: between 0.9 and 1.0 percentage point). One-off effects in the last plan year are eliminated prior to calculating the perpetuity.

The weighted average cost of capital after taxes required for impairment tests represents current market estimates with regard to the specific risks attributable respectively to the cash-generating units. These are determined through the use of the Capital Asset Pricing Model for the calculation of the cost of equity. The components for calculating the cost of equity are a risk-free interest rate, the market risk premium, a beta factor customary in our industry determined based on division-specific peer groups, and the average country risk for each division. Borrowing costs were determined by including a risk-free interest rate, the spread customary in our industry, and the typical average tax rate. The weighting of the cost of equity and debt is carried out using the capital structure customary in our industry.

Impairment testing was conducted assuming a weighted average cost of capital after taxes of 7.61 to 9.89 percent (prior year: 7.76 percent and 10.14 percent). This corresponded to the weighted average cost of capital before taxes of between 10.09 and 12.85 percent (prior year: 10.08 percent and 13.07 percent).

The assumptions used to determine the values in use for each cash-generating unit are shown in the following table:

	Growth components in the perpetuity	Weighted average cost of capital after taxes	Weighted average cost of capital before taxes
Advanced Photonic Solutions	1.00	9.89	12.85
	(1.00)	(9.64)	(12.60)
Smart Mobility Solutions	0.90	7.61	10.09
	(1.00)	(7.76)	(10.08)
Non-Photonic Portfolio Companies	0.90	9.85	12.71
(Prodomax and HOMMEL ETAMIC)	(0.90)	(10.14)	(13.07)

The figures in brackets relate to the prior year

Sensitivity analyses were conducted for all cash-generating units to which goodwill was allocated as of December 31, 2024. A 10-percent reduction in cash flows or a one percentage point increase in the weighted average cost of capital (after tax) would not result in an impairment to goodwill.

5.2 Property, plant, and equipment

in thousand euros	Land, buildings	Technical equipment and machinery	Other equipment, operating and office equipment	Equipment under construction	Total
Cost	**286,691**	**248,023**	**104,766**	**52,134**	**691,615**
Balance as of 1/1	**(282,529)**	**(207,779)**	**(97,606)**	**(35,857)**	**(623,771)**
Currencies	328	3,046	447	292	4,113
	(1,499)	(1,989)	(– 110)	(– 51)	(3,327)
Additions	50,335	25,085	10,342	19,655	105,418
	(19,729)	(24,837)	(13,782)	(42,799)	(101,147)
Disposals	2,318	13,718	11,023	354	27,413
	(21,521)	(5,026)	(7,513)	(4,848)	(38,908)
Transfers (+/-)	33,914	8,993	– 2,898	– 40,009	0
	(4,456)	(18,444)	(1,000)	(– 21,623)	(2,277)
Cost	**368,951**	**271,429**	**101,635**	**31,718**	**773,732**
Balance as of 31/12	**(286,691)**	**(248,023)**	**(104,766)**	**(52,134)**	**(691,615)**
Depreciation	**111,485**	**142,005**	**72,689**	**321**	**326,499**
Balance as of 1/1	**(101,659)**	**(123,675)**	**(70,238)**	**(0)**	**(295,572)**
Currencies	330	1,735	295	0	2,359
	(599)	(2,077)	(– 44)	(0)	(2,632)
Additions	15,080	22,907	10,822	0	48,809
	(13,799)	(20,889)	(9,692)	(0)	(44,381)
Impairments	25	0	0	0	25
	(103)	(0)	(0)	(321)	(424)
Impairment reversal	0	0	0	0	0
	(– 68)	(– 91)	(– 154)	(0)	(– 314)
Disposals	1,415	11,544	10,599	321	23,878
	(4,608)	(4,545)	(7,049)	(0)	(16,201)
Transfers (+/-)	0	3,404	– 3,404	0	0
	(0)	(0)	(5)	(0)	(5)
Depreciation	**125,505**	**158,508**	**69,803**	**0**	**353,815**
Balance as of 31/12	**(111,485)**	**(142,005)**	**(72,689)**	**(321)**	**(326,499)**
Net carrying amount as of 31/12	**243,446**	**112,921**	**31,832**	**31,718**	**419,917**
	(175,206)	**(106,019)**	**(32,077)**	**(51,813)**	**(365,115)**

The figures in brackets relate to the prior year

Land and buildings of the Group with a net carrying amount of 243,446 thousand euros (prior year: 175,206 thousand euros) mainly comprised the Group’s own production and administrative buildings in Jena, Dresden, Triptis, Villingen-Schwenningen, Wedel, Bayeux (France), Heerbrugg (Switzerland), Huntsville (USA), Shanghai (China), and the leased production and administrative buildings in Berlin, Monheim, Barrie (Canada), Jupiter (US), and Camberley (UK). Investment property in the sum of 2,642 thousand euros (prior year: 3,461 thousand euros) is also included.

The order commitments for property, plant, and equipment in the sum of 13,437 thousand euros (prior year: 62,263 thousand euros) primarily resulted from replacement and new investment in technical equipment and machinery. The year-on-year decline compared to the prior year is due to the progress of construction of the Dresden fab.

As of December 31, 2024 property, plant, and equipment in the sum of 18,251 thousand euros (prior year: 26,787 thousand euros) was used as collateral to secure financial debt.

5.3 Leases

The Group has concluded lease contracts for real estate, technical equipment and machinery and other equipment, motor vehicles, and for operating and office equipment.

The rights of use are shown under the balance sheet item property, plant, and equipment. The development of the rights of use can be seen from the table below.

in thousand euros	Rights of use to land, buildings	Rights of use to technical equipment and machinery	Rights of use to other equipment, operating and office equipment	Total rights of use
Cost	**59,099**	**30,960**	**7,702**	**97,762**
Balance as of 1/1	**(46,190)**	**(27,037)**	**(6,596)**	**(79,822)**
Currencies	490	– 19	30	502
	(– 252)	(362)	(– 11)	(99)
Additions	6,130	3,101	2,306	11,538
	(15,855)	(6,130)	(3,454)	(25,438)
Disposals	874	3,819	1,892	6,586
	(2,694)	(0)	(1,973)	(4,666)
Transfers (+/-)	– 1	– 1,204	0	– 1,205
	(0)	(– 2,568)	(– 364)	(– 2,932)
Cost	**64,845**	**29,019**	**8,146**	**102,010**
balance as of 31/12	**(59,099)**	**(30,960)**	**(7,702)**	**(97,762)**
Depreciation	**22,875**	**4,429**	**3,651**	**30,955**
Balance as of 1/1	**(18,256)**	**(2,609)**	**(3,755)**	**(24,619)**
Currencies	350	– 2	15	363
	(– 197)	(106)	(– 7)	(– 98)
Additions	7,605	5,593	2,309	15,507
	(6,734)	(5,481)	(1,992)	(14,207)
Impairments	25	0	0	25
	(0)	(0)	(0)	(0)
Disposals	874	3,771	1,638	6,284
	(1,917)	(0)	(1,850)	(3,767)
Transfers (+/-)	182	– 781	0	– 599
	(0)	(– 3,768)	(– 238)	(– 4,006)
Depreciation	**30,162**	**5,468**	**4,337**	**39,968**
Balance as of 31/12	**(22,875)**	**(4,429)**	**(3,651)**	**(30,955)**
Net carrying amount as of 31/12	**34,683**	**23,551**	**3,809**	**62,042**
	(36,224)	**(26,531)**	**(4,051)**	**(66,807)**

The figures in brackets relate to the prior year

Lease liabilities are shown under “Non-current financial debt” or “Current financial debt”:

in thousand euros	31/12/2024	31/12/2023
Non-current lease liabilities	46,981	50,479
Current lease liabilities	14,116	14,280

Interest expenses for leases in fiscal year 2024 totaled 2,378 thousand euros (prior year: 1,848 thousand euros).

In addition to depreciation and interest expenses, the following expenses were recognized through profit or loss:

Expenses for lease contracts (in thousand euros)	1/1-31/12/2024	1/1-31/12/2023
From short-term lease contracts	790	1,500
From low-value lease contracts	1,932	1,719
From variable lease payments	1,306	1,045
Total lease expenses	**4,028**	**4,265**

The variable lease payments mainly include payments for non-leasing components of lease contracts that have been accounted for in accordance with IFRS 16.

Payment obligations from fixed lease payments are listed according to their maturity in the table below:

Payment obligations from fixed lease payments (in thousand euros)	31/12/2024	31/12/2023
Up to 1 year	15,929	16,577
1 to 5 years	36,660	38,541
More than 5 years	15,800	18,563
Total	**68,389**	**73,681**

Extension and termination options included in the lease contracts are negotiated by management. The assessment as to whether there is reasonably certainty regarding the exercise of these extension and termination options has been assessed and evaluated accordingly by the management.

Possible cash outflows for extension and termination options, whose exercise is still not considered reasonably certain, as well as contractually agreed but not yet commenced lease agreements are presented in the following table:

Additional details (in thousand euros)	31/12/2024	31/12/2023
Payment obligations for current lease contracts	752	421
Payment obligations for leases not yet commenced	17,249	20,530
Potential cash outflows from extension and termination options not shown in the statement of financial position	6,486	6,575

The total cash outflow from lease contracts in fiscal year 2024 totaled 21,659 thousand euros (prior year: 20,355 thousand euros).

5.4 Other non-current assets

in thousand euros	31/12/2024	31/12/2023
Derivatives	7,435	8,086
Financial investment	971	945
Investments accounted for using the equity method	264	207
Other non-current non-financial assets	4,458	1,575
Other non-current financial assets	1,692	2,203
Total	**14,820**	**13,015**

The aggregated item derivatives are explained in the section “Financial instruments.” Non-current non-financial assets are mainly advance payments made for inventories.

As in the prior year, there were no restrictions on disposals of other non-current assets.

5.5 Inventories

in thousand euros	31/12/2024	31/12/2023
Raw materials, consumables, and supplies	120,015	107,632
Unfinished products, unfinished services	103,514	118,789
Finished products and goods	41,596	40,262
Advance payments for inventories	1,885	2,578
Total	**267,009**	**269,261**

At the end of fiscal year 2024, accumulated impairments in the sum of 49,401 thousand euros (prior year: 38,918 thousand euros) were taken into account in the carrying amount. The net sale value of these inventories was 78,296 thousand euros (prior year: 84,000 thousand euros).

Impairments recognized as expenses in the cost of sales in the fiscal year 2024 amounted to 14,868 thousand euros (prior year: 9,088 thousand euros). Reversals of impairments were recognized in the amount of 1,772 thousand euros (prior year: 2,716 thousand euros) as the need for impairments on inventories in prior years has decreased.

Inventories in the sum of 337,279 thousand euros (prior year: 314,083 thousand euros) were recorded as an expense in the year under review and mainly shown in cost of sales.

As in the prior year, there were no restrictions on the disposal of inventories at the reporting dates.

5.6 Current trade receivables

Trade receivables

in thousand euros	31/12/2024	31/12/2023
Gross value of trade receivables from third parties	132,431	147,152
Gross value of receivables from advance payments requested and due	2,804	3,209
Gross value of trade receivables from non-consolidated associates and investments requested and due	89	135
Total gross value of trade receivables	**135,325**	**150,497**
Accumulated impairments	– 4,505	– 6,257
Carrying amount of trade receivables	**130,820**	**144,239**

The fair values of trade receivables corresponded to their carrying amounts as of the reporting date. These are not interest-bearing and generally have a due date of 30 to 60 days.

Default risks were generally determined by assessing customers' creditworthiness by means of a scorecard, taking into account specific regional and company-specific characteristics. In addition to internal company data, this includes credit assessments through external credit agencies. Based on the rating of customers' creditworthiness, credit lines are granted to ensure the active management of business transactions. This means for example, among other things, that certain payment methods can be agreed with customers according to their creditworthiness. In addition, outstanding receivables against customers are regularly monitored and measures are taken to reduce overdue receivables.

To recognize the expected credit losses, Jenoptik applies the simplified impairment model to all trade receivables. The following table shows the changes in impairments to outstanding trade receivables:

in thousand euros	2024	2023
Impairments as of 1/1	**– 6,257**	**– 7,194**
Addition	– 2,255	– 2,913
Reversal/derecognition	3,568	2,103
Consumption	552	1,650
Currencies	– 112	96
Impairments as of 31/12	**– 4,505**	**– 6,257**

The impairment requirement is analyzed at each closing date to determine the expected credit losses. In addition, receivables are combined in portfolios with similar risk characteristics to determine the expected credit losses. Within the framework of the simplified impairment model, the expected credit losses are initially calculated in level 2 using a value adjustment matrix based on credit default rates per maturity band. If there are objective indications of impairments, the respective receivables are transferred to level 3 of the impairment model and the expected credit loss is determined individually. Trade receivables are considered finally uncollectible when, at the time of preparation, there is insolvency or the insolvency proceedings have been opened.

As in the prior year, as of December 31, 2024 there were no collateral in the form of bank guarantees for unimpaired receivables.

The table below shows the default risk position for trade receivables due from third parties and determined on an individual basis using an impairment matrix:

in thousand euros	Expected credit loss rate	Expected total gross carrying amount at default	Expected credit loss
not due and overdue < 30 days	0.46 %	122,226	558
	(0.45 %)	(130,304)	(585)
overdue 30-60 days	9.19 %	2,147	197
	(8.87 %)	(5,328)	(473)
overdue 61-120 days	21.15 %	2,274	481
	(21.49 %)	(5,865)	(1,260)
overdue 121-240 days	40.15 %	3,145	1,263
	(44.15 %)	(2,514)	(1,110)
overdue 241-360 days	68.30 %	1,530	1,045
	(73.45 %)	(743)	(546)
overdue > 360 days	86.68 %	1,108	960
	(95.19 %)	(2,399)	(2,283)
Total	**3.40 %**	**132,431**	**4,505**
	(4.25 %)	**(147,152)**	**(6,257)**

The figures in brackets relate to the prior year

In the fiscal year 2024 the impairments for level 3 receivables totaled 535 thousand euros (prior year: 893 thousand euros). These primarily related to receivables with an overdue date of more than 360 days.

Factoring

As a result of extended payment terms for customers, advance payments for customer-specific projects and changes in invoicing modalities, Jenoptik uses factoring. Within the framework of a genuine and silent factoring program, existing receivables are sold to a factoring company (hereafter referred to as the "Factor") – together with the transfer of the default or del credere risk – in return for a consideration. The payments received from the original customer to the Group are classified as "Other current financial liabilities" (due to their confidential nature) and then forwarded to the Factor.

In the statement of financial position, trade receivables which have been sold are derecognized on transfer of the economic ownership to the Factor in accordance with IFRS 9 and, until receipt of payment, are recognized as receivables due from the Factor under "Other current financial assets". The asset is finally derecognized on payment by the Factor.

In the cash flow statement, the Factor's payments to the Group are shown under cash flows from operating activities. The payment received from the original customer and the subsequent payment as a result of the transfer to the Factor, are recognized net under cash flows from financing activities.

As at December 31, 2024, receivables of 25,000 thousand euros (prior year: 25,000 thousand euros) were sold within the framework of the silent factoring. After allowing for a security retention of 5 percent by the Factor, payment receipts totaled 23,750 thousand euros (prior year: 23,750 thousand euros). The security retention is shown under other current financial assets.

5.7 Contract assets and contract liabilities

Contract assets include conditional rights of the Group against customers to receive a consideration in exchange for goods or services.

in thousand euros	31/12/2024	31/12/2023
Contract assets	**86,835**	**68,079**
Realization within one year	86,835	68,079
Realization within more than one year	0	0

As of December 31, 2024, no indications of an impairment were identified. The general default risk was taken into account through an impairment in the amount of the expected credit loss of 125 thousand euros (prior year: 102 thousand euros).

Contract liabilities constitute the obligations of the Group to transfer goods or services to a customer for which it, the Group, has received a consideration in return from the customer.

in thousand euros	31/12/2024	31/12/2023
Contract liabilities	**60,308**	**68,400**
Realization within one year	57,878	63,700
Realization within more than one year	2,431	4,700

Of the contract liabilities recognized at the beginning of the year, 59,311 thousand euros (prior year: 56,703 thousand euros) was realized as revenue in the year under review.

The transaction price for all customer orders that have not yet been completed in full is shown as order backlog. This shows the following due dates:

in thousand euros	31/12/2024	31/12/2023
Transaction price of performance obligations not yet completely fulfilled	**670,079**	**744,992**
Realization within the next fiscal year	548,909	646,113
Realization within the fiscal year after next	83,623	68,612
Realization in subsequent fiscal years	37,547	30,267

The changes in the order backlog in the fiscal year are as follows:

in thousand euros	2024	2023
Transaction price of performance obligations not yet completely fulfilled as of 1/1	**744,992**	**733,656**
Order intake	1,027,686	1,092,159
Revenue	– 1,115,787	– 1,066,048
Currencies and other changes	13,189	– 14,774
Transaction price of performance obligations not yet completely fulfilled as of 31/12	**670,079**	**744,992**

5.8 Other current financial assets

in thousand euros	31/12/2024	31/12/2023
Receivable from security retention for factoring	1,250	1,250
Current financial investments	676	0
Derivatives	651	1,598
Receivables from disposals of companies	0	450
Other current financial assets	1,168	2,049
Total	**3,744**	**5,347**

Default risks are taken into account through impairments. The composition of the carrying amount of other current financial assets is as follows:

in thousand euros	31/12/2024	31/12/2023
Gross value of other financial assets	4,497	6,659
Accumulated impairments	– 753	– 1,312
Carrying amount of other financial assets	**3,744**	**5,347**

5.9 Other current non-financial assets

in thousand euros	31/12/2024	31/12/2023
Accruals	6,727	6,639
Receivables due from other taxes	6,485	2,609
Receivables due from income taxes	689	1,745
Other current non-financial assets	1,513	1,479
Total	**15,414**	**12,472**

5.10 Equity

The development of the equity of Jenoptik is shown in the consolidated statement of changes in equity.

Share capital

The share capital amounts to 148,819 thousand euros and is divided into 57,238,115 no-par value, registered shares.

Voting right notifications received in accordance with § 160 (1)(8) AktG are included in the section "Equity" of the Annual Financial Statements of JENOPTIK AG. All voting right notifications of the last five years are also published on our website under www.jenoptik.com/investors/share in the section Voting Rights Notifications.

Authorized capital

The "Authorized Capital 2023" was created with the resolution passed by the Annual General Meeting on June 7, 2023 as follows: The Executive Board is authorized through June 6, 2026, with the consent of the Supervisory Board, to increase the nominal capital of the company by up to 29,640 thousand euros through one or multiple issues of new, no-par value registered shares against cash and/or contribution in kind ("Authorized Capital 2023"). The authorization may be exercised in whole or in part, i.e., on a one-off or repeat basis. Shareholders shall in principle be granted subscription rights. The new shares may also be underwritten by credit institutions or enterprises within the meaning of § 186 (5)(1) AktG with the obligation to offer them to shareholders (indirect subscription right).

With the consent of the Supervisory Board, the Executive Board is authorized to exclude the subscription rights of shareholders:

a) for fractional amounts;
b) for capital increases in return for contributions in kind, in particular also within the framework of business combinations or the acquisition of companies, parts of companies, or investments in companies (including increasing existing shareholdings), or other assets eligible for contribution in conjunction with such an intended acquisition, as well as claims against the company or associates in which it holds a majority interest;
c) for capital increases in return for cash contributions, under the condition that the percentage of any new shares of the share capital does not in total exceed 10 percent of the share capital at the time the authorized shares are registered or in total 10 percent of the share capital at the time the new shares are issued, taking into consideration resolutions of the Annual General Meeting or the use of other authorizations to preclude subscription rights in a direct or corresponding application of § 186 (3)(4) AktG since the effective date of this authorization and the issue price of the new shares is not to be substantially lower than the stock market price;
d) for the issue of new shares to employees of the company and/or managers of associates in which the company holds a majority interest, and their employees.

All aforementioned authorizations to exclude subscription rights from the Authorized Capital 2023 are limited to a total of 10 percent of the share capital existing at the time this authorization becomes effective – or, if this value is lower – to 10 percent of the share capital at the time this authorization is exercised. This limit of 10 percent includes shares that (i) are issued for the purpose of servicing warrants and/or convertibles that were or could still be issued during the term of the Authorized Capital 2023 to the exclusion of subscription rights or (ii) are sold by the company as treasury shares during the period of validity of the Authorized Capital 2023 to the exclusion of subscription rights.

Decisions on the details of the issue of new shares, in particular their conditions and the content of rights of the new shares, are taken by the Executive Board, with the consent of the Supervisory Board.

The Authorized Capital 2023 has not yet been utilized.

Conditional capital

The shareholder resolution passed by the Annual General Meeting held on June 9, 2021, to conditionally raise the share capital of the entity by up to 14,950 thousand euros through the issue of up to 5,750,000 new no-par value shares ("conditional capital 2021"). The conditional increase in capital will only be carried out insofar as

- the creditors or holders of option and/or conversion rights from warrants and/or convertible bonds issued by the company, or a domestic and/or foreign corporation in which the company has a direct or indirect majority stake, exercise their option or conversion rights by June 8, 2026, based on the resolution by the Annual General Meeting on June 9, 2021 and/or
- the creditors of the issued convertible bonds who have given their commitment to exercise their conversion rights issued by the company, or a domestic and/or foreign corporation in which the company has a direct or indirect majority stake, fulfill their obligation to convert and/or tender shares by June 8, 2026, based on the resolution of the Annual General Meeting of June 9, 2021

and neither treasury shares are used, nor payment is made in cash. The new shares participate in profits from the start of the fiscal year for which, on the date of their issue, no resolution has yet been passed by the Annual General Meeting in respect of the appropriation of the accumulated profit. To the extent legally permissible, the Executive Board may, with the consent of the Supervisory Board, determine the participation in profit in deviation from this and from § 60 (2) AktG, including for a fiscal year that has already passed.

The Executive Board is authorized, with the consent of the Supervisory Board, to exclude the subscription rights of shareholders to the bonds. Authorization to exclude subscription rights under certain conditions is limited in the sense that the pro rata amount of share capital corresponding to those shares that must be issued after exercising warrant and/or conversion rights - obligations may not account for more than 10 percent of the share capital existing at the time this authorization takes effect or – if the figure is lower – at the time use is made of the authorization. This 10 percent limit also applies to the sale of treasury shares that are excluded from subscription rights during the period of this authorization, and to shares excluded from subscription rights that are issued under authorized capital during the period of this authorization.

The Executive Board is authorized to set out the further details relating to the increase in conditional capital (e.g., terms of the bonds, interest rate, form of interest, specific term, denomination, issue price, option/conversion price, option/conversion period) in the bond terms and conditions.

The conditional capital 2021 has not yet been utilized.

Reserves

Capital reserve. The capital reserve contains the adjustments recognized within the framework of the first-time adoption of IFRS as well as the differences resulting from the capital consolidation being offset against reserves up to December 31, 2002.

Other reserves include retained earnings realized and not paid out in the past by entities included in the Consolidated financial statements, less dividends paid.

Other reserves also include the changes in value to be recognized in other comprehensive income for

- cash flow hedges,
- accumulated foreign currency exchange differences and
- actuarial gains/losses from the valuation of pensions and similar obligations.

In addition to the effective portion of gains and losses from hedging cash flows, the reserve for cash flow hedges also includes changes in the fair value of the interest rate cap and elements of the USD interest rate and currency swap, insofar as this has been excluded from the designation as a hedging instrument (see section "Financial instruments").

Treasury shares

Based on a resolution passed by the Annual General Meeting on June 7, 2023, the Executive Board is authorized up to June 6, 2025 to purchase treasury no-par value shares not exceeding a proportion of ten percent of the nominal capital existing at the time this resolution is adopted or – if this amount is lower – of the nominal capital existing at the time the resolution is utilized for purposes other than trading in treasury shares. The treasury shares acquired in accordance with this authorization, together with other treasury shares already acquired and still held by the company (including the shares to be allocated in accordance with §§ 71d, 71e AktG), may not account for more than 10 percent of the respective share capital.

The authorization may be utilized in whole or in part, once or several times, in pursuit of one or more permitted purposes. The acquisition and use of treasury shares may be carried out by the Company or, for specific, permitted purposes, also by dependent entities or entities majority-owned by the Company, or for its or their account by third parties. At the decision of the Executive Board, an acquisition is by purchase on the stock exchange, subject to compliance with the principle of equal treatment (§ 53a AktG), or by means of a public offering to all shareholders, or a public invitation to the shareholders to submit an offer for sale.

For the purpose of protecting shareholders against a dilution of their shares, the proposed resolution expressly provides for a restriction on the use of acquired treasury shares in such a way that the sum of the acquired shares, together with shares

- issued or sold by the company during the term of this authorization until its utilization under another authorization excluding shareholders' subscription rights, or
- which are to be issued based on rights granted during the term of this authorization until utilized based on another authorization excluding subscription rights and which enable a subscription to shares or makes a subscription obligatory,

do not account for more than ten percent of the nominal capital in total on the date the authorization takes effect or – if the subsequent value is lower – on the date this authorization expires.

Further details regarding the buyback of treasury shares are described in agenda item 7 in the invitation to the 2023 Annual General Meeting which is open to the general public on our website at www.jenoptik.com/investors/annual-general-meeting.

As at December 31, 2024 the company did not own any treasury shares.

5.11 Pension provisions

Provisions for pension obligations are set aside based on pension plans for retirement, disability, and survivor benefit commitments and exist in Germany and Switzerland. There are additional commitments in France to make one-off payments upon retirement.

The benefits provided by the Group vary depending on the legal, tax, and economic circumstances of each country and generally depend on the length of employment and the employees' level of remuneration on the date of retirement.

Within the Group, the occupational pension scheme is provided both based on defined contribution as well as defined benefit plans. In the case of defined contribution plans, the company pays contributions to public or private pension institutions based on statutory or contractual obligations or on a voluntary basis. On payment of the contributions, the company has no further benefit obligations.

Defined benefit plans

The Company is exposed to various risks with defined benefit pension plans. In addition to general actuarial risks such as the longevity risk and interest rate risk, the company is exposed to foreign currency exchange and investment risks.

Obligations under the Swiss pension system are classified as a defined benefit plan due to a potential obligation to make additional contributions in the event of a shortfall. The plan is financed in accordance with the statutory requirements and provides for a risk sharing by the beneficiaries up to retirement. In this context, the pension plan is financed by contributions from both the employer and the employee. The corresponding assets are offset as plan assets against the assumed obligation.

Pension plans in the form of a reinsured group provident fund are categorized and accounted for accordingly as defined benefit plans as a result of the associated risk of a claim from the subsidiary’s liability. The existing pension plans in Germany are closed, except for reinsured group provident fund.

The defined benefit obligations of the Group cover 1,017 entitled beneficiaries, including 683 active employees, 108 former employees, and 226 retirees and survivors and have developed as follows:

in thousand euros	2024	2023
Defined benefit obligations (DBO) as of 1/1	**122,901**	**100,160**
Currencies	– 1,771	6,348
Service costs	3,877	3,035
Contributions to the pension plans	3,878	3,422
Thereof by employees	3,878	3,422
Interest expenses	2,088	2,458
Actuarial gains (-) and losses (+)	14,089	8,251
Experience gains and losses	6,070	1,267
Changes in demographic assumptions	0	9
Changes in financial assumptions	8,018	6,975
Pension payments	– 1,863	– 773
Defined benefit obligations (DBO) as of 31/12	**143,198**	**122,901**
of which Switzerland	128,241	108,225
of which Germany	14,386	14,059
of which other countries	572	617

The commitments made through the group provident fund and plans under the Swiss pension system are partially covered by plan assets. The changes in the plan assets are as follows:

in thousand euros	2024	2023
Plan assets as of 1/1	**121,868**	**102,629**
Currencies	– 1,769	6,566
Interest income from the plan assets	1,992	2,456
Income from plan assets less assumed interest (remeasurement)	7,870	3,915
Contribution	7,901	6,942
Employer	4,023	3,521
Employee	3,878	3,422
Administrative expenses	– 142	– 123
Pension payments	– 1,642	– 516
Plan assets as of 31/12	**136,078**	**121,868**
of which Switzerland	125,635	111,819
of which Germany	10,442	10,050

The portfolio structure of the plan assets are primarily managed by the Leica Pension Fund (Switzerland) and AXA Lebensversicherung AG [Life Insurance Company] is as follows:

in thousand euros	31/12/2024	31/12/2023
Insurance contracts	10,138	9,710
Equities, bonds, and other securities	55,728	47,103
Real estate	44,357	43,548
Cash and cash equivalents	4,966	6,041
Other assets and liabilities	20,888	15,467
Total	**136,078**	**121,868**

The insurance company’s investments were mainly in equities and investment assets, bearer bonds, and fixed-interest bearing securities, as well as other loan receivables.

After offsetting defined benefit obligations against plan assets, the net pension obligation as of the balance sheet date was as follows:

in thousand euros	31/12/2024	31/12/2023
Present value of funded plans	139,265	118,853
Plan assets	– 136,078	– 121,868
Net liability (+) / asset (-) of funded plans	3,187	– 3,015
Net liability of unfunded plans	3,934	4,048
Net liability (+) / asset (-) from defined benefit plans	**7,121**	**1,033**
Adjustment as a result of asset ceiling	0	3,594
Total	**7,121**	**4,627**
of which Switzerland	2,605	0
of which Germany	3,944	4,010
of which other countries	572	617

The adjustments resulting from the asset ceiling relate to the obligations under the Swiss pension system and have changed as follows:

in thousand euros	31/12/2024	31/12/2023
Asset ceiling as at 1/1 recognized in equity	**3,594**	**6,730**
Interest expenses	53	146
Changes in the asset ceiling (gains and losses recognized in equity)	– 3,617	– 3,474
Currencies	– 30	192
Asset ceiling as at 31/12 recognized in equity	**0**	**3,594**

The effects of the expense recognized in the statement of profit or loss, are summarized as follows:

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
Service costs	3,877	3,035
Net interest expenses	148	148
Total expenses	**4,025**	**3,183**

The key weighted average actuarial assumptions are shown in the following table. Where applicable, the above-mentioned assumptions consider expected inflation.

in percent	2024	2023
Discount rate		
Germany	3.37	3.24
Switzerland	0.95	1.50
France	3.40	3.18
Future increases in salary[1]		
Switzerland	2.00	2.00
France	2.00	3.50
Future increases in pension		
Germany	2.10	2.10
Germany (group provident fund)	1.00	1.00
Switzerland	0.25	0.25

[1] not relevant in Germany

In addition to the long-term pension trend, a one-off pension adjustment amount was also taken into account for pension obligations in Germany, depending on the date of the last pension adjustment and the adjustment cycle.

In Germany, the mortality rates are determined in accordance with the Klaus Heubeck guideline mortality tables 2018 G. The LPP 2020 mortality tables apply in Switzerland, in France the current tables of the INSEE.

Actuarial gains and losses are the result of changes in beneficiaries and deviations from the actual trends (e.g., increases in income or pensions) vis-á-vis accounting assumptions. In accordance with the regulations stated in IAS 19, this amount is offset against other comprehensive income in equity.

A change in the key actuarial assumptions as of the balance sheet date would influence the DBO as follows:

	Change in the DBO	
in thousand euros	Increase	Reduction
Discounting rate – change of 1.0 percentage points	– 18,394 (– 12,403)	19,396 (13,267)
Future increases in salary – change of 1.0 percentage points	2,787 (2,176)	– 2,504 (– 1,960)
Future increases in pension – change of 1.0 percentage points	12,300 (9,802)	– 2,973 (– 2,428)
Mortality rates – change by 1 year	4,006 (3,251)	– 3,929 (– 3,115)

The figures in brackets relate to the prior year

The sensitivity analysis shows the change in a DBO in the event of a change in an assumption. Since the changes do not have a straight-line effect on the calculation of DBO due to actuarial effects, the cumulative change in the DBO resulting from changes in a number of assumptions cannot be directly determined.

The reduction in the pension increase was limited to a level of 0 percent and was applied to the pension obligation in Switzerland.

As of December 31, 2024, the weighted average remaining service period was 9 years, and the weighted average remaining maturity of the obligation was 14 years.

The expected pension payments from the pension plans as of December 31, 2024, for the following fiscal year amount to 6,865 thousand euros (prior year: 6,404 thousand euros) and for the subsequent four fiscal years to 30,216 thousand euros (prior year: 27,753 thousand euros).

Defined contribution plans

Within the framework of the defined contribution plans, expenses for 2024 totaled 23,112 thousand euros (prior year: 21,857 thousand euros); this figure includes contributions to statutory pension insurance providers in the sum of 17,226 thousand euros (prior year: 16,318 thousand euros).

5.12 Other provisions

The development of other provisions is shown in the following table.

in thousand euros	Balance as of 1/1/2024	Currencies	Addition	Compounding	Utilization	Reversals	Balance as of 31/12/2024
Personnel	36,642	183	24,480	177	– 25,377	– 1,515	34,590
Guarantee and warranty obligations	8,380	18	6,234	39	– 1,873	– 2,886	9,912
Others	7,050	125	1,858	39	– 1,291	– 379	7,402
Total	**52,072**	**327**	**32,572**	**255**	**– 28,541**	**– 4,781**	**51,904**

Key items in the personnel provisions relate to performance bonuses, profit sharing, and similar obligations, as well as to the share-based payments for the Executive Board. Personnel provisions also included anniversary of service payments in the sum of 4,998 thousand euros (prior year: 4,791 thousand euros) and partial retirement obligations in the sum of 2,730 thousand euros (prior year: 2,372 thousand euros). Actuarial expert opinions were obtained for the anniversary and partial retirement obligations with the assumption of income increasing in Germany at 3.00 percent (prior year: 3.00 percent).

The provision for guarantee and warranty obligations included expenses for individual warranty cases as well as for lump-sum rate warranty risks. The calculation of the provision for lump-sum rate warranty risks is based on empirical values that were determined as a guarantee cost ratio of revenue on a company or product group-specific basis and applied to revenues which are liable to guarantees. The amounts that were reversed in the fiscal year 2024 mainly comprise guarantee and warranty provisions for specific individual cases for which the underlying obligations no longer existed as a result of agreements with customers for remedial action.

Other provisions include, among others, decommissioning obligations, specifically in the Smart Mobility Solutions division, as well as the remaining obligations under indemnity agreements from the sale of VINCORION. Other provisions also included numerous identifiable specific risks that were accounted for in the amount of the best possible estimate of the settlement sum.

The expected utilization by maturity is shown below:

in thousand euros	Up to 1 year	1 to 5 years	More than 5 years	2024
Personnel	25,683	7,995	912	34,590
Guarantee and warranty obligations	8,299	1,613	0	9,912
Others	3,376	3,841	185	7,402
Total	**37,358**	**13,449**	**1,097**	**51,904**

5.13 Share-based payments

The effects associated with the share-based payments with settlement in cash were as follows:

	Statement of profit or loss		Statement of financial position	
in thousand euros	2024	2023	2024	2023
Virtual shares for the current year	– 927	– 1,186	927	1,186
Virtual shares for prior years	718	– 636	1,752	2,575
Total	**– 209**	**– 1,822**	**2,680**	**3,761**

As of December 31, 2024, the Jenoptik Group had share-based payment schemes in the form of virtual shares for Executive Board members and some senior management personnel. In this context, a distinction must be made between the performance shares in accordance with the Executive Board remuneration system and the virtual shares for some senior management personnel (LTI).

Performance shares

The virtual shares granted to the Executive Board are vested in the year of their provisional allocation and paid out at the end of their four-year, contractually-defined term. However, this only applies if multi-annual targets have been achieved at the end of the performance period. The performance shares provisionally granted for the fiscal years 2021 and 2022 are linked to the development of the Return on Capital Employed (ROCE) with a weighting of 30 percent and the Total Shareholder Return (TSR) of Jenoptik compared with the TecDax with a weighting of 70 percent. Since the fiscal year 2023, ESG targets have also been considered with a weighting of 20 percent. Conversely, the weighting of the TSR has fallen to 50 percent and, since 2023, has no longer been measured exclusively against the TecDax but half also against an individual peer group.

In the event of an exit before the end of the term, performance shares will also only be measured, finally allocated, and then paid out at the end of the respective performance period, depending on whether the targets have been achieved.

The performance shares provisionally allocated for the members of the Executive Board for fiscal years 2021 to 2024 were measured at the fair value and recognized in other provisions. The fair value of the performance shares is determined based on an arbitrage-free valuation according to the Black/Scholes option pricing model.

The development of the Executive Board members' virtual shares is shown in the following table:

in units	Number for 2024	Number for 2023
Executive Board		
1/1	127,774	106,319
Granted for the period	42,923	43,351
Expired[1]	– 5,498	– 18,086
Paid out	– 27,122	– 3,810
31/12	138,077	127,774

[1] Adjustment of provisional allocation to target achievement during the performance period

LTI

Virtual shares (LTI) are also granted to some senior management personnel. The number of LTI to be allocated is determined based on target achievement as well as on the volume-weighted average closing price of the Jenoptik share over the twelve months of the reference year. The vesting period is the four subsequent years. Payment is made on expiry of the vesting period, based on the volume-weighted average closing price of the Jenoptik share in the fourth subsequent year.

If a person leaves the company before the end of the term, the LTI may be forfeit, depending on the reasons for leaving.

The virtual shares granted to the top management are measured at the pro rata fair value already vested and recognized in other provisions. The valuation basis used for determining the fair value of the LTI is the volume-weighted, average share closing price of the Jenoptik share over the last twelve months.

The development of the LTI is shown in the following table:

in units	Number in 2024	Number in 2023
Members of the top management		
1/1	28,724	31,794
Granted for the period	3,097	7,125
Granted for adjustment of target achievement in prior year	– 174	1,160
Paid out	– 25,324	– 11,355
31/12	6,323	28,724

5.14 Other current financial liabilities

in thousand euros	31/12/2024	31/12/2023
Other liabilities to investments	116	0
Liabilities from interest	3,945	4,630
Derivatives	4,868	686
Liabilities from remuneration for the Supervisory Board	954	923
Other current financial liabilities	1,001	1,819
Total	**10,884**	**8,058**

Derivatives are described in more detail in the Notes under “Financial instruments”.

5.15 Other current non-financial liabilities

in thousand euros	31/12/2024	31/12/2023
Liabilities to personnel	10,922	9,419
Liabilities from other taxes	6,054	6,266
Liabilities from social security	2,671	2,690
Liabilities to trade association	1,374	1,228
Other current non-financial Liabilities	140	138
Total	**21,160**	**19,741**

Liabilities to employees included, among others, vacation entitlements and flextime credits.

Liabilities from other taxes essentially comprise liabilities from sales tax.

6 Disclosures on Consolidated Statement of Cash Flows

Cash and cash equivalents are defined as the sum of cash on hand and on-demand deposits at banks with an initial maturity of less than three months.

The statement of cash flows explains the flows of payments, showing separately inflows and outflows of cash from operating, investing, and financing activities. No adjustment was made to the statement of cash flows due to the discontinued operation. Changes in the statement of financial position items used for preparing the statement of cash flows cannot be directly derived from the statement of financial position because the effects from foreign currency conversion and changes in the group of consolidated companies are non-cash transactions and are therefore eliminated. Cash flows from operating activities are indirectly derived from earnings before tax of the continuing as well as the discontinued operations. Earnings before tax are adjusted for non-cash expenses and income. The cash flows from operating activities are determined by considering the changes in working capital, provisions and other operating items in the statement of financial position.

The cash flows from investing activities changed from minus 48,481 to minus 88,029 thousand euros. They were influenced by the increased payments for investments in property, plant, and equipment in the reporting year (83,235 thousand euros; prior year: 78,636 thousand euros), primarily in order to expand production capacities through the construction of the Dresden fab, as well as a reduction in payments received from the sale of property, plant, and equipment (3,069 thousand euros; prior year: 21,368 thousand euros). The prior year also included proceeds from the disposal of a shareholding that had been accounted for using the equity method (8,480 thousand euros).

Compared with prior year, cash outflows for dividends paid to shareholders of the parent company within the cash flows from financing activities increased to 20,033 thousand euros (prior year: 17,171 thousand euros) and 0.35 euros per share (prior year: 0.30 euros per share). In addition, dividends were paid to minority shareholders in the sum of 1,483 thousand euros (prior year: 4,083 thousand euros). Information on receipts from and payments for loans can be found in the section “Financial instruments.”

The changes in financial debt that will lead to cash flows from financing activities in the future are shown in the table below.

			Non cash-effective change				
in thousand euros	Balance as of 1/1/2024[1]	Cash-effective change	Foreign currency exchange effects	Addition/ disposal	Change in fair value	Change in maturity	Balance as of 31/12/2024
Non-current financial debt	466,487	478	3,514	10,215	129	– 16,923	463,899
	(477,729)	(– 12,326)	(– 1,698)	(19,599)	(143)	(– 16,960)	(466,487)
Non-current liabilities to banks	416,008	478	3,397	0	129	– 3,094	416,918
	(435,369)	(– 12,326)	(– 1,835)	(0)	(143)	(– 5,343)	(416,008)
Non-current liabilities from leases	50,479	0	117	10,215	0	– 13,829	46,981
	(42,360)	(0)	(137)	(19,599)	(0)	(– 11,617)	(50,479)
Current financial debt	24,273	– 25,219	73	1,167	0	16,923	17,217
	(59,052)	(– 56,768)	(40)	(4,988)	(0)	(16,960)	(24,273)
Current liabilities to banks	9,993	– 9,966	– 20	0	0	3,094	3,101
	(47,135)	(– 42,525)	(40)	(0)	(0)	(5,343)	(9,993)
Current liabilities from leases	14,280	– 15,254	94	1,167	0	13,829	14,116
	(11,916)	(– 14,242)	(0)	(4,988)	(0)	(11,617)	(14,280)
Total	**490,760**	**– 24,742**	**3,587**	**11,382**	**129**	**0**	**481,116**
	(536,781)	**(– 69,094)**	**(– 1,658)**	**(24,587)**	**(143)**	**(0)**	**(490,760)**

The figures in brackets relate to the prior year
[1] Amended based on IAS 1 (classification of liabilities as current or non-current, see section 1.2)

For information regarding the allocation of the free cash flow to the divisions, we refer to the Segment Report.

7 Disclosures on the Segment Report

IFRS 8, which follows the management approach, forms the basis for the segment reporting. Accordingly, the external reporting is carried out for the attention of the chief operating decision makers based on the intra-group organizational and management structures as well as the internal reporting structure. The Executive Board analyzes the financial information using the key performance indicators that serve as a basis for decisions on allocating resources and assessing performance. The accounting and reporting policies and principles for the segments are essentially the same as those described for the Group in the accounting principles.

Jenoptik has the following reportable segments in fiscal year 2024: the Advanced Photonics Solutions and Smart Mobility Solutions divisions and the Non-Photonic Portfolio Companies.

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

The Smart Mobility Solutions division operates in the smart mobility market, primarily targeting the fields of traffic monitoring (traffic law enforcement/road safety) and civil security. For customers in the public sector (local and central government, police and regulatory agencies), the division develops, produces, and distributes photonics-based components, systems, and services, which are used to monitor compliance with road traffic regulations and thus make roads and cities safer worldwide.

Non-photonic activities, in particular on the automotive market, are managed within the Jenoptik Group by the Non-Photonic Portfolio Companies. In the field of industrial metrology and optical inspection (HOMMEL ETAMIC) and highly flexible, robot-based automation (Prodomax), the Non-Photonic Portfolio Companies develop manufacturing solutions for customers in the automotive and aerospace sectors as well as other manufacturing industries. With its products, automation solutions, and services for industrial customers, Jenoptik is thus primarily addressing the trend towards greater flexibility and efficiency in production processes, particularly in the automotive industry.

The Corporate Center (Holding, Shared Services, Real Estate) is reported under Other.

The “Consolidation” column comprises the business relationships to be consolidated between the segments and Other, as well as the necessary reconciliations.

The business relationships between the entities in the Jenoptik Group segments are generally based on prices that are also agreed with third parties.

With a customer from the Advanced Photonic Solutions division, revenues of approximately 20 percent (prior year: 20 percent) were realized.

The analysis of revenue by region is made according to the country in which the customer has its registered office.

7.1 Segment report

in thousand euros	Advanced Photonic Solutions	Smart Mobility Solutions	Non-Photonic Portfolio Companies	Other	Consolidation	Total
Revenue	879,282	119,536	129,101	60,612	– 72,743	1,115,787
	(833,192)	(118,784)	(125,193)	(63,899)	(– 75,019)	(1,066,048)
of which intra-group revenue	12,476	0	3,172	57,095	– 72,743	0
	(11,999)	(0)	(4,090)	(58,930)	(– 75,019)	(0)
of which external revenue	866,806	119,536	125,929	3,517	0	1,115,787
	(821,192)	(118,784)	(121,104)	(4,968)	(0)	(1,066,048)
Europe	524,937	81,663	41,547	3,517	0	651,664
	(464,477)	(75,299)	(44,592)	(4,968)	(0)	(589,337)
of which Germany	239,810	45,597	29,377	3,517	0	318,302
	(202,644)	(36,538)	(28,194)	(4,968)	(0)	(272,345)
of which the Netherlands	191,522	3,194	46	0	0	194,762
	(176,982)	(3,600)	(47)	(0)	(0)	(180,629)
Americas	152,227	14,173	77,429	0	0	243,830
	(150,075)	(16,859)	(70,267)	(0)	(0)	(237,200)
of which the US	142,306	4,352	38,278	0	0	184,937
	(141,672)	(5,486)	(40,430)	(0)	(0)	(187,589)
Middle East and Africa	27,861	8,911	342	0	0	37,114
	(29,717)	(5,209)	(147)	(0)	(0)	(35,073)
Asia/Pacific	161,781	14,788	6,609	0	0	183,179
	(176,924)	(21,417)	(6,098)	(0)	(0)	(204,438)
EBITDA	191,914	13,641	22,529	– 6,164	– 380	221,539
	(182,563)	(15,321)	(17,636)	(– 5,562)	(– 368)	(209,592)
Depreciation/amortization	– 53,014	– 7,131	– 7,082	– 7,685	0	– 74,912
	(– 49,969)	(– 6,258)	(– 7,097)	(– 7,546)	(0)	(– 70,870)
Impairments	– 53	0	0	0	0	– 53
	(– 321)	(0)	(– 12,387)	(0)	(0)	(– 12,708)
Free cash flow (before income taxes)	96,636	8,136	14,736	– 17,028	452	102,933
	(78,208)	(10,130)	(40,116)	(– 956)	(– 154)	(127,344)
Working capital	257,732	22,728	51,018	– 12,280	– 438	318,760
	(239,442)	(31,363)	(44,437)	(– 11,057)	(184)	(304,369)
Order intake (external)	812,783	122,880	88,506	3,517	0	1,027,686
	(826,487)	(113,577)	(147,126)	(4,968)	(0)	(1,092,159)
Capital expenditure in intangible assets and property, plant, and equipment	86,997	15,784	4,615	7,183	0	114,579
	(83,074)	(12,806)	(6,758)	(7,726)	(0)	(110,365)
Number of employees (full time equivalents/FTE)	2,956	507	527	288	0	4,278
	(3,033)	(485)	(500)	(262)	(0)	(4,280)

The free cash flow (before income taxes) = cash flows from operating activities before income tax payments, less cash inflows and outflows for intangible assets and property, plant, and equipment

The figures in brackets relate to the prior year

Reconciliation of segment result

EBITDA means earnings before interest, taxes, and depreciation, and amortization (including impairments and reversal of impairments). The reconciliation of the EBITDA with the EBIT reported in the consolidated statement of profit or loss is as follows:

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
EBITDA	221,539	209,592
Depreciation and amortization	– 74,912	– 70,870
Impairments	– 53	– 12,708
Reversals of impairments	0	314
EBIT	**146,574**	**126,328**

New structure in 2025

As part of its continued strategic focus, Jenoptik has adjusted its internal organizational structure with effect from 2025. The previous Advanced Photonics Solutions division will be dissolved and, together with the HOMMEL ETAMIC section, will be transferred to the Semiconductor & Advanced Manufacturing, Biophotonics, and Metrology & Production Solutions segments. The Smart Mobility Solutions segment will continue unchanged. From 2025, Prodomax, as a non-reportable segment, will be reported together with the Corporate Center as Other.

7.2 Non-current assets by regions

in thousand euros	31/12/2024	31/12/2023[1]
Europe	956,867	917,257
Americas	101,374	100,631
Asia/Pacific	58,907	61,312
Group	**1,117,148**	**1,079,200**
of which Germany	636,215	590,001
of which outside Germany	480,932	489,199
including Switzerland	272,994	279,663

[1] Allocation of goodwill by region adjusted

The non-current assets recognized here include intangible assets, property, plant, and equipment, as well as other non-current non-financial assets. The assets are fundamentally allocated to the individual regions according to the countries in which the consolidated entities have their registered office. In line with its allocation by currency areas, goodwill is also allocated according to assets by region.

8 Other Disclosures

8.1 Capital management

The aim of Jenoptik's capital management is to maintain a strong capital base to retain the trust of the shareholders, creditors, and capital markets, as well as to ensure the sustained, successful development of the company. As part of its regular management reporting, the Executive Board monitors in particular the order intake, development of revenue, EBITDA margin, capital expenditure development, and cash conversion rate. In the event of a significant deterioration in the key indicators, alternatives for action are developed and the corresponding measures implemented.

As of the balance sheet date December 31, 2024, the key financing of the Jenoptik Group includes a syndicated loan in the sum of 400,000 thousand euros, utilized with 7,270 thousand euros, as well as nine debenture bonds in the total sum of 311,000 thousand euros and one debenture bond in the sum of 59,000 thousand US dollars. Further details on these are shown under "Liquidity risk."

In addition to the syndicated loan and debenture bonds, the Jenoptik Group utilizes to a lesser extent other sources of financing, consisting of bilateral credit lines, subsidized loans, lease and rental financing, and factoring. These instruments are used to actively control cash flow development. Detailed information on the factoring is shown in the section "Current trade receivables". The financial debt as of December 31, 2024 is as follows:

in thousand euros	Up to 1 year	1 to 5 years	More than 5 years	Total
Liabilities to banks	3,101	324,938	91,981	420,019
	(4,156)	(337,490)	(84,354)	(426,001)
Liabilities from leases	14,116	32,918	14,064	61,097
	(14,280)	(33,905)	(16,574)	(64,759)
Total	**17,217**	**357,855**	**106,044**	**481,116**
	(18,437)	**(371,395)**	**(100,928)**	**(490,760)**

The figures in brackets relate to the prior year

8.2 Financial instruments

General

Within the course of its operating activities, Jenoptik is exposed to credit and default risks, liquidity risks, and market risks. The market risks include interest rates and currency risks.

The risks described above impact on the financial assets and liabilities, which are shown below.

Financial assets

in thousand euros	Valuation category in accordance with IFRS 9[1]	Carrying amounts 31/12/2024	Valuation in the statement of financial position in accordance with IFRS 9		
			Amortized costs	Fair value – through other comprehensive income	Fair value – through profit or loss
Financial investment					
Current financial Investments (cash deposits)	AC	676 (0)	676 (0)		
Shares in non-consolidated associates and investments	FVTOCI	692 (632)		692 (632)	
Loans and other financial investments	AC	279 (313)	279 (313)		
Trade receivables	**AC**	**130,820** **(144,239)**	**130,820** **(144,239)**		
Other financial assets					
Derivatives with hedge relations					
– Interest and currency swap	---	6,905 (3,768)		6,905 (3,768)	
– Foreign exchange forward transactions/ foreign exchange swaps	---	339 (3,568)		339 (3,568)	
– Interest cap	---	530 (1,947)		530 (1,947)	
Derivatives without hedge relations					
– Interest and currency swap	FVTPL	0 (290)			(0) (290)
– Foreign currency forward transactions/ foreign exchange swaps	FVTPL	312 (112)			312 (112)
Other financial assets	AC	4,109 (5,952)	4,109 (5,952)		
Cash and cash equivalents	**AC**	**84,897** **(67,690)**	**84,897** **(67,690)**		
Total		**229,560** **(228,511)**	**220,781** **(218,195)**	**8,466** **(9,915)**	**313** **(402)**

The figures in brackets relate to the prior year

[1] AC = Amortized costs
FVTPL = Fair value through profit or loss
FVTOCI = Fair value through other comprehensive income

Financial liabilities

in thousand euros	Valuation category in accordance with IFRS 9[1]	Carrying amounts 31/12/2024	Valuation in the statement of financial position in accordance with IFRS 9: Amortized costs	Fair value – through other comprehensive income	Fair value – through profit or loss	Valuation in accordance with IFRS 16
Financial debt						
Liabilities to banks	AC	420,019 (426,001)	420,019 (426,001)			
Lease liabilities	---[2]	61,097 (64,759)				61,097 (64,759)
Trade payables	**AC**	**105,595 (108,810)**	**105,595 (108,810)**			
Other financial liabilities						
Derivatives with hedge relations						
– Foreign exchange forward transactions/ foreign exchange swaps	---	5,332 (557)		5,332 (557)		
– Interest swap		1,173 (0)		1,173 (0)		
Derivatives without hedge relations						
– Foreign exchange forward transactions/foreign exchange swaps	FVTPL	642 (382)			642 (382)	
Other financial liabilities	AC	7,156 (9,055)	7,156 (9,055)			
Total		**601,014 (609,564)**	**532,770 (543,866)**	**6,505 (557)**	**642 (382)**	**61,097 (64,759)**

The figures in brackets relate to the prior year

[1] AC = Amortized costs
FVTPL = Fair value through profit or loss
FVTOCI = Fair value through other comprehensive income

[2] Valuation in accordance with IFRS 16

The classification of the fair values for the financial assets and financial liabilities can be seen in the following table:

in thousand euros	Carrying amounts 31/12/2024	Level 1	Level 2	Level 3
Shares in non-consolidated associates and investments	692 (632)	0 (0)	0 (0)	692 (632)
Derivatives with hedge relations (assets)	7,774 (9,282)	0 (0)	7,774 (9,282)	0 (0)
Derivatives without hedge relations (assets)	312 (401)	0 (0)	312 (401)	0 (0)
Derivatives with hedge relations (liabilities)	6,505 (557)	0 (0)	6,505 (557)	0 (0)
Derivatives without hedge relations (liabilities)	642 (382)	0 (0)	642 (382)	0 (0)

The figures in brackets relate to the prior year

Fair values available as quoted market prices at all times are allocated to level 1. Fair values determined based on direct or indirect observable parameters are allocated to level 2. Level 3 is based on valuation parameters that are not derived from observed market data.

The fair values of all derivatives are determined using generally accepted present value methods. In this context, the future cash flows determined via the agreed forward rate or interest rate are discounted using current market data. The market data used in this context is taken from leading financial information systems, for example Refinitiv. If interpolation of market data is applied, this is done on a linear basis.

Credit and default risk

The credit and default risk is the risk of a customer or contractual partner of Jenoptik failing to meet its contractual obligations. On the one hand, this results in the risk of creditworthiness-related impairments of financial instruments and, on the other, the risk of partial or complete default on contractually agreed payments.

Credit and default risks primarily exist for trade receivables. These risks are countered by pursuing active receivables management and recognizing impairments. In addition, Jenoptik is exposed to credit and default risks for cash and cash equivalents as well as current cash deposits. These risks are considered through constant monitoring of the creditworthiness of our business partners. To this end, business partner credit ratings and Credit Default Swaps (CDS) are subject to regular evaluation. For risk management purposes, liquid funds, among other things, are spread between a number of banks within fixed limits.

The maximum default risk corresponds to the carrying amount of the financial assets and as at the reporting date totaled 229,560 thousand euros (prior year: 228,511 thousand euros).

The following impairments on financial assets were recognized through profit or loss in the fiscal year:

in thousand euros	2024	2023
Trade receivables and contract assets	2,312	3,114
Financial investments and other financial assets	240	64
Cash and cash equivalents	0	120
Total	**2,552**	**3,298**

These impairments were offset against the following reversals of impairments for financial assets:

in thousand euros	2024	2023
Trade receivables and contract assets	3,568	2,103
Cash and cash equivalents	119	0
Financial investments	10	0
Total	**3,696**	**2,103**

Liquidity and financing risk

The liquidity risk entails the possibility of the Group being unable to meet its financial obligations. In order to ensure solvency and financial flexibility at all times, cash and cash equivalents, as well as credit lines and level of utilization are planned once a year by means of a five-year financial plan as well as three times a year by means of a quarterly forecast of the statement of financial position, earnings, and cash flow. The liquidity risk is also mitigated by effective cash and working capital management.

As of the balance sheet date, the liquidity reserves in the form of cash and cash equivalents totaled 84,897 thousand euros (prior year: 67,690 thousand euros).

In addition, the Group has a guaranteed and unused credit line at its disposal in the sum of 399,521 thousand euros (prior year: 393,661 thousand euros). This is primarily attributable to the syndicated loan of 400,000 thousand euros concluded in December 2021. As of the balance sheet date of December 31, 2024, the syndicated loan was utilized in the form of guarantees in the sum of 7,363 thousand euros and through overdraft facilities in the sum of 171 thousand euros. On conclusion, the term of the syndicated loan agreement was set for a period up to December 2026. As a result of the utilization of the first of two extension options in fiscal year 2022, the term of the agreement was extended by one year up to December 2027. The second extension option was requested in the fiscal year 2023. In this context, six out of seven of the syndicate banks have agreed to the extension of the loan for another year. The term of the syndicated loan agreement has therefore been extended until December 2028 for a portion of the loan in the sum of 349,875 thousand euros.

In March 2024, a tranche of the variable interest-bearing debenture bond, in the sum of 13,500 thousand euros, payable in March 2028, was repaid prematurely. As a result, as of December 31, 2024, a total of ten remaining debenture bond tranches amounted to 311,000 thousand euros and 59,000 thousand US dollars.

No financial covenants were agreed for either the syndicated loan or the debenture bonds. However, the terms of the financings are geared towards the Group's ESG targets of increasing diversity, reducing CO_2 emissions, and increasing transparency in the supply chain. Jenoptik achieved the latter two targets in fiscal year 2023, but narrowly missed the target of increasing diversity for both financing instruments. In accordance with the loan terms, this was verified and confirmed by Jenoptik's internal audit department in fiscal year 2024. As a result, Jenoptik no longer benefited from a slightly reduced credit margin in fiscal year 2024.

The debenture bonds maturing in 2026, 2028, or 2031 provide Jenoptik with a long-term financing base. With its flexible utilization options and extended term, the syndicated loan is another key financing component. This very solid financing mix, the maturity structure, which is shown in the table below, provides the financial basis for further growth.

in thousand euros	Interest rates (Bandwidth in %)	Carrying amounts 31/12/2024	Cash outflow Total	Cash outflow Up to 1 year	Cash outflow 1 to 5 years	Cash outflow More than 5 years
Variable, interest-bearing liabilities to banks	4.01- 4.41	205,891	230,948	8,054	184,433	38,461
	(4.14- 5.39)	(225,054)	(271,548)	(22,182)	(209,265)	(40,101)
Fixed interest bearing liabilities to banks	0.60- 5.54	214,128	222,297	13,573	186,010	22,714
	(0.60- 1.97)	(200,947)	(206,064)	(9,987)	(170,526)	(25,551)
Lease liabilities	0.56- 8.97	61,097	68,389	15,929	36,660	15,800
	(0.56- 6.91)	(64,759)	(73,681)	(16,577)	(38,541)	(18,563)
Total		**481,116**	**521,634**	**37,556**	**407,103**	**76,975**
		(490,760)	**(551,294)**	**(48,746)**	**(418,333)**	**(84,215)**

The figures in brackets relate to the prior year

The cash outflows within one year essentially include interest payments for the debenture bonds as well as interest and principal payments for real estate financings in Germany. This item also includes repayments of lease liabilities.

The cash outflows in the time frame of between one to five years mainly comprise the repayments of the debenture bonds with original terms of four and a half, five, six and a half, and seven years. This item also includes interest and principal payments for real estate financing in Germany with an original ten-year term, as well as lease liabilities.

Cash outflows over five years mainly comprise repayments for debenture bond tranches with original maturities of nine-and-a-half years, as well as interest and principal payments for real estate financing in Germany and leases.

Risk of changes in interest rates

Jenoptik is fundamentally exposed to the risks of fluctuations in market interest rates for all interest-bearing financial assets and liabilities. In fiscal year 2024, this mainly related to the debenture bonds raised in the sum of 311,000 thousand euros (prior year: 324,500 thousand euros) and 59,000 thousand US dollars (prior year: 59,000 thousand US dollars) as well as the utilization of the syndicated loan contract through overdraft facilities in the sum of 171 thousand euros (prior year: 11,303 thousand euros) at the respective balance sheet date.

	Carrying amounts	
in thousand euros	31/12/2024	31/12/2023
Interest bearing financial assets	60,788	30,256
Variable interest	32,604	9,197
Fixed interest	28,184	21,058
Interest bearing financial liabilities	482,256	492,443
Variable interest	206,854	231,442
Fixed interest	275,403	261,002

The calculated gains and losses from a change in the market interest rate as of December 31, 2024, within a bandwidth of 100 basis points, are shown in the following table:

in thousand euros	31/12/2024	31/12/2023
Increase by 100 base points		
Interest bearing financial assets	326	92
Interest bearing financial liabilities	– 2,069	– 2,314
Impact on earnings before tax	**– 1,742**	**– 2,222**
Reduction of 100 base points		
Interest bearing financial assets	– 326	– 92
Interest bearing financial liabilities	2,069	2,314
Impact on earnings before tax	**1,742**	**2,222**

As part of the management of interest rate risks, Jenoptik relies on a mix of fixed and variable interest-bearing assets and liabilities, as well as on various interest rate hedging transactions. These include, for example, interest swaps, interest caps and floors, as well as combined interest and currency swaps. As of the balance sheet date on December 31, 2024, there was an interest swap, newly concluded in 2024, a combined interest rate and currency swap, and one interest cap in place, with the following structure:

Interest swap euro	
Nominal volume	36,500 thousand euros
Term	September 30, 2024 to March 31, 2031
Fixed interest rate to be paid in euros	2.88 percent p. a.
Variable interest rate to be received in euros	6-month Euribor
Interest and currency swap US dollar	
Nominal volume	59,000 thousand US dollars
Term	March 31, 2021 to March 31, 2026
Fixed interest rate to be received in US dollars	2.024 percent p. a.
Fixed interest rate to be paid in euros	0.645 percent p. a.
Interest cap euro	
Nominal volume	107,000 thousand euros
Term	September 30, 2022 to March 31, 2028
Interest rate cap	3.00 percent p. a.
Reference interest rate	6-month Euribor

The euro interest swap is used to limit the risk of a change in the interest rate of a tranche of a debenture bond issued in 2021 in the sum of 36,500 thousand euros. As of December 31, 2024, the negative market value of 1,173 thousand euros was recognized in the cash flow hedge reserve at minus 1,199 thousand euros, and 26 thousand euros though profit or loss in the financial result, in accordance with the pro rata accrual of the compensation payment for the current interest period.

The interest and currency swap in US dollars is used as a hedge for the risk of foreign currency exchange differences for the debenture bond tranche issued in 2021, in the sum of 59,000 thousand US dollars. The future cash flows to be expected were fixed for the entire term on conclusion of the contract. The market value is sub-divided into an interest and a currency component. As of December 31, 2024, the interest component had a market value of minus 600 thousand euros, which was recognized in the cash flow hedge reserve in other comprehensive income. Explanations of the foreign currency component follow in the next section “Foreign currency exchange risk”.

The interest cap is used as a hedge against the risk of a change in the interest rate of a variable, interest-bearing tranche of a debenture bond issued in 2021 in the sum of 107,000 thousand euros. The hedging effect of the cap comes into force as soon as the 6-month Euribor exceeds the 3.0 percent p.a. threshold. In this event, the counterparty pays Jenoptik the difference between the money market rate applicable at that time and 3.0 percent. Any compensation payments received are recognized in the financial result through profit or loss over the respective interest period. The original fair value of the interest rate cap on conclusion of the contract is amortized over the 7-year term. Changes in fair value are recognized through other comprehensive income. As of December 31, 2024, the amount recognized in the cash flow hedge reserve was minus 1,268 thousand euros (prior year: minus 653 thousand euros).

The following deposits and payments made are expected from the aforementioned hedging instruments:

in thousand euros	Up to 1 year	1 to 5 years	More than 5 years	Total
Interest swap euro				
Expected payments to bank	1,051	4,219	1,586	6,856
	(0)	(0)	(0)	(0)
Expected payments receipts from bank	985	3,179	1,300	5,464
	(0)	(0)	(0)	(0)
Interest and currency swap US dollar				
Expected payments to bank	322	322	0	644
	(322)	(644)	(0)	(966)
Expected payments from bank	1,010	1,010	0	2,020
	(1,010)	(2,020)	(0)	(3,030)
Interest cap euro				
Expected payments from bank	88	0	0	88
	(828)	(0)	(0)	(828)

The figures in brackets relate to the prior year

Additionally, at the maturity of the interest and currency swap, the nominal amounts will be exchanged from euros to US dollars.

Foreign currency exchange risk

Foreign currency exchange risks include two types: conversion risk and transaction risk.

The conversion risk arises from fluctuations in value caused by changes in exchange rates from the conversion of financial assets and liabilities in foreign currencies into the currency of the statement of financial position. Since this is normally not associated with any cash flows, in most cases hedging is not carried out.

The transaction risk arises from the fluctuation in value of cash flows in foreign currencies caused by changes in currency exchange rates. Derivative financial instruments are used to hedge this risk. These are mainly currency forward transactions and currency swaps and, to a lesser extent, currency options.

Hedging is provided for significant cash flows in foreign currencies from the operational business, generally revenues. Contractually agreed cash flows are hedged 1:1 via so-called micro-hedges. Planned cash flows are secured proportionally as part of the anticipatory hedging.

Jenoptik also hedges the expected cash flows from intra-group loans in foreign currencies which have not been declared as a “Net Investment in a Foreign Operation,” using derivative financial instruments. Derivatives used to hedge intra-group loans are not designated as a hedging instrument. As of December 31, 2024, intra-group loans in foreign currencies were hedged as follows:

Borrowers of intra-group loans	Outstanding amount of intra-group loans (excluding “Net Investment in a foreign operation”)	Hedging volume
Prodomax Automation Ltd., Canada	32,000 thousand CAD	32,000 thousand CAD
Prodomax Automation Ltd., Canada	1,000 thousand USD	0 thousand USD
SwissOptic AG, Switzerland	10,507 thousand CHF	5,000 thousand CHF
JENOPTIK UK Ltd., Great Britain	7,828 thousand GBP	7,000 thousand GBP
JENOPTIK North America Inc.	937 thousand USD	4,000 thousand USD

There were various foreign currency forward transactions and foreign exchange swaps in place as at the balance sheet date. A so-called cash flow hedge relation with the respective underlying transaction was documented for the vast majority of these transactions. Where this is proven effective, its changes in value did not have to be recognized through profit or loss but through other comprehensive income in the cash flow hedge reserve. To measure the effectiveness, a prospective, quality-related effectiveness test was conducted, on the designation date as well as on a continuous basis, normally as of the balance sheet date.

The interest rate and currency swap in US dollar, already mentioned in the previous section “Risk of changes in interest rates”, is used to hedge the foreign exchange currency risk for the tranche of a debenture bond in the sum of 59,000 thousand US dollars. The positive market value of its currency components totaled 6,884 thousand euros as of the qualifying date December 31, 2024. The change in the market value of the currency component is reflected in the statement of profit or loss. This creates the targeted offsetting effect with the countervailing change in the value of the underlying transaction (valuation of the foreign currency liability in euros).

The breakdown of currency forward transactions, foreign exchange swaps, and foreign exchange options, as well as the interest rate and currency swaps according to currency sales and purchases, is as follows:

in thousand euros	31/12/2024	31/12/2023
USD – sale for EUR	85,518	139,535
USD – purchase for EUR	57,173	57,173
GBP – sale for EUR	7,760	7,760
USD – sale for CHF	20,912	3,382
USD – sale for CAD	9,486	2,735
CNY – sale for EUR	4,133	10,661
JPY – sale for EUR	395	395
JPY – purchase for EUR	311	0
CAD – sale for EUR	21,597	35,763
CAD – purchase for EUR	0	5,445
CHF – sale for EUR	5,318	6,468
Total foreign currency sales	**155,119**	**206,700**
Total foreign currency purchases	**57,484**	**62,618**

The existing foreign currency forward transactions, currency swaps, and currency options, as well as the interest and currency swaps and the interest rate cap, had the following market values as of the balance sheet date:

in thousand euros	31/12/2024	31/12/2023
Positive market values		
Derivatives with hedge relations		
Non-current	7,435	7,726
Current	339	1,556
Derivatives without hedge relations		
Non-current	0	360
Current	312	42
Total positive market values	**8,086**	**9,684**
Negative market values		
Derivatives with hedge relations		
Non-current	1,932	252
Current	4,572	304
Derivatives without hedge relations		
Non-current	346	0
Current	296	382
Total negative market values	**7,147**	**939**
Balance	**939**	**8,745**

The market values for hedging transactions for intra-group loans are included in the derivatives without hedge relations as the underlying transaction comprising intra-group receivables and liabilities is eliminated. The positive market values of these derivatives as of the balance sheet date totaled 312 thousand euros (prior year: 87 thousand euros), while the negative market values totaled 642 thousand euros (prior year: 382 thousand euros). The change led to an overall loss of 35 thousand euros (prior year: loss of 301 thousand euros) that was recognized in the financial result through profit or loss.

As at December 31, 2024 cumulative losses in hedged currency forward transactions and currency swaps were recognized in the sum of 8,026 thousand euros (prior year: cumulative profit in the sum of 2,110 thousand euros). As of the balance sheet date the change in the sum of minus 10,136 thousand euros comprises changes in the value of the derivatives held in the portfolio in the sum of minus 5,979 thousand euros (prior year: loss of 1,750 thousand euros) as well as the market values in the sum of 4,157 thousand euros (prior year: 433 thousand euros), reclassified in the statement of profit or loss in the reporting year. This type of reclassification is normally associated with the recognition of the underlying transaction through profit or loss (for example, recognition of revenue) so the offsetting effect intended when concluding the hedge transaction is achieved.

The foreign exchange hedging transactions for operating activities (excluding interest rate and currency swaps as well as hedging transactions on intra-group loans) hedge against foreign currency risks in the amount of 111,306 thousand euros with a time frame up to the end of 2025. Foreign currency risks with a time frame up to the end of 2026 were hedged in the sum of 12,469 thousand euros.

The main foreign currency risks of Jenoptik involve the US dollar. The table below shows a list of the financial assets and liabilities in US dollars and the resultant net risk item for the statement of financial position:

in thousand euros	31/12/2024	31/12/2023
Financial assets	44,850	27,031
Financial debts	59,795	71,482
Net risk item for the statement of financial position	**– 14,945**	**– 44,451**

As of the balance sheet date, a US dollar-based net risk item was accounted for in the sum of minus 14,945 thousand euros (prior year: minus 44,451 thousand euros). The increase of 17,819 thousand euros in financial assets as of December 31, 2024 was mainly attributable to the increase in trade receivables. The reduction in financial liabilities is mainly attributable to the repayment of current liabilities to banks and the decrease in current trade payables.

A change in the US dollar exchange rate would have the following consequences:

	EUR/USD rate	Change in the net risk item (in thousand euros)
Rate on the reporting date 31/12/2024	1.0389 (1.1050)	
Increase by 5 percent	1.0908 (1.1603)	– 712 (– 2,117)
Reduction by 5 percent	0.9870 (1.0498)	787 (2,340)
Increase by 10 percent	1.1428 (1.2155)	– 1,359 (– 4,041)
Reduction by 10 percent	0.9350 (0.9945)	1,661 (4,939)

The figures in brackets relate to the prior year

In addition to the risks to the statement of financial position, the US dollar entails additional risks in terms of expected cash flows. These are estimated and hedged on a proportional basis as part of the annual medium-term planning. As of December 31, 2024, cash flows in US dollars for operating activities hedged by derivatives (excluding interest rate and currency swaps) in US dollars amounted to the equivalent of 105,110 thousand euros (prior year: 138,386 thousand euros).

8.3 Contingent liabilities and commitments

As of December 31, 2024, there were time-limited external contract performance guarantees in the sum of 10,000 thousand euros (prior year: 10,000 thousand euros) to a customer of VINCORION. The risk of a future claim is currently considered to be low.

In addition, a financing commitment was given to a non-consolidated associate in liquidation with respect to an orderly winding-up of the liquidation.

8.4 Legal disputes

Jenoptik is involved in a few court or arbitration proceedings. Provisions for litigation risks, respectively litigation expenses, were set aside in the appropriate amount to meet potential financial burdens resulting from ongoing court or arbitration proceedings. Further disclosure is not provided due to materiality considerations.

8.5 Related party disclosures in accordance with IAS 24

Related parties according to IAS 24 are entities or persons that have control over or are controlled by Jenoptik if they have not already been included in the consolidated financials statements as consolidated entities as well as entities or persons that, based on the articles of association or by contractual agreements, are able to significantly influence the financial and corporate policies of the management of JENOPTIK AG or participate in the joint management of JENOPTIK AG. Control is deemed to exist if a shareholder holds more than half of the voting rights in JENOPTIK AG. The largest single shareholder in JENOPTIK AG is Thüringer Industriebeteiligungs GmbH & Co. KG, Erfurt, which directly holds a total of 11 percent of the voting rights.

The following table shows the composition of the business relationships with non-consolidated associates, associated entities and investments.

		of which	
in thousand euros	Total	non-consolidated associates	associated entities and investments
Revenue	1,213	7	1,206
	(1,858)	(0)	(1,858)
Purchased services	1,008	82	926
	(1,173)	(59)	(1,114)
Receivables from operating activities	89	0	89
	(135)	(0)	(135)
Liabilities from operating activities	156	0	156
	(151)	(0)	(151)
Financial assets, loans granted	195	0	195
	(222)	(0)	(222)
Financial liabilities	116	116	0
	(0)	(0)	(0)

The figures in brackets relate to the prior year

Remuneration of the Executive Board and Supervisory Board

Members of the Executive Board and of the Supervisory Board of JENOPTIK AG and their close family members are also considered to be related parties.

The breakdown of the total remuneration of the members of the management in key positions (Executive Board and Supervisory Board), recorded in 2024 through profit or loss, is shown in the following table.

in thousand euros	1/1 -31/12/2024	1/1 -31/12/2023
Executive Board remuneration		
Short-term employee benefits[1]	2,282	2,338
Post-employment benefits	400	423
Share-based payment	89	1,410
Executive Board remuneration	**2,772**	**4,171**
Supervisory Board remuneration[2]	**1,026**	**960**
Total	**3,797**	**5,131**

[1] Fixed compensation, one-year variable compensation, and fringe benefits (contributions to accident and liability insurance, as well as the provision of company cars or mobility allowances)

[2] Fixed remuneration and committee remuneration including attendance fees, net

Individualized details on the remuneration of the Executive Board and Supervisory Board of JENOPTIK AG are shown in the Remuneration Report.

The expenses shown in the table for the share-based payment for the Executive Board are derived from the continuous measurement of all performance shares provisionally granted as of the balance sheet date, at the respective fair value at the balance sheet date.

The fair value of the 42,923 performance shares provisionally granted in fiscal year 2024 (prior year: 43,351) was 1,078 thousand euros at grant date (prior year: 1,244 thousand euros). The total remuneration paid to the members of the Executive Board in accordance with Section 314 (6) HGB in fiscal year 2024 therefore totaled 3,760 thousand euros (prior year: 4,006 thousand euros).

As of the balance sheet date, there were outstanding balances to members of management in key positions in the total sum of 4,222 thousand euros (prior year: 4,771 thousand euros) consisting of one and multi-year variable remuneration components of the Executive Board and the remuneration of the Supervisory Board.

Retirement benefits paid to former Executive Board members, or their survivors amounted to 71 thousand euros (prior year: 71 thousand euros). As of the balance sheet date, the pension provisions for former Executive Board members totaled 1,701 thousand euros (prior year: 1,749 thousand euros). In the fiscal year 2024, the interest expenses recorded for these existing provisions totaled 54 thousand euros (prior year: 57 thousand euros).

As in the prior year, there was no exchange of goods or services between the company and members of these two boards in fiscal year 2024.

In the fiscal year 2024 – as in the preceding years – no loans or advances were granted to members of either the Executive Board or the Supervisory Board. Consequently, there were no loan redemption payments.

9 Events After the Balance Sheet Date

The JENOPTIK AG Executive Board approved the submission of these consolidated financial statements to the Supervisory Board on March 19, 2025. The Supervisory Board is responsible for reviewing and approving the consolidated financial statements at its meeting on March 24, 2025.

Dividends. According to the Stock Corporation Act, the amount available for a dividend payment to the shareholders is based on the accumulated profit of the parent company JENOPTIK AG, which is determined in accordance with the regulations of the HGB. For fiscal year 2024, the accumulated profit of JENOPTIK AG totaled 49,862,423.26 euros, comprising the net profit for the year 2024 in the sum of 29,862,423.26 euros, plus retained profits of 20,000,000.00 euros.

The Executive Board recommends to the Supervisory Board that for the fiscal year 2024 past a dividend of 0.38 euros per qualifying no-par value share be proposed at the 2025 Annual General Meeting, representing an increase on the prior-year level (prior year: 0.35 euros). This means that an amount of 21,750,483.70 of JENOPTIK AG’s accumulated profit in the fiscal year 2024 is to be distributed. From the remaining accumulated profits of JENOPTIK AG, a sum of 8,111,939.56 euros should be allocated to other revenue reserves and a sum of 20,000,000.00 euros be carried forward to the new account.

No further events of significant importance occurred after December 31, 2024.

10 Other Required Disclosures and Supplementary Information under HGB

10.1 Disclosures in accordance with § 315e HGB and § 264 (3) HGB

The consolidated financial statements of JENOPTIK AG were prepared in accordance with § 315e HGB, exempting an entity from preparing consolidated financial statements under HGB. The consolidated financial statements and combined management report are simultaneously in conformity with the European Union Directive (2013/34/EU) on consolidated financial statements. To achieve comparability with consolidated financial statements prepared in accordance with the regulations under commercial law, mandatory disclosures and explanations under commercial law over and above those required to comply with the IFRS, are published.

The following fully consolidated German entities are included in the consolidated financial statements of JENOPTIK AG and have made use of the simplification measures provided in § 264 (3) HGB:

- JENOPTIK Automatisierungstechnik GmbH, Jena
- JENOPTIK Industrial Metrology Germany GmbH, Villingen-Schwenningen
- JENOPTIK Optical Systems GmbH, Jena
- JENOPTIK Robot GmbH, Monheim am Rhein
- TRIOPTICS GmbH, Wedel

10.2 Number of employees and personnel expenses

The breakdown of the average number of employees is as follows:

	2024	2023
Advanced Photonic Solutions	3,152	3,112
Smart Mobility Solutions	529	499
Non-Photonic Portfolio Companies	525	517
Other	311	287
Total	**4,517**	**4,415**

The average was determined in accordance with the requirements of § 267 (5) HGB for the description of the size categories.

The breakdown of the personnel expenses pursuant to § 275 (2) no. 6 HGB is as follows:

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
Wages and salaries	341,125	323,097
Social security contributions and expenses for support	53,770	49,548
Expenses for pensions	4,752	4,476
Total	**399,648**	**377,121**

10.3 Auditor fees

The fees for the services rendered by our auditor, as well as by its associates resp. network companies, amounted to:

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
Financial statement audit services	1,679	1,582
Other services	10	17
Other audit-related services	19	9
Tax consulting services	5	8
Total	**1,714**	**1,616**

The fees for the financial statement audit services relate to expenses for the audit of the annual and consolidated financial statements of JENOPTIK AG as well as the statutory and voluntary audits of the financial statements of the subsidiaries included in the consolidated financial statements.

In 2024, other services were rendered as part of a tender process as well as other audit-related services in accordance with the European Market Infrastructure Regulation (EMIR) as well as the examination of the remuneration report under Section 162 (3) AktG. Tax consulting service relates to providing support services in connection with tax returns from one subsidiary not based in the EU.

Of the total expenses, financial statement audit services in the sum of 999 thousand euros (prior year: 954 thousand euros), other services in the sum of 10 thousand euros (prior year: 17 thousand euros), and other assurance services in the sum of 19 thousand euros (prior year: 9 thousand euros) were attributable to the auditors of the consolidated financial statements, EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Stuttgart.

10.4 German Corporate Governance Code

In December 2024, the Executive Board and Supervisory Board of JENOPTIK AG submitted a declaration of conformity in accordance with § 161 AktG as required by the recommendations of the Government Commission's German Corporate Governance Code in the version dated April 28, 2022. The declaration of conformity was made permanently available to shareholders on the JENOPTIK AG website at www.jenoptik.com in the section Investors/Corporate Governance. The declaration can also be viewed in the offices of JENOPTIK AG (Carl-Zeiss-Strasse 1, 07743 Jena, Germany).

11 List of Shareholdings of the Jenoptik Group as at December 31, 2024 in accordance with § 313 (2) HGB

No.	Name and registered office of the entity	Share of Jenoptik or the direct shareholder in % of	Equity 31/12/2024 thousand euros[1]	Result 2024 thousand euros[1]
	1.1 Consolidated entities			
	– direct investments			
1	JENOPTIK Asia-Pacific Pte. Ltd., Singapore, Singapore	100		
2	JENOPTIK Automatisierungstechnik GmbH, Jena, Germany	100		
3	JENOPTIK Industrial Metrology Germany GmbH, Villingen-Schwenningen, Germany	100		
4	JENOPTIK North America, Inc., Jupiter (FL), USA	100		
5	JENOPTIK Optical Systems GmbH, Jena, Germany	100		
6	JENOPTIK Robot GmbH, Monheim am Rhein, Germany	100		
	– indirect investments			
7	Berliner Glas Wuhan Trading Co., Ltd., Wuhan, China	100		
8	JENOPTIK (Shanghai) International Trading Co., Ltd., Shanghai, China	100		
9	JENOPTIK (Shanghai) Precision Instrument and Equipment Co., Ltd., Shanghai, China	100		
10	JENOPTIK Australia Pty Ltd, Sydney, Australia	100		
11	JENOPTIK Automotive North America, LLC, Rochester Hills (MI), USA	100		
12	Jenoptik Benelux B.V., Drunen, The Netherlands	100		
13	JENOPTIK India Private Limited, Bengalure, India	100		
14	JENOPTIK INDUSTRIAL METROLOGY DE MEXICO, S. DE R.L. DE C.V., Saltillo, Mexico	98		
15	JENOPTIK Industrial Metrology France S.A., Bayeux Cedex, France	100		
16	JENOPTIK JAPAN Co. Ltd., Yokohama, Japan	100		
17	JENOPTIK Korea Corporation, Ltd., Suwon, Korea	100		
18	JENOPTIK Optical Systems, LLC, Jupiter (FL), USA	100		
19	JENOPTIK SMART MOBILITY SOLUTIONS LLC , Jupiter (FL), USA	100		
20	JENOPTIK Traffic Solutions Switzerland AG, Uster, Switzerland	100		
21	JENOPTIK Traffic Solutions UK Ltd., Camberley, Great Britain	100		
22	JENOPTIK UK Ltd., Camberley, Great Britain	100		
23	Prodomax Automation Ltd., Barrie, Canada	100		
24	SwissOptic (Wuhan) Co., Ltd., Wuhan, China	100		
25	SwissOptic AG, Heerbrugg, Switzerland	100		
26	TRIOPTICS GmbH, Wedel, Germany	100		
27	TRIOPTICS Hong Kong Limited, Hong Kong	100[9]		
28	TRIOPTICS Japan Co., Ltd., Shizuoka, Japan	61.25		
29	TRIOPTICS Korea Co., Ltd., Suwon, Korea	60		
30	Beijing TRIOPTICS Optical Test Instruments (China) Ltd., Beijing, China	51		
31	TRIOPTICS Scandinavia OY, Tampere, Finland i.L.[2]	100		
32	TRIOPTICS SINGAPORE PTE. LTD. Singapore, Singapore	100		
33	TRIOPTICS TAIWAN LTD. Taoyuan, Taiwan	51		
34	TRIOPTCS LLC Rancho Cucamonga (CA), USA	100		
	1.2 Non-consolidated associates			
	– direct investments			
35	KORBEN Verwaltungsgesellschaft mbH, Grünwald, Germany, i.L.[2]	100	34[4]	1[4]
	– indirect investments			
36	JENOPTIK do Brasil Instrumentos de Precisão e Equipamentos Ltda., Sao Paulo, Brazil. i.L.[2]	100	102[10]	352[10]
37	JENOPTIK Saudi Arabia, LLC, Jeddah, Saudi-Arabia, i.L.[2]	100	9[5]	-37[5]
38	JENOPTIK Robot Algérie SARL, Algiers, Algeria	74.5	260[4]	1[4]

No.	Name and registered office of the entity	Share of Jenoptik or the direct shareholder in % of	Equity 31/12/2024 thousand euros[1]	Result 2024 thousand euros[1]
39	Hörsel GmbH, Jena, Germany, i.L.[2]	100	-541[8]	0
40	BROXBURN, S.L., Madrid, Spain	100	116[4]	1[4]
41	INTEROB RESEARCH & SUPPLY, S.L., Valladolid, Spain	100	-94[4]	-324[4]
42	INTEROB, S.L., Valladolid, Spain	100	-8,294[4]	-2,386[4]
43	JENOPTIK France, SASU, Bordeaux, France	100	10	0
	2. Investments accounted for using the equity method			
44	TRIOPTICS France S.A.R.L., Villeurbanne, France	50	527[4]	217[4]
	3. Investments			
	– direct investments			
45	JENAER BILDUNGSZENTRUM GmbH SCHOTT CARL ZEISS JENOPTIK, Jena, Germany	33.33	1,591[4]	23[4]
	– indirect investments			
46	HOMMEL CS s.r.o., Teplice, Czech Republic	40	1,127[4]	8[4]
47	JT Optical Engine GmbH + Co. KG, Jena, Germany, i.L.[2]	50[7]	55	-1
48	JT Optical Engine Verwaltungs GmbH, Jena, Germany, i.L.[2]	50[7]	23	0
49	Zenteris GmbH, Jena, Germany, i.I.[3]	24.9[7]	[6]	[6]

[1] Details from annual financial statements in foreign currency converted at the closing rate or at the average rate of the respective year

[2] i.L. = in liquidation

[3] i.I. = in insolvency

[4] Details for 2023 annual financial statements

[5] Details as of 31/03/2018

[6] Details not available

[7] Deviating fiscal year as of 30/06

[8] Liquidation closing statement of financial position as at 31/01/2023

[9] Direct investment through Beijing TRIOPTICS Optical Test Instruments (China) Ltd.

[10] Details for 2022 annual financial statements

Jena, March 19, 2025

JENOPTIK AG

Dr. Stefan Traeger	Dr. Prisca Havranek-Kosicek	Dr. Ralf Kuschnereit
President & CEO	Chief Financial Officer	Member of the Executive Board

Chapter 5

Further Information

Assurance from the Legal Representatives

We give our assurance that, to the best of our knowledge and in accordance with the applicable accounting principles, the Consolidated Financial Statements give a true and fair view of the net assets, financial position and results of operations of the Group and that the course of business, including the business result and the position of the Group, are portrayed in such a way in the Combined Management Report that a true and accurate picture is conveyed and that the significant opportunities and risks of the Group's future development are fairly described.

Jena, March 19, 2025

Dr. Stefan Traeger
President & CEO

Dr. Prisca Havranek-Kosicek
Chief Financial Officer

Dr. Ralf Kuschnereit
Member of the Executive Board

Independent auditor's report

To JENOPTIK Aktiengesellschaft

Report on the audit of the consolidated financial statements and of the group management report

Opinions

We have audited the consolidated financial statements of JENOPTIK Aktiengesellschaft, Jena, and its subsidiaries (the Group), which comprise the consolidated statement of comprehensive income for the fiscal year from 1 January to 31 December 2024, and the consolidated statement of financial position as at 31 December 2024, consolidated statement of cash flows and consolidated statement of changes in equity for the fiscal year from 1 January to 31 December 2024, and notes to the consolidated financial statements, including material accounting policy information. In addition, we have audited the group management report of JENOPTIK Aktiengesellschaft, which was combined with the management report of the Company, for the fiscal year from 1 January to 31 December 2024. In accordance with the German legal requirements, we have not audited the content of the parts of the group management report listed in the appendix to the auditor's report and the company information stated therein that is provided outside of the annual report and is referenced in the group management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) (IFRS Accounting Standards) and adopted by the EU, and the additional requirements of German commercial law pursuant to Sec. 315e (1) HGB ["Handelsgesetzbuch": German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as at 31 December 2024 and of its financial performance for the fiscal year from 1 January to 31 December 2024, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. We do not express an opinion on the content of the parts of the group management report listed in the appendix to the auditor's report.

Pursuant to Sec. 322 (3) Sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with Sec. 317 HGB and the EU Audit Regulation (No 537/2014, referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and of the group management report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Art. 10 (2) f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Art. 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the group management report.

Key audit matters in the audit of the consolidated financial statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the fiscal year from 1 January to 31 December 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon; we do not provide a separate opinion on these matters.

Below, we describe what we consider to be the key audit matters:

1. Recoverability of goodwill

Reasons why the matter was determined to be a key audit matter

Goodwill recognized in the consolidated financial statements of JENOPTIK Aktiengesellschaft is subject to an annual impairment test pursuant to IAS 36.

The result of the valuations mainly depends on the future cash inflows estimated by the executive directors as well as the discount rate used. In light of the materiality of goodwill in relation to total assets, the complexity underlying the valuation and the scope for judgment and uncertainty inherent in the valuation, we determined the impairment test for goodwill to be a key audit matter.

Auditor’s response

We discussed the method used to perform the impairment test with the Company’s executive directors and assessed its compliance with the requirements of IAS 36. We assessed the individual components used to determine the discount rate with the support of our internal valuation specialists, in particular by analyzing the peer group, comparing market data with external evidence and reperforming the calculation. We examined the clerical accuracy of the valuation model on a sample basis.

We checked on a test basis that the planning assumptions used in the detailed forecasts of each of the cash-generating units are in line with the business plan of the Company prepared by the Executive Board and assessed them critically taking into account our knowledge and insight from the audit. In addition, we checked the growth rates for income and expenses used to roll forward the forecasts by comparing them with internal and external data. We also analyzed the forecasts with regard to adherence to the budget in the past, compared them with the prior-year forecasts, discussed them with the Company’s executive directors and obtained evidence substantiating the individual assumptions used in the forecasts.

We assessed the significant assumptions used in the sensitivity calculations prepared by the executive directors of the Company in order to estimate any potential impairment risk associated with a change in any of the significant assumptions used in the valuation.

We do not have any reservations regarding the recoverability of the goodwill recognized in the consolidated financial statements.

Reference to related disclosures

Additional disclosures on the recoverability of goodwill as well as the associated judgments are contained in sections 3.1 “Intangible assets,” 3.3 “Impairment of property, plant and equipment and intangible assets” and 5.1“Intangible assets” of the Company’s notes to the consolidated financial statements.

2. Revenue recognition

Revenue recognition

Reasons why the matter was determined to be a key audit matter

The companies included in the consolidated financial statements of JENOPTIK Aktiengesellschaft, Jena, sell different products and provide different types of services. The diversified customer and product portfolios give rise to a large number of different contractual agreements. Due to the variety of contractual provisions, revenue recognition is considered complex and carries an elevated risk of material misstatement, particularly with regard to the correct application of the accrual basis of accounting.

In light of this, revenue recognition was a key audit matter.

Auditor's response

During our procedures, we considered, based on the criteria defined in IFRS 15, the accounting policies applied in accordance with the internal accounting instructions in the consolidated financial statements of JENOPTIK Aktiengesellschaft for the recognition of revenue. Furthermore, we obtained an understanding of the revenue recognition process implemented by the executive directors at significant group companies by reference to individual transactions from the receipt of the order to recognition in the consolidated financial statements and tested selected key controls in place in this process.

We also performed the following substantive procedures to assess the application of the accrual basis of accounting to revenue as of the end of fiscal year 2024:

- We assessed on a test basis whether the requirements of IFRS 15 for the recognition of revenue over time were met based on the contractual arrangements. For the contract assets recognized as of the reporting date, we reconciled the order backlog with customer orders and the sales prices with the underlying customer contracts on a test basis. In addition, we inspected the underlying inventories on a test basis.
- For revenue recognized at a point in time, we checked on a test basis whether it was recognized on an accrual basis in accordance with IFRS 15 based on the underlying delivery and contract terms.

We also obtained balance confirmations for trade receivables and, to assess the existence of revenue, we examined such revenue to determine, among other things, whether it led to trade receivables and in turn, if payments were received in settlement of these receivables.

Overall, our procedures did not lead to any reservations relating to revenue recognition.

Reference to related disclosures

For information on the accounting policies applied for the recognition of revenue and detailed disclosures on revenue, refer to the disclosures in section 3.14 (Revenue) and sections 4.1 (Revenue) and 7.1 (Segment report) of the notes to the consolidated financial statements.

Other information

The Supervisory Board is responsible for the Report of the Supervisory Board in the Annual Report 2024. The executive directors and the Supervisory Board are responsible for the declaration pursuant to Sec. 161 AktG ["Aktiengesetz": German Stock Corporation Act] on the German Corporate Governance Code, which is part of the corporate governance statement, and for the remuneration report pursuant to Sec. 162 AktG. In all other respects, the executive directors are responsible for the other information. The other information comprises the parts of the annual report listed in the appendix to the auditor's report.

Our opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the executive directors and the Supervisory Board for the consolidated financial statements and the group management report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Sec. 315e (1) HGB, and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

Auditor’s responsibilities for the audit of the consolidated financial statements and of the group management report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group’s position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor’s report that includes our opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sec. 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s relevant control and of such arrangements and measures.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor’s report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with the IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Sec. 315e (1) HGB.

- Plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and review of the work performed for the group audit. We remain solely responsible for our audit opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Report on the assurance on the electronic rendering of the consolidated financial statements and the group management report prepared for publication purposes in accordance with Sec. 317 (3a) HGB

Opinion

We have performed assurance work in accordance with Sec. 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the group management report (hereinafter the "ESEF documents") contained in the file "Jenoptik_AG_KA+KLB_ESEF-2024-12-31.zip" and prepared for publication purposes complies in all material respects with the requirements of Sec. 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the group management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the group management report contained in the file identified above and prepared for publication purposes complies in all material respects with the requirements of Sec. 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinions on the accompanying consolidated financial statements and the accompanying group management report for the fiscal year from 1 January to 31 December 2024 contained in the "Report on the audit of the consolidated financial statements and of the group management report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

Basis for the opinion

We conducted our assurance work on the rendering of the consolidated financial statements and the group management report contained in the file identified above in accordance with Sec. 317 (3a) HGB and the IDW Assurance Standard: Assurance on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Sec. 317 (3a) HGB (IDW AsS 410 (06.2022)). Our responsibility in accordance therewith is further described in the "Group auditor's responsibilities for the assurance work on the ESEF documents" section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)).

Responsibilities of the executive directors and the Supervisory Board for the ESEF documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the group management report in accordance with Sec. 328 (1) Sentence 4 No. 1 HGB and for the tagging of the consolidated financial statements in accordance with Sec. 328 (1) Sentence 4 No. 2 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have determined necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Group auditor's responsibilities for the assurance work on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the file containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, on the technical specification for this file.
- Evaluate whether the ESEF documents enable an XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited group management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Arts. 4 and 6 of Commission Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further information pursuant to Art. 10 of the EU Audit Regulation

We were elected as group auditor by the Annual General Meeting on 18 June 2024 and were engaged by the Supervisory Board on 6 September 2024. We have been the group auditor of JENOPTIK Aktiengesellschaft without interruption since fiscal year 2016.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to Art. 11 of the EU Audit Regulation (long-form audit report).

Other matter – use of the auditor's report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited group management report as well as the assured ESEF documents. The consolidated financial statements and the group management report converted to the ESEF format – including the versions to be published in the *Unternehmensregister* [German Company Register] – are merely electronic renderings of the audited consolidated financial statements and the audited group management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

German Public Auditor responsible for the engagement

The German Public Auditor responsible for the engagement is Mr. Martin von Michaelis.

Appendix to the auditor's report:

1. Parts of the group management report whose content is unaudited

We have not audited the content of the following parts of the group management report:

- The section "Sustainability Statement" and the combined non-financial statement contained therein, and
- The section "Corporate Governance Statement"

Furthermore, we have not audited the content of the following disclosures extraneous to management reports. Disclosures extraneous to management reports are such disclosures that are not required pursuant to Secs. 315, 315a HGB or Secs. 315b to 315d HGB:

- The "Risk prevention and assurance of compliance" subsection included in the "Risk and Opportunity report" section

2. Further other information

The other information comprises the following parts of the annual report, of which we obtained a copy prior to issuing this auditor's report:

- Section 1 Management
- Section 3 Remuneration Report
- Section 5 Further Information

but not the consolidated financial statements, not the group management report disclosures whose content is audited and not our auditor's report thereon.

3. Company information outside of the annual report referenced in the group management report

The group management report contains other cross-references to the Group's websites. We have not audited the content of the information to which these cross-references refer."

Berlin, 19 March 2025

EY GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft

von Michaelis Wirtschaftsprüfer [German Public Auditor]	Klimpke Wirtschaftsprüfer [German Public Auditor]

Assurance Report of the Independent German Public Auditor on a Limited Assurance Engagement in relation to the Group Sustainability Statement

To JENOPTIK AG, Jena, Germany

Assurance Conclusion

We have conducted a limited assurance engagement on the group sustainability statement of JENOPTIK AG, Jena, Germany, (hereinafter the „Company") included in section "Sustainability statement" of the group management report, which is combined with the Company's management report, for the financial year from 1 January to 31 December 2024 (hereinafter the "Group Sustainability Statement"). The Group Sustainability Statement has been prepared to fulfil the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852 as well as §§ [Articles] 289b to 289e HGB [Handelsgesetzbuch: German Commercial Code] and §§ 315b to 315c HGB to prepare a combined non-financial statement.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying Group Sustainability Statement is not prepared, in all material respects, in accordance with the requirements of the CSRD and Article 8 of Regulation (EU) 2020/852, § 315c in conjunction with §§ 289c to 289e HGB to prepare a combined non-financial statement as well as with the supplementary criteria presented by the executive directors of the Company. This assurance conclusion includes that no matters have come to our attention that cause us to believe:

- that the accompanying Group Sustainability Statement does not comply, in all material respects, with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Company to identify the information to be included in the Group Sustainability Statement (hereinafter the "materiality assessment") is not, in all material respects, in accordance with the description set out in section "Material sustainability topics" of the Group Sustainability Statement, or
- that the disclosures set out in section "Disclosures on EU Taxonomy" of the Group Sustainability Statement do not comply, in all material respects, with Article 8 of Regulation (EU) 2020/852.

Basis for the Assurance Conclusion

We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in the "German Public Auditor's Responsibilities for the Assurance Engagement on the Group Sustainability Statement" section.

We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has complied with the quality management system requirements of the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)) issued by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW). We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Responsibility of the Executive Directors and the Supervisory Board for the Group Sustainability Statement

The executive directors are responsible for the preparation of the Group Sustainability Statement in accordance with the requirements of the CSRD and the relevant German legal and other European regulations as well as with the supplementary criteria presented by the executive directors of the Company. They are also responsible for the design, implementation and maintenance of such internal controls that they have considered necessary to enable the preparation of a Group Sustainability Statement in accordance with these regulations that is free from material misstatement, whether due to fraud (i.e., manipulation of the Group Sustainability Statement) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the Group Sustainability Statement, as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The supervisory board is responsible for overseeing the process for the preparation of the Group Sustainability Statement.

Inherent Limitations in the Preparation of the Group Sustainability Statement

The CSRD and the relevant German statutory and other European regulations contain wording and terms that are still subject to considerable interpretation uncertainties and for which no authoritative, comprehensive interpretations have yet been published. As such wording and terms may be interpreted differently by regulators or courts, the legal conformity of measurements or evaluations of sustainability matters based on these interpretations is uncertain.

These inherent limitations also affect the assurance engagement on the Group Sustainability Statement.

German Public Auditor's Responsibilities for the Assurance Engagement on the Group Sustainability Statement

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Group Sustainability Statement has not been prepared, in all material respects, in accordance with the CSRD and the relevant German legal and other European regulations as well as with the supplementary criteria presented by the executive directors of the Company, and to issue an assurance report that includes our assurance conclusion on the Group Sustainability Statement.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also:

- obtain an understanding of the process to prepare the Group Sustainability Statement, including the materiality assessment process carried out by the Company to identify the information to be included in the Group Sustainability Statement.
- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misleading representations, or the override of internal controls. In addition, the risk of not detecting a material misstatement within value chain information from sources not under the control of the company (value chain information) is generally higher than the risk of not detecting a material misstatement of value chain information from sources under the control of the company, as both the executive directors of the Company and we, as assurance practitioners, are ordinarily subject to limitations on direct access to the sources of value chain information.
- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the German Public Auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgement.

In conducting our limited assurance engagement, we have, amongst other things:

- evaluated the suitability of the criteria as a whole presented by the executive directors in the Group Sustainability Statement.
- inquired of the executive directors and relevant employees involved in the preparation of the Group Sustainability Statement about the preparation process, including the materiality assessment process carried out by the company to identify the information to be included in the Group Sustainability Statement, and about the internal controls relating to this process.
- evaluated the reporting policies used by the executive directors to prepare the Group Sustainability Statement.
- evaluated the reasonableness of the estimates and the related disclosures provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors have been unable to obtain.
- performed analytical procedures and made inquiries in relation to selected information in the Group Sustainability Statement.
- considered the presentation of the information in the Group Sustainability Statement.
- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Group Sustainability Statement.

Restriction of Use

We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Accordingly, the report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is solely towards the Company. We do not accept any responsibility, duty of care or liability towards third parties.

Munich, 19 March 2025

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

sgd. Nicole Richter	sgd. Hendrik Fink
Wirtschaftsprüferin [German public auditor]	Wirtschaftsprüfer [German public auditor]

Report of the independent auditor on the audit of the remuneration report pursuant to Sec. 162 (3) AktG

To JENOPTIK AG

Opinion

We have audited the formal aspects of the remuneration report of JENOPTIK AG, Jena, for the fiscal year from 1 January to 31 December 2024 to determine whether the disclosures required by Sec. 162 (1) and (2) AktG ["Aktiengesetz": German Stock Corporation Act] have been made therein. In accordance with Sec. 162 (3) AktG, we have not audited the content of the remuneration report.

In our opinion, the disclosures required by Sec. 162 (1) and (2) AktG have been made in the accompanying remuneration report in all material respects. Our opinion does not cover the content of the remuneration report.

Basis for the opinion

We conducted our audit of the remuneration report in accordance with Sec. 162 (3) AktG and in compliance with the IDW Auditing Standard: Audit of the Remuneration Report in Accordance with Sec. 162 (3) AktG (IDW AuS 870 (09.2023)). Our responsibilities under this provision and standard are further described in the "Responsibilities of the auditor" section of our report. As an audit firm, we applied the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)). We complied with the professional obligations pursuant to the WPO ["Wirtschaftsprüferordnung": German Law Regulating the Profession of Wirtschaftsprüfer (German Public Auditor)] and the BS WP/vBP ["Berufssatzung für Wirtschaftsprüfer/vereidigte Buchprüfer": Professional Charter for German Public Accountants/German Sworn Auditors] including the requirements regarding independence.

Responsibilities of the Executive Board and Supervisory Board

The Executive Board and Supervisory Board are responsible for the preparation of the remuneration report and the related disclosures in compliance with the requirements of Sec. 162 AktG. In addition, they are responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report and the related disclosures that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

Responsibilities of the auditor

Our objectives are to obtain reasonable assurance about whether the disclosures required by Sec. 162 (1) and (2) AktG are made in the remuneration report in all material respects and to express an opinion thereon in a report.

We planned and performed our audit so as to determine the formal completeness of the remuneration report by comparing the disclosures made in the remuneration report with the disclosures required by Sec. 162 (1) and (2) AktG. In accordance with Sec. 162 (3) AktG, we have not audited the accuracy of the disclosures, the completeness of the individual disclosures or the fair presentation of the remuneration report.

Consideration of misrepresentations

In connection with our audit, our responsibility is to read the remuneration report considering the knowledge obtained in the audit of the financial statements and, in doing so, remain alert for indications of whether the remuneration report contains misrepresentations in relation to the accuracy of the disclosures, the completeness of the individual disclosures or the fair presentation of the remuneration report.

If, based on the work we have performed, we conclude that there is a misrepresentation, we are required to report that fact. We have nothing to report in this regard.

Berlin, 19 March 2025

EY GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft

von Michaelis	Klimpke
Wirtschaftsprüfer [German Public Auditor]	Wirtschaftsprüfer [German Public Auditor]

Executive Board

As at Januar 1, 2025

Dr. Stefan Traeger

President and CEO

Dr. Stefan Traeger has been the President & CEO of JENOPTIK AG since May 1, 2017. He is responsible for:

- SBU Metrology & Production Solutions
- SBU Smart Mobility Solutions
- Prodomax
- Region Asia
- Human Resources Director (HR)
- Strategy & Business Development incl. Mergers & Acquisitions (M&A)
- Marketing & Communication
- Legal
- Compliance & Risk incl. Data Protection and Export Control

Dr. Prisca Havranek-Kosicek

Chief Financial Officer

Dr. Prisca Havranek-Kosicek has been Chief Financial Officer (CFO) of JENOPTIK AG since April 1, 2023. She is responsible for:

- Finance
- Tax
- Insurance
- Treasury
- Sustainability
- Corporate Real Estate
- Investor Relations
- Internal Audit
- IT incl. Information Security

Dr. Ralf Kuschnereit

Member of the Executive Board

Dr. Ralf Kuschnereit has been a member of the Executive Board of JENOPTIK AG since January 1, 2023 and is responsible for

- SBU Semiconductor & Advanced Manufacturing
- SBU Biophotonics
- Region North America
- Business System & Operational Excellence
- Corporate Innovation & Digitale Transformation
- Purchasing
- Quality
- Environmental, Health and Occupational Safety
- Intellectual Property

SBU = Strategic Business Unit

Historical Summary of Financial Data

		Group		Continuing operations				
		2018	2019	2020	2021	2022	2023	2024
Oder situation								
Order intake	million euros	873.7	812.6	594.2	936.7	1,185.4	1,092.2	1,027.7
Order backlog	million euros	521.5	466.1	299.8	543.5	733.7	745.0	670.1
Statement of Income								
Revenue	million euros	834.6	855.2	615.5	750.7	980.7	1,066.0	1,115.8
Share of foreign revenue	%	71.2	72.6	76.9	81.4	76.7	74.5	71.5
Cost of sales	million euros	541.5	563.4	390.7	493.8	635.0	695.5	742.6
Gross profit	million euros	293.1	291.8	224.7	256.9	345.7	370.5	373.1
Gross margin	%	35.1	34.1	36.5	34.2	35.3	34.8	33.4
R+D expenses	million euros	47.4	44.1	39.4	38.9	54.6	60.9	64.0
Selling expenses	million euros	87.0	89.3	77.1	89.7	107.6	103.0	103.4
Administrative expenses	million euros	56.1	60.5	53.9	53.5	65.5	66.0	62.2
EBITDA	million euros	127.5	134.0	92.8	155.7	184.1	209.6	221.5
EBITDA margin	%	15.3	15.7	15.1	20.7	18.8	19.7	19.9
EBIT	million euros	94.9	88.9	47.4	108.1	101.9	126.3	146.6
EBIT margin	%	11.4	10.4	7.7	14.4	10.4	11.9	13.1
Financial result	million euros	– 3.5	– 3.7	– 5.1	– 5.6	– 6.0	– 15.0	– 16.2
Earnings after tax	million euros	87.4	67.6	42.7[1]	84.3[1]	57.0[1]	73.5[1]	94.2[1]
EPS (Group)	euros	1.53	1.18	0.73[1]	1.43[1]	0.96[1]	1.27[1]	1.62[1]
R+D output	million euros	69.1	68.4	56.9	63.6	87.1	94.9	106.5
R+D ratio	%	8.3	8.0	9.2	8.5	8.9	8.9	9.5
Cash flows and capital expenditure								
Free cash flow (before income tax)	million euros	108.3	77.2	52.5	43.2	82.7	127.3	102.9
Cash conversion rate	%	84.9	57.7	56.6	27.7	44.9	60.8	46.5
Capital expenditures	million euros	42.5	55.6	38.1	49.9	106.0	110.4	114.6
Personnel								
Employees (headcount incl. trainees and temporary staff)	headcount	4,043	4,122	3.697	4.205	4,435	4,658	4,646
Personnel expenses	million euros	289.3	310.7	238.5	281.8	355.8	388.5	411.4

		Group		Continuing operations				
		2018	2019	2020	2021	2022	2023	2024
Statement of Financial Position								
Non-current assets	million euros	491.8	555.2	848.9	1,110.8	1,128.5	1,099.8	1,151.3
Intangible assets	million euros	205.6	212.7	487.1	753.2	730.6	712.5	692.8
Property, plant and equipment	million euros	190.3	255.4	267.7	270.3	328.2	365.1	419.9
Other non-current assets	million euros	9.7	9.4	19.6	23.9	30.8	13.0	14.8
Deferred tax assets	million euros	86.3	77.7	74.6	63.4	38.8	9.2	23.8
Current assets	**million euros**	**494.1**	**528.1**	**489.9**	**646.3**	**543.3**	**567.1**	**588.7**
Inventories	million euros	175.6	153.7	191.4	200.2	256.0	269.3	267.0
Current trade receivables	million euros	131.2	136.9	138.0	120.5	138.8	144.2	130.8
Contract assets	million euros	22.8	48.7	74.7	81.4	58.1	68.1	86.8
Current financial investments and cash	million euros	148.7	168.7	68.3	56.4	57.8	67.7	85.6
Equity	**million euros**	**598.0**	**655.4**	**689.4**	**780.7**	**843.3**	**903.3**	**967.2**
Non-current liabilities	**million euros**	**170.3**	**176.0**	**233.0**	**503.1**	**519.0**	**496.0**	**512.0**
Pension provisions	million euros	37.3	31.6	35.2	9.4	4.3	4.6	7.1
Other non-current provisions	million euros	16.3	17.9	17.0	17.9	17.0	14.3	14.5
Non-current financial debt	million euros	111.4	122.6	138.4	448.7	477.7	472.3[3]	463.9
Deferred tax liabilities	million euros	2.5	1.7	12.9	24.7	16.1	2.9	23.0
Current liabilities	**million euros**	**217.7**	**251.9**	**416.4**	**473.3**	**309.5**	**267.6**	**260.8**
Income tax payables	million euros	9.0	6.4	2.6	6.9	10.9	6.3	8.3
Other current provisions	million euros	58.7	51.9	52.5	39.9	43.9	37.8	37.4
Current financial debt	million euros	10.1	37.0	130.9	149.0	59.1	18.4[3]	17.2
Current trade payables	million euros	60.1	83.7	89.7	94.2	100.6	108.8	105.6
Contract liabilities	million euros	53.3	43.9	46.3	47.3	64.9	68.4	60.3
Total equity and liabilities	**million euros**	**985.9**	**1,083.3**	**1,338.8**	**1,757.0**	**1,671.8**	**1,666.9**	**1,740.0**
Balance sheet ratios								
Equity ratio	%	60.6	60.5	51.5	44.4	50.4	54.2	55.6
Net debt	million euros	– 27.2	– 9.1	201.0	541.4	479.0	423.1	395.5
Leverage		n. a.	n. a.	2.2	3.5	2.6	2.0	1.8
Working capital	million euros	216.8	217.8	268.1	260.6	287.4	304.4	318.8
Working capital ratio	%	26.0	25.5	34.9	34.7	29.3	28.6	28.6
Debt to equity ratio		0.65	0.64	0.94	1.25	0.98	0.85	0.80
ROCE	%	20.2	14.7	8.2	13.4	7.9	9.6	10.8
Dividend key figures								
Dividend per share	euros	0.35	0.13	0.25	0.25	0.30	0.35	0.38[2]
Pay-out ratio on earnings attributable to shareholders	%	22.9	11.0	34.2	17.5	31.2	27.6	23.5[2]
Dividend yield based on year-end stock exchange price	%	1.5	0.5	1.0	0.7	1.2	1.2	1.7[2]

[1] Continuing operations and discontinued operation

[2] Subject to approval by the annual general meeting

[3] Adjusted due to amendment to IAS 1 (classification of liabilities as current or non-current)

Summary by Quarter 2024

		1st quarter 1/1 – 31/3	2nd quarter 1/4 – 30/6	3rd quarter 1/7 – 30/9	4th quarter 1/10 – 31/12
Revenue	**million euros**	**256.1**	**284.7**	**274.3**	**300.7**
Advanced Photonic Solutions[1]	million euros	200.5	221.5	214.9	229.9
Smart Mobility Solutions[1]	million euros	24.0	28.4	30.6	36.5
Non-Photonic Portfolio Companies[1]	million euros	30.9	34.4	28.3	32.4
Other[1, 2]	million euros	0.7	0.4	0.5	1.9
EBITDA	**million euros**	**44.5**	**56.9**	**59.1**	**61.0**
Advanced Photonic Solutions	million euros	40.1	46.8	51.5	53.4
Smart Mobility Solutions	million euros	0.1	3.1	3.0	7.5
Non-Photonic Portfolio Companies	million euros	5.4	6.9	4.9	5.3
Other[2]	million euros	– 1.1	0.1	– 0.3	– 5.2
EBITDA margin	**%**	**17.4**	**20.0**	**21.6**	**20.3**
Advanced Photonic Solutions[3]	%	19.7	20.8	23.6	23.0
Smart Mobility Solutions[3]	%	0.4	10.8	9.7	20.5
Non-Photonic Portfolio Companies[3]	%	17.1	19.8	16.9	15.8
EBIT	**million euros**	**26.0**	**37.7**	**40.9**	**42.0**
Advanced Photonic Solutions	million euros	27.1	33.1	38.6	40.1
Smart Mobility Solutions	million euros	– 1.6	1.3	1.3	5.5
Non-Photonic Portfolio Companies	million euros	3.5	5.1	3.2	3.6
Other[2]	million euros	– 3.0	– 1.8	– 2.3	– 7.1
EBIT margin	**%**	**10.2**	**13.2**	**14.9**	**14.0**
Advanced Photonic Solutions[3]	%	13.3	14.7	17.7	17.2
Smart Mobility Solutions[3]	%	– 6.7	4.6	4.2	15.1
Non-Photonic Portfolio Companies[3]	%	11.1	14.7	11.1	10.7
Order intake	**million euros**	**242.0**	**282.4**	**257.4**	**245.8**
Advanced Photonic Solutions[1]	million euros	197.9	217.9	208.9	188.0
Smart Mobility Solutions[1]	million euros	29.4	33.9	26.8	32.8
Non-Photonic Portfolio Companies[1]	million euros	14.0	30.1	21.2	23.1
Other[1, 2]	million euros	0.7	0.4	0.5	1.9

[1] External figures

[2] Including consolidation

[3] Based on the sum of external and internal revenue

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Dates

March 25, 2025

Publication of Financial Statements 2024

May 13, 2025

Publication of Quarterly Statement January – March 2025

June 12, 2025

Annual General Meeting of JENOPTIK AG 2025

August 13, 2025

Publication of Interim Report January – June 2025

November 12, 2025

Publication of Quarterly Statement January – September 2025

Investor Relations & Sustainability

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