

CORPORATE GOVERNANCE

LONG-TERM VALUE CREATION AND EFFICIENT COOPERATION

The principles of responsible and good corporate governance guide the actions of the LPKF Group's management and supervisory bodies. The following statements apply to LPKF Laser & Electronics SE and its Group companies unless otherwise stated below. This chapter contains the declaration on corporate management pursuant to Sections 289f, 315d HGB. The declaration on corporate management for the company and the Group is part of the combined management and Group management report. The Management Board and the Supervisory Board also report on corporate governance at LPKF in this chapter.

DECLARATION ON CORPORATE MANAGEMENT

Declaration of compliance pursuant to Section 161 of the German Stock Corporation Act dated 16 February 2023

The Management Board and the Supervisory Board declare that since the last regular declaration of compliance dated 23 February 2022, LPKF Laser & Electronics SE (hereinafter referred to as "LPKF") complies with the recommendations of the German Corporate Governance Code (hereinafter referred to as "Code") in the version dated 16 December 2019 (old) respectively since its validity in the version dated 28 April 2022 (new) and will continue to comply with them in the future in the version dated 28 April 2022 with the following exceptions:

1. **Recommendation on the chairmanship of the Audit Committee (Code Section D.4, sentence 2 (old), Code Section D.3, sentence 5 (new))**

The Supervisory Board has established an Audit and Risk Committee, which complies with all but one of the Code's recommendations on the Audit Committee. The only deviation is from the recommendation, according to which the chair of the Supervisory Board should not chair the Audit Committee.

In the opinion of the Supervisory Board, the current chair of the Supervisory Board, Mr. Jean-Michel Richard, fully meets the requirements with regard to the specific professional expertise necessary for the role of Audit Committee Chairman due to his professional background and practical experience and does so the most effectively of the current acting Supervisory Board members. The Supervisory Board is convinced that the chair of the Supervisory Board is capable of handling the workload associated with the chairmanship of the Audit and Risk Committee. This deviation is therefore in the best interests of the company.

2. Recommendations on the remuneration of the Management Board (Code Sections G.1 to G.16)

The remuneration system for the Management Board last approved by the Annual General Meeting on 20 May 2021 and the Management Board contracts concluded on the basis thereof, complied with the recommendations of the Code in Sections G.1 to G.16 with the following exceptions:

- Contrary to Section G.1, the remuneration system did not specify the relative proportions of fixed remuneration or short-term variable and long-term variable remuneration components in the target total remuneration. For long-term variable remuneration, only a basic amount of 50% of the fixed annual salary (excluding incidental benefits) has been defined in the remuneration system. A relative proportion for short-term variable remuneration was not specified in the remuneration system, but was specified in the employment contracts of the current Management Board members. Accordingly, the target amount for short-term variable remuneration is also 50% of the fixed annual salary (excluding incidental benefits). According to the employment contracts, short-term variable remuneration and long-term variable remuneration – measured against the target direct remuneration – were thus equally weighted.
- Contrary to Section G.6, the variable remuneration resulting from the achievement of long-term targets did not exceed the proportion resulting from short-term targets, and contrary to Section G.10, sentence 1, the variable remuneration amounts were not primarily invested in shares or granted on a correspondingly share-based basis. Under the terms of the Management Board employment contracts, the short-term variable remuneration and the share-based long-term variable remuneration to be invested in shares were each equally weighted at 50% – measured against the target direct remuneration. For reasons of incentive, the Supervisory Board considered equal weighting of the short-term and long-term variable remuneration components to be appropriate.
- The recommendation contained in Section G.11 to take appropriate account of extraordinary developments and, in justified cases, to be able to withhold or reclaim variable remuneration, was taken into account by the possibility of reduction in accordance with Section 87 (2) of the German Stock Corporation Act (AktG) and, in financial terms, in the case of long-term remuneration, by the obligation to invest tranches of the long-term bonus received in full in company shares after deduction of tax and to hold them for at least three years. The previous remuneration system thus also achieved a stronger link between variable long-term remuneration and the performance of the company. The financial value of the variable long-term remuneration for the Management Board was directly linked to the value of the company represented by the share price. Any further possibility of reclaiming the remuneration granted in this way was not considered feasible, as the Management Board would have had to sell the acquired shares again to be able to fulfill a corresponding claim for repayment. Because of this special characteristic of the long-term bonus program, the Supervisory Board had decided not to include an additional claw-back option in the narrower sense in order to avoid a double disadvantage.

The Supervisory Board is currently developing a new remuneration system for the members of the Management Board, which shall largely take into account the recommendations of the Code in sections G.1 to G.16., and intends to submit this new system for approval at the 2023 Annual General Meeting. Should there be any particular deviations from the compensation-related recommendations of the Code in the future, the Management Board and Supervisory Board will explain and state the reasons for such deviations.

3. Recommendation on separate remuneration for members of Supervisory Board committees (Code Section G.17)

The current provision of the Articles of Association on the remuneration of Supervisory Board members does take into account the greater time commitment of the chair and vice-chair of the Supervisory Board and the chairs of the committees. However, contrary to Section G.17 of the Code, simply being a member of the committees has not yet been taken into account separately in the remuneration, as it has not yet been possible to adequately assess the time expenditure involved. The Management Board and Supervisory Board intend to propose to the 2023 Annual General Meeting an adjustment to Supervisory Board compensation that fully complies with the recommendation in section G.17 of the Code.

Garbsen, 16 February 2023

On behalf of the Supervisory Board



Jean-Michel Richard

On behalf of the Management Board



Dr. Klaus Fiedler

REMUNERATION REPORT AND REMUNERATION SYSTEMS

The remuneration report for the financial year 2022, the auditor's report on the audit of the remuneration report, the applicable remuneration systems for the members of the Management Board and Supervisory Board, and the most recent resolutions of the Annual General Meeting on the remuneration systems of the Management Board and Supervisory Board and the remuneration of the Supervisory Board are available on LPKF Laser & Electronics SE's website at www.lpkf.com/en/investor-relations/corporate-governance.

The Supervisory Board decided to adjust the remuneration system for the members of the Management Board. This new Management Board remuneration system will be submitted to the 2023 Annual General Meeting for approval. In addition, an adjustment to the remuneration and compensation system for the members of the Supervisory Board is to be proposed to the 2023 Annual General Meeting. These compensation systems are also available on the aforementioned website. In response to feedback from investors, the Supervisory Board has also expanded the compensation report and made it more transparent.

INFORMATION ON RELEVANT CORPORATE GOVERNANCE PRACTICES

RISK MANAGEMENT

The Management Board of LPKF SE has set up a Group wide reporting and control system to record, assess, monitor and manage risks. The internal control system and the risk management system also cover sustainability-related objectives including processes and systems for collecting and processing sustainability related data and comprise a compliance management system. The system is continuously evolving and adapted to changing conditions and periodically reviewed by the auditors. The Management Board regularly informs the Supervisory Board and more specifically its Audit and Risk Committee about existing risks and their development. Details on risk management in the LPKF Group are presented in the risk report as part of the Group management report. This contains the report on the entire internal control and risk management system including a statement on the appropriateness and effectiveness of these systems.

COMPLIANCE – FUNDAMENTALS OF ENTREPRENEURIAL ACTION AND MANAGEMENT

Sustainable economic, environmental and social action that complies with applicable law is an essential element of LPKF's corporate culture. This includes trust, respect and integrity in dealing with each other. It is expressed in exemplary conduct towards employees, business partners, shareholders and the public. LPKF defines compliance as adherence to the law, the Articles of Association and internal regulations as well as voluntary commitments. LPKF SE attaches particular importance to raising awareness of compliance among all employees in the Group. Compliance is anchored in internal processes and a Group-wide compliance structure has been established. Employee training is provided on the Group-wide Compliance Code (see www.lpkf.com/en/company/compliance-management) and on general compliance topics. In this way, potential breaches in compliance can be prevented for the benefit of the entire Group. The Compliance Office holds regular meetings in which current

topics are discussed, if necessary also with the specialist officers. Reliable reporting channels for internal and external stakeholders help to ensure that possible irregularities can be reported confidentially, also anonymously if desired. In order to uncover any breaches in compliance, LPKF provides internal and external whistleblower communication channels for contacting the company, which are listed on the homepage (www.lpkf.com/en/company/compliance-management). Both the Compliance Officer and an independent lawyer can be reached through these channels in total confidence and confidentiality if this is required. Other contact points for employees can be found in the Compliance Code, on the intranet and on notice boards in the company. Group auditing, which is carried out by a reputable and internationally recognized auditing company as an external service provider, also plays an important role in ensuring compliance. The corresponding audits are also used with regard to the further development of the internal control system.

WORKING METHODS AND COMPOSITION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD AND THEIR COMMITTEES

LPKF SE is a publicly listed European Company (Societas Europaea, SE) and has a dual management system with a Management Board and a Supervisory Board.

The Management Board and the Supervisory Board of LPKF SE work closely together in managing and monitoring the company.

MANAGEMENT BOARD

The Management Board of LPKF SE consists of two members with one acting as Chief Executive Officer (CEO). The specific composition of the Management Board in the 2022 financial year as well as the disclosures pursuant to Section 285 No. 10 HGB can be found in the combined management and group management report in this Annual Report. As the management body, it is the responsibility of its members to manage the company's business with the aim of creating long-term sustainable value and in the company's best interests. The Management Board systematically identifies and assesses the risks and opportunities associated with social and environmental factors, as well as the ecological and social impacts of the activities of LPKF SE. In addition to long-term economic objectives, the corporate strategy also gives appropriate consideration to ecological and social objectives. Corporate planning includes corresponding financial and sustainability-related objectives.

The Management Board performs its management duties as a collegial body. Notwithstanding the overall responsibility, the individual Management Board members manage the departments assigned to them on their own responsibility within the framework of the Management Board resolutions. The allocation of responsibilities between the Management Board members is set out in the business distribution plan. Information on areas of responsibility as well as curricula vitae of the Management Board members are available on the company's website at www.lpkf.com/en/company/management. The Management Board meets regularly for joint meetings.

SUPERVISORY BOARD

The Supervisory Board consists of four members elected by the Annual General Meeting by way of individual election. The specific composition of the Supervisory Board in the 2022 financial year as well as the disclosures pursuant to Section 285 No. 10 HGB can be found in the combined management and group management report in this Annual Report. CVs of the Supervisory Board members are available on the company's website at www.lpkf.com/en/company/management.

The Supervisory Board advises and monitors the Management Board in the management of the company, including sustainability issues. It is involved in strategy and planning as well as in all issues of fundamental importance to the company. The Articles of Association and the rules of procedure require the Management Board to obtain the approval of the Supervisory Board for major business transactions. The chairman of the Supervisory Board coordinates the work of the Supervisory Board, chairs its meetings and represents the interests of the board externally.

The Management Board informs the Supervisory Board promptly and comprehensively in writing as well as in the regular meetings about the planning, the business development and the situation of the Group, including matters related to risk management and compliance. In the event of significant incidents and if required, an extraordinary meeting of the Supervisory Board is convened. The Supervisory Board has established rules of procedure for its own work, available on the company's website (www.lpkf.com/en/investor-relations/corporate-governance).

As a matter of principle, on an annual basis, the Supervisory Board reviews how effectively the Supervisory Board and its committees perform their duties. A survey is prepared with detailed questions and sent to all members of the Supervisory Board. The survey contains questions on the organizational, personnel and content-related performance of the body as well as on the structure and processes of cooperation in the body and on the provision of information, in particular by the Management Board. The last self-assessment of the Supervisory Board's work took place by means of a survey in October 2022. The results of the review were presented and discussed in the Supervisory Board and confirmed professional, constructive cooperation within the Supervisory Board and with the Management Board. The results also confirmed the efficient organization and conduct of meetings and appropriate provision of information. No fundamental need for change emerged. The work of the committees, that were only formed in October 2021, will be evaluated in the current financial year.

LPKF SE has taken out directors' and officers' liability insurance (D&O insurance) for all members of the Management Board and Supervisory Board.

When proposing candidates for election to the Supervisory Board, attention shall be paid to the knowledge, skills and professional experience required to perform the duties, as well as to diversity in composition in line with the objectives for the composition of the Supervisory Board set out below. For its proposals for the election of new Supervisory Board members to the Annual General Meeting, the Supervisory Board shall ascertain from the respective candidate that he/she is able to devote the expected amount of time.

SUPERVISORY BOARD COMMITTEES

The Supervisory Board has formed an Audit and Risk Committee, a Remuneration & ESG Committee and a Nomination Committee.

The Audit and Risk Committee consists of three Supervisory Board members, currently Jean-Michel Richard (Chairman), Dr. Dirk Rothweiler and Prof. Dr.-Ing. Ludger Overmeyer.

The members of the Audit Committee are, as a group, familiar with the sector in which the Company operates.

Due to his professional background and his practical experience as Chairman of the Audit Committee of other international enterprises and, inter alia, former CFO of Dialog Semiconductor Plc, Jean-Michel Richard has extensive expertise in the area of accounting, including specific knowledge and experience in applying accounting principles and internal control and risk management systems, and in the area of auditing of financial statements, with accounting and auditing also including sustainability reporting and its audit and assurance.

Dr. Dirk Rothweiler has special expertise in the area of accounting due to his professional background and his practical experience, most recently as former CEO of First Sensor AG and as Executive Vice President Jenoptik Optical Systems.

Meetings of the Audit and Risk Committee take place at least once every calendar quarter.

The Audit and Risk Committee deals with the review of the accounting, the monitoring of the accounting process, the effectiveness of the internal control system, the risk management system and the internal audit system, as well as the audit of the financial statements and compliance, and prepares the resolutions of the Supervisory Board required in this context. The accounting includes in particular the consolidated financial statements and the Group management report (including any CSR reporting), any interim financial information and the separate financial statements in accordance with the German Commercial Code (HGB).

The Audit and Risk Committee prepares the Supervisory Board's proposal to the Annual General Meeting on the election of the auditor and the Supervisory Board's decision on the determination of key audit areas, the award of the audit contract to the auditor and the fee agreement. To this end, it also deals with the prescribed independence of the auditor. The Audit and Risk Committee decides on whether to approve the provision of permissible non-audit services by the auditor and regularly assesses the quality of the audit. It also prepares the selection and commissioning of any external audit of any non-financial (Group) statement or separate non-financial (Group) report by the Supervisory Board. The Audit and Risk Committee discusses with the auditor the audit risk assessment, the audit strategy and audit planning, and the audit results. The Chairman of the Audit and Risk Committee regularly discusses the progress of the audit with the auditor and reports thereon to the committee. The Audit and Risk Committee consults with the external auditors on a regular basis without the Management Board.

The Audit and Risk Committee issues recommendations to the Supervisory Board to facilitate and prepare the decision of the Supervisory Board on the approval of the annual financial statements and the approval of the consolidated financial statements.

The Remuneration & ESG Committee consists of three Supervisory Board members, currently Julia Kranenberg (chairwoman), Jean-Michel Richard and Dr. Dirk Rothweiler. Meetings of the Remuneration and ESG Committee are held at least twice per calendar year. The Remuneration & ESG Committee deals with environmental, social, governance, sustainability, health and safety, and social responsibility topics (together the "ESG Topics"). It advises the Supervisory Board and the Management Board on ESG Topics, monitors and mentors the measures taken by the Management Board to implement them. It supports the Audit and Risk Committee at its request in the preparation for the Supervisory Board's review of reporting and disclosure on ESG Topics, in particular as part of the non-financial (Group) statement or the separate non-financial (Group) report.

The Remuneration & ESG Committee prepares the Supervisory Board's resolution on the remuneration system for the Management Board and reviews it regularly. It also reviews and assesses the appropriateness of the total remuneration of the individual members of the Management Board as well as the determination and review of the targets for variable remuneration by the Supervisory Board and prepares the respective resolutions of the Supervisory Board as well as the Supervisory Board's resolution on the remuneration report to be prepared annually.

The Nomination Committee consists of three Supervisory Board members, all of whom are shareholder representatives, currently Dr. Dirk Rothweiler (chairman), Jean-Michel Richard, and Julia Kranenberg. Meetings of the Nomination Committee are held as required.

The Nomination Committee nominates suitable candidates to the Supervisory Board for its proposals to the Annual General Meeting for the election of Supervisory Board members. The Nomination Committee facilitates and prepares the Supervisory Board's decisions on Management Board members, in particular by making proposals for the appointment, reappointment and dismissal of Management Board members. In addition, the Nomination Committee prepares long-term succession planning for the Management Board on behalf of the Supervisory Board, deals with personnel policy and the principles and structures of personnel development and planning in the area of executives and consults with the Management Board and the Supervisory Board on these issues.

SETTING TARGETS FOR THE PROPORTION OF FEMALE MEMBERS ON THE SUPERVISORY BOARD, THE MANAGEMENT BOARD AND THE TWO MANAGEMENT LEVELS BELOW THE MANAGEMENT BOARD

As a listed European Company not subject to the German Co-Determination Act, LPKF SE is legally obliged to set targets for the proportion of women on the Supervisory Board, the Management Board and the two management levels below the Management Board.

On 27 February 2019 the Supervisory Board set a target of 1/3 (or 33.33%) for the proportion of women on the Supervisory Board and a target of 0% for the proportion of women on the Management Board. The deadline for achieving both targets is 26 February 2024.

Given the composition of the Management Board with only two members and the composition of the Supervisory Board with three members at the time of setting the targets, the Supervisory Board did not consider it appropriate to set higher targets for now. However, the Supervisory Board will continue to assess the situation as it fully supports and promotes gender equality.

In 2018 the Management Board had set targets for the proportion of women in the two management levels below the Management Board. They amounted to 17% in the first management level and 23% in the second management level below the Management Board. The deadline for achieving these targets was 30 June 2022. On this date the proportion of women in the first management level reached 25% and thus exceeded the set target. The proportion of women in the second management level reached 10 % and was thus below the set target. The second management level below the Management Board is a relatively small comparison group of managers. No suitable female candidates could be identified for the very few, mainly technical positions that became vacant during the reference period.

The Management Board has defined new targets for the future proportion of women in the two management levels below the Management Board to be reached by 30 June 2027. They amount to 30% for the first and 20% for the second management level, based on projected employee figures in the management levels by 30 June 2027.

LONG-TERM SUCCESSION PLANNING FOR THE MANAGEMENT BOARD, DIVERSITY CONCEPT

One of the duties of the Supervisory Board is to work on the long-term succession planning for the Management Board together with the Management Board. In addition to the requirements of the German Stock Corporation Act and the Code, the succession planning takes into account the diversity concept as adopted by the Supervisory Board for the composition of the Management Board. Taking into account the specific qualification requirements and the aforementioned criteria, the Supervisory Board develops an ideal candidate profile and draws up a shortlist of available professionals. Structured interviews are conducted with these candidates. If necessary, the Supervisory Board is supported by external consultants in the development of the candidate briefs and the selection of candidates.

With regard to the composition of the Management Board, the Supervisory Board pursues a diversity concept and fully embraces diversity, taking into account the following aspects:

- The members of the Management Board shall, as a whole, possess the knowledge, skills and professional experience necessary for the proper performance of their duties.
- The members of the Management Board must be familiar with the relevant industrial environment. At least individual members of the Management Board should also have knowledge in the Laser Technology Business Field and in the area of capital markets and financing. At least the member of the Management Board responsible for finance must have expertise in the fields of accounting or auditing of the Management Board should have experience in managing a medium-sized company.
- Diversity shall also be considered in the search for qualified personnel for the board. The extent to which different, mutually complementary professional profiles,

professional and life experiences as well as an appropriate representation of both genders benefit the work of the board should also be appreciated.

- As a rule, only those who have not yet reached the age of 65 shall be members of the Management Board. The age of the Management Board members shall therefore also be taken into account in the appointment.
- For the proportion of women on the Management Board, the Supervisory Board has set the target described above and the above deadline for achieving it.

Diversity is intended to benefit the work of the board as a whole. The Supervisory Board decides with which individual a specific Management Board position should be filled in the best interest of the company and under consideration of all circumstances of the individual case.

In the reporting period the Management Board of LPKF SE had two members with professional and personal qualifications in different areas. In the opinion of the Supervisory Board, the diversity concept for the Management Board was complied with during the reporting period and also currently.

OBJECTIVES FOR THE COMPOSITION OF THE SUPERVISORY BOARD, COMPETENCE PROFILE, DIVERSITY CONCEPT

The Supervisory Board, with the support of the Nomination Committee, has set objectives regarding its composition and has prepared a competence profile including diversity that is taken into account when proposing new candidates for the Supervisory Board.

The Supervisory Board as a whole shall have the knowledge, skills and professional experience necessary to perform its duties. The members of the Supervisory Board as a whole shall be familiar with the sector in which the company operates.

It shall be ensured that at least the following knowledge or experience is present in members of the Supervisory Board: (i) familiarity with the sector in which the company operates, (ii) knowledge in other defined areas, including sustainability (ESG) issues, (iii) expertise in the fields of accounting (at least one member) and auditing (at least one other member), and (iv) international experience. Individual qualifications of the individual members may complement each other to achieve this goal.

a) Consideration of the international activity of the company

LPKF SE's international (global) activities are taken into account in election proposals to the Annual General Meeting. In addition to knowledge of the English language, professional experience gained in other internationally active German or foreign companies, whether in management or in supervisory bodies, as well as an understanding of global economic contexts is required. The criterion of internationality does not exclude German nationals as they can contribute the desired level of experience.

b) Independence and avoidance of potential conflicts of interest

The Supervisory Board shall include an appropriate number of independent members on the shareholder side within the meaning of Recommendation C.6 of the German Corporate Governance Code of 28 April 2022 (GCGC 2022). A member of the Supervisory Board shall be

considered independent within the meaning of this recommendation if he or she is independent of the company and its Management Board and independent of a (possible) controlling shareholder.

More than half of the shareholder representatives shall be independent of the company and the Management Board. According to the definition of recommendation C.7 GCGC 2022, a Supervisory Board member is independent of the company and its Management Board if he or she has no personal or business relationship with the company or its Management Board that could constitute a material and not merely temporary conflict of interest. In assessing independence, the Supervisory Board takes into account the indicators listed in recommendation C.7 GCGC 2022.

At least one shareholder representative shall be independent of a (possible) controlling shareholder. According to recommendation C.9 GCGC 2022, a Supervisory Board member is independent of the controlling shareholder if he or she or a close family member is neither a controlling shareholder nor a member of the controlling shareholder's executive body nor has a personal or business relationship with the controlling shareholder that may give rise to a material and not merely temporary conflict of interest.

No member shall be a member of the Supervisory Board who exercises an executive or advisory function at a significant third-party competitor of the company or the Group or who has a personal relationship with a significant third-party competitor.

The Supervisory Board shall not include more than one former member of the Management Board.

c) Setting an age limit

The age limit for the members of the Supervisory Board was set in the Rules of Procedure of the Supervisory Board at not older than 72 years at the time of election.

d) Determination of a standard limit for the length of membership in the Supervisory Board

In order to ensure a balanced mix of experience and renewal on the Supervisory Board, the Supervisory Board has set a standard limit for the average length of service on the Supervisory Board of 10 years in relation to the date of election.

e) Consideration of diversity

In the search for qualified individuals for the Supervisory Board, attention shall also be paid to diversity. The extent to which different, mutually complementary professional profiles, professional and life experience as well as an appropriate representation of both genders on the Supervisory Board benefit the work of the Supervisory Board shall also be acknowledged. For the proportion of women on the Supervisory Board, the Supervisory Board, with the valuable support of the work done at the Nomination Committee, has set the target described above and the above deadline for achieving it.

The above objectives and the diversity concept are intended to benefit the work of the Supervisory Board as a whole.

With the exception of the target for the proportion of women on the Supervisory Board by 26 February 2024 (proportion currently at 25%), the Supervisory Board is of the opinion that the current composition of the Supervisory Board meets the set targets and fulfills the diversity concept and the competence profile.

The members of the Supervisory Board as a whole bring international experience and are familiar with the sector relevant to the company's activities, with Jean-Michel Richard having expertise in the application of accounting principles and internal control procedures as well as auditing and ESG, Dr. Dirk Rothweiler having expertise in the field of accounting and both ESG and Corporate Governance. Jean-Michel Richard and Dr. Dirk Rothweiler both have experience in Business Administration, Financing & Investment. The Chairwoman of the Remuneration & ESG Committee, Julia Kranenberg, also has expertise in Human Resources/ remuneration and ESG and is responsible for ESG on the Supervisory Board. The Supervisory Board also includes the number of members independent of the company and the Management Board, as determined by the Supervisory Board to be at least a majority.

The Supervisory Board considers all of its current members - Jean-Michel Richard, Dr. Dirk Michael Rothweiler, Julia Kranenberg and Prof. Dr.-Ing. Ludger Overmeyer - to be independent of the company and the Management Board. There is currently no controlling shareholder on which the Supervisory Board members could be dependent.

The implementation status regarding the profile of skills and expertise for the entire Supervisory Board and other objectives for the composition of the Supervisory Board is set out in following qualification matrix:

Qualification matrix of the Supervisory Board of LPKF Laser & Electronics SE, 2023

		Jean-Michel Richard (Chairman)	Dr. Dirk Rothweiler (Deputy Chairman)	Julia Kranenberg	Prof. Ludger Overmeyer	
Affiliation	Member since	2020	2017	2021	2019	
	Appointed until	2023	2023	2023	2023	
Personal requirements	Independence of the Company and the Management Board*	✓	✓	✓	✓	
	of any controlling shareholder**	✓	✓	✓	✓	
	No overboarding***	✓	✓	✓	✓	
	International experience	✓	✓	✓	✓	
	Diversity	Year of birth	1963	1963	1971	1964
	Gender	m	m	w	m	
	Nationality	Swiss	German	German	German	
Knowledge	Business areas					
	Lasert technology		✓		✓	
	Electronics market / semiconductor market	✓	✓		✓	
	General	Environment, Social, Governance (ESG)	✓	✓	✓	
		Legal, Corporate Governance & Compliance	✓		✓	
		Business Administration, Financing & Investment	✓	✓		
		Human Resources / Compensation		✓	✓	
Financial Experts	Accounting expert****	✓	✓			
	Audit expertise****	✓				
Committees						
	Audit & Risk Committee	✓	✓		✓	
	Nomination Committee	✓	✓	✓		
	Compensation & ESG Committee	✓	✓	✓		

*within the meaning of C. 7 GCGC

**within the meaning of C. 9 GCGC

***within the meaning of C. 4 and C. 5 GCGC

****within the meaning of Section 100 (5) AktG, D. 3 GCGC

SHAREHOLDERS AND ANNUAL GENERAL MEETING

The shareholders of LPKF SE exercise their co-determination and control rights at the Annual General Meeting, which is held at least once a year. This resolves on all matters determined by law. Each share entitles the holder to one vote.

Every shareholder who registers in good time is entitled to attend the Annual General Meeting. Shareholders who are unable to attend in person have the option of having their voting rights exercised by a bank, a shareholders' association, the proxies appointed by LPKF SE who are bound by instructions, or another proxy of their choice. Shareholders can follow the Annual General Meeting or parts thereof via the internet. The Management Board may provide for shareholders to cast their votes in writing or by way of electronic communication (postal vote) and, in case of General Meetings with physical attendance in general, for shareholders to participate in the Annual General Meeting without being present on site and to exercise all or some of their rights in whole or in part by way of electronic communication. The invitation to the Annual General Meeting and the reports, documents and information required by law for the Annual General Meeting are published in accordance with the provisions of the German Stock Corporation Act and made available on LPKF SE's website in German and English.

Due to the special circumstances of the COVID-19 pandemic, the 19 May 2022 AGM was held as a virtual meeting without the physical presence of shareholders or their proxies.

TRANSPARENCY

LPKF regularly informs capital market participants and the interested public about the Group's economic situation and important developments. The annual report, the half-yearly financial report and the quarterly financial reports are published within the prescribed deadlines. Press releases and, if necessary, ad hoc announcements provide information on current events and new developments. All information is published via suitable electronic media such as e-mail and the internet. The website www.lpkf.com also provides extensive information on the LPKF Group and LPKF shares.

The planned dates of the main recurring events and publications – such as the Annual General Meeting, annual report, quarterly financial reports and analysts' conferences – are compiled in a financial calendar. The calendar is published sufficiently in advance and made available on LPKF SE's website.

SHARE TRANSACTIONS OF THE MEMBERS OF THE GOVERNING BODIES

Information on directors' dealings is published by LPKF SE on the internet (www.lpkf.com/en/investor-relations/publications/mandatory-publications) and reported to the relevant supervisory authorities.

ACCOUNTING AND AUDITING

LPKF SE prepares its consolidated financial statements and the interim consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) as applicable in the European Union. The annual financial statements of LPKF SE are prepared in accordance with the German Commercial Code (HGB). The annual and consolidated

financial statements are prepared by the Management Board, reviewed by the Audit and Risk Committee and the Supervisory Board and audited by externally appointed auditors. The interim reports and the half-year financial report are discussed by the Supervisory Board, its Audit and Risk Committee and with the Management Board prior to publication. The consolidated financial statements and the annual financial statements of LPKF SE were audited by KPMG AG Wirtschaftsprüfungsgesellschaft, Hanover, the auditors for the 2022 financial statements elected by the 2022 Annual General Meeting. KPMG is auditor since the 2019 financial statements. The audit reports were signed by Björn Kniese, KPMG partner assigned to LPKF since the 2020 annual financial statements and Thomas Meyer, assigned to LPKF since 2021. The audits were conducted in accordance with German auditing regulations and the generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany). They also covered risk management and compliance with corporate governance reporting requirements pursuant to section 161 of the German Stock Corporation Act (AktG).

It was also contractually agreed with the auditors that they would inform the Supervisory Board immediately of any possible grounds for disqualification or partiality as well as of any significant findings and occurrences during the audit. There was no reason to do so during the audits for the 2022 financial year.

Garbsen, 17 March 2023



JEAN-MICHEL RICHARD
the Supervisory Board



KLAUS FIEDLER
the Management Board

COMBINED MANAGEMENT REPORT

for the LPKF Group and LPKF Laser & Electronics SE

