

## Supervisory Board Report

*Honored Shareholders,*

One year ago, we reported that the Executive and Supervisory Boards were consequently implementing measures to counter the Covid-19 pandemic and that we were confident Jenoptik would emerge stronger from the crisis. We are pleased to announce that we were successful in our efforts: Jenoptik closed the 2021 year with very good revenue, order intake, and EBITDA figures. In acquiring together BG Medical Applications GmbH and the SwissOptic Group, the company again made a landmark acquisition for the Jenoptik Group. These, together with the contract to sell VINCORION signed in November 2021, are allowing Jenoptik to continue with its ongoing strategic focus on the high-growth industries of the future in the photonics sector.

### Cooperation between the Executive and Supervisory Boards

In the year covered by the report, the Supervisory Board stringently fulfilled its duties as stipulated in law, the Articles of Association, the Rules of Procedure, and the German Corporate Governance Code (the "Code") and both monitored and advised the Executive Board in its management of the company. We were fully involved in all decisions of fundamental importance to Jenoptik at an early stage. We were also regularly presented with comprehensive information by the Executive Board, both verbally and in written form, on issues pertaining to corporate planning, on business development and profitability trends, on matters involving risk position and risk management, on compliance issues, and on the general economic situation. We dealt intensively with the reports submitted, especially regarding transactions of significance to Jenoptik, and reviewed them for plausibility. Meetings of the Supervisory Board were in part prepared separately by shareholder representatives and employee representatives.

On occasions where, in accordance with the provisions of the German Stock Corporation Act (AktG), the Articles of Association, and the Rules of Procedure, the Executive Board required the agreement of the Supervisory Board before undertaking certain actions, we granted approval after thorough examination and consultation. During the past fiscal year, the Supervisory Board focused on a range of acquisition and divestment projects, as well as measures to further develop the corporate strategy. This, in particular, included the joint acquisition of BG Medical Applications GmbH and the SwissOptic Group, and the sale of VINCORION. In the event that the business development deviated from the established plans, the Executive Board notified us, explaining the reasons in detail. The Executive Board thus completely fulfilled its reporting obligations as stipulated in § 90 AktG and the Code.

### Attendance at Meetings of the Supervisory Board and its Committees

The Supervisory Board convened five regular meetings and two extraordinary meetings during the reporting year. Even though the Code suggests that videoconferencing and conference calls should not predominate, the Supervisory Board still felt compelled to hold three of its meetings in virtual form due to the ongoing effects of the Covid-19 pandemic. One further in-person meeting took place; the other three were mixed, i. e., with some persons physically, some persons virtually present.

In addition, resolutions were adopted by means of a written circular resolution four times. Agenda items relating to personnel matters on the Executive Board were in part addressed without the presence of the members of the Executive Board. Over the past fiscal year, the Supervisory Board saw a consistently high participation rate: No active members of the Supervisory Board or its committees attended half or fewer than half of the meetings in 2021. On average, attendance at Supervisory Board meetings was 98 percent. There were also five meetings of the Audit Committee, three meetings of the Personnel Committee, six meetings of the Investment Committee, and one meeting of the Nomination Committee. Only the Nomination Committee meeting was held in person. The other committee meetings were conducted either in virtual or mixed form. Attendance at Audit Committee and Nomination Committee meetings was 100 percent, at the Investment Committee meetings 97 percent, and at the Personnel Committee meetings 94 percent. In most cases, members who were unable to attend a meeting participated in the resolutions by means of voting in absentia. Detailed information on members' attendance at meetings can be found in tabe T01 on page 12.

The Executive Board and Supervisory Board always cooperated in an open and trusting atmosphere. The Chairman of the Supervisory Board and the Chairman of the Audit Committee also maintained regular contact with the Executive Board in between the meetings. 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 measures within the company. In addition, the Executive Board promptly informed the Chairman of the Supervisory Board, either verbally or in writing, about important issues of key relevance to assessing the situation, development, and management of Jenoptik. It informed the Supervisory Board of these issues without delay and at the next meeting by the very latest.

## Particular Subjects discussed by the Supervisory Board

**At all its regular meetings**, the Supervisory Board dealt with the detailed reports of the Executive Board on the progress of business, particularly with regard to the current development of revenue and earnings, the position of the company, and the financial and risk situations, in particular with regard to potential impacts arising from the Covid-19 pandemic. This included a comprehensive examination and discussion of the corresponding quarterly and monthly reports. Recurring issues at several meetings included explanations and discussions on a range of acquisition and divestment projects, in particular the joint acquisition of BG Medical Applications GmbH and the SwissOptic Group in October, and the sale of VINCORION in November 2021.

The members of the Supervisory Board adopted their report for the 2021 Annual General Meeting and approved the Corporate Governance Statement by separate **written circular resolutions in February 2021**. They also approved the start of negotiations with banks regarding new debenture bonds with ESG components. In addition, the CVs of Supervisory Board members were compared against the competency profile adopted by the Supervisory Board, updated, and published on the JENOPTIK AG website. By means of a written circular resolution, the shareholder representatives on the Supervisory Board objected in September to the overall fulfillment of the statutory gender quota with regard to the Supervisory Board elections due in June 2022. Following several detailed discussions, a further circular resolution in November concerned the sale of VINCORION.

The focus of the **balance sheet meeting on March 24, 2021** was the audit of JENOPTIK AG's Annual Financial Statements, the Consolidated Financial Statements, and both the Combined Management Report for JENOPTIK AG and the Group and the Non-Financial Report for the past 2020 fiscal year. Two representatives of the auditor reported on the results of the audit. After a thorough review, and on the recommendation of the Audit Committee, the Supervisory Board approved the Annual and

Consolidated Financial Statements. The Annual Financial Statements were thus adopted. Following in-depth discussions, the Supervisory Board also approved the Executive Board's proposal for the appropriation of profits, providing for a year-on-year increase of 12 cents in the dividend, to 0.25 euros per qualifying no-par value share. Another issue at this meeting was the approval of the agenda for the Annual General Meeting on June 9, 2021. The Supervisory Board approved the settlement of the 2020 target agreements for the members of the Executive Board, as well as the target-based payments of components of their long-term variable compensation, and adopted the new target agreements for 2021. The Supervisory Board also adopted the remuneration system for the members of the Executive Board presented to the Annual General Meeting in June 2021, and approved the conclusion of new debenture bonds, the acquisition of a site for the construction of a new factory in Dresden, and the issuance of a group guarantee for a project in the Light&Safety division. The Executive Board informed the Supervisory Board about various potential acquisition and divestment projects, as well as the progress made with the structural and portfolio measures approved in 2020.

At its **meeting on June 8, 2021**, the Supervisory Board, in addition to dealing with recurring topics, was given updated information relating to the Annual General Meeting to be held the following day, as well as on ongoing M&A projects. It again dealt with the progress made with the structural and portfolio measures and commissioned an external consultant to update its competence and requirements profile.

At the **meeting on September 14, 2021**, the Supervisory Board first discussed the regular submissions with the Executive Board. The Executive Board informed the Supervisory Board about a project to advance the Jenoptik strategy and provided detailed information about ongoing acquisition and divestment projects, in particular the project to acquire BG Medical Applications GmbH and the SwissOptic Group. In view of the Supervisory Board elections to be held in June 2022, the Supervisory Board discussed succession planning for the Supervisory Board. Prof. Dr. Tünnermann declared his intention to resign his seat on the Supervisory Board, after 13 years of service, with effect from December 31, 2021. Prof. Dr. Ursula Keller, Professor of Physics at ETH Zurich, introduced herself personally to the Supervisory Board as a candidate to succeed him. The Supervisory Board decided to propose Prof. Dr. Keller as a candidate to be appointed by court order in January 2022. Finally, the Supervisory Board approved the construction of a new cleanroom facility for JENOPTIK Optical Systems GmbH at the Dresden site.

## T01 Participation of the individual Supervisory Board members in meetings

	Astrid Biesterfeldt	Evert Dudok	Elke Eckstein	Thomas Klippstein	Dörthe Knips	Dieter Kröhn
7 Supervisory Board Meetings	●●●●●●●	●●●●●●●	●●●●●●●	●●●●●●●	●●●●●●●	●●●●●●●
5 meetings of the Audit Committee	●●●●●	-	-	●●●●●	-	-
3 meetings of the Personnel Committee	-	-	-	●●●	-	-
6 meetings of the Investment Committee	-	-	●●●●●●	-	●●●●● ○	●●●●●●
1 meetings of the Nomination Committee	-	-	-	-	-	-

● Participation ○ No participation

At its **extraordinary meeting on October 7, 2021**, the Supervisory Board again discussed the acquisition projects and the current status of the project to potentially sell VINCORION. It approved the submission of a binding offer and, if accepted, the signing of a purchase agreement for the acquisition of BG Medical Applications GmbH and the SwissOptic Group. The meeting also dealt with a project for the further development of the Jenoptik strategy and the planning assumptions for 2022.

In a further **extraordinary meeting on November 9, 2021**, the Supervisory Board dealt in detail with the sale of VINCORION and, following separate consultation of the shareholder representatives, finally approved the conclusion of a purchase and share transfer agreement with a fund managed by STAR Capital Partnership, LLP by means of a circular resolution in late November 2021. A further topic at the meeting on November 9, 2021 was the conclusion of a new syndicated loan agreement with ESG components worth 400 million euros. During the two-day **strategy meeting on November 24/25, 2021**, the Supervisory Board was joined by the Executive Board to discuss in detail the new group strategy 2025, "More Value," with a focus on the three high-growth semiconductors / electronics, life science/medical technology, and smart mobility markets.

At the final **meeting** in the year covered by the report, **on December 14, 2021**, the Supervisory Board approved the corporate planning for the 2022 fiscal year following in-depth discussion. After reviewing a corporate governance checklist, the Supervisory Board and the Executive Board approved the Declaration of Conformity in accordance with § 161(1) of the Stock Corporation Act (AktG) for the 2021 fiscal year. The Supervisory Board discussed the efficiency of its work over the past year, dealt with the outcomes of the updated competency and requirements profile, and initiated some preparatory action with regard to the departure of Professor Tünnermann on December 31, 2021 and the Supervisory Board election for shareholder representatives to be held in June 2022. The Executive Board also presented an update on Jenoptik's sustainability management and the current Group Risk and Opportunity Report.

Doreen Nowotne	Heinrich Reimitz	Stefan Schaumburg	Frank-Dirk Steininger	Prof. Dr. Andreas Tünnermann (until 31.12.2021)	Matthias Wierlacher	Total attendance in percent
●●●●●●●●	●●●●●●●●	●●●●●●●●	●●●●●●●●	●●●●●●●●	●●●●●●●●	98%
○			○			
●●●●●●	●●●●●●	-	-	-	-	100%
-	●●●	●●●	●●●	●●	●●●	94%
				○		
●●●●●●●●	-	●●●●●●●●	-	-	●●●●●●●●	97%
-	●	-	-	●	●	100%

## Work in the Committees

The Supervisory Board has established five committees to help perform its tasks with greater efficiency. To the extent permissible by law, these committees make decisions in individual cases in place of the Supervisory Board and prepare topics that are then addressed by the Supervisory Board. The chairmen on the committees provided in-depth information on the content and outcomes of each committee meeting at the following meetings of the Supervisory Board. With the exception of the Audit Committee, chaired by Heinrich Reimitz, the committees are led by the Chairman of the Supervisory Board. Information on the individual members of each committee can be found in the Group Notes appended to the Annual Report, from page 242 on, or in the Corporate Governance Statement, from page 26 on.

During the reporting period, the [Audit Committee](#) headed by Heinrich Reimitz convened five times. Both members of the Executive Board, the Executive Vice President Corporate Controlling & Accounting, and the Head of Group Accounting were present at all meetings; the heads of relevant departments attended as required for individual topics. The auditor's representatives also attended the meeting in March 2021. The primary duties of the Audit Committee were in-depth audits of the Annual and Consolidated Financial Statements, the Consolidated Management Report for JENOPTIK AG and the Group, the Non-Financial Report, and detailed discussions of the quarterly statements and the half-yearly report prior to their publication. In addition, particular attention was paid to the effectiveness and further development of the risk management system, the internal control and compliance management system, and current topics and projects of relevance to Internal Audit and Compliance.

During a **conference call on February 9, 2021**, the Executive Board presented the committee members with the provisional figures in the 2020 Consolidated Financial Statements, which were published the day after.

The main issue at the **balance sheet meeting on March 10, 2021**, with the auditor present, was an in-depth discussion of the Annual and Consolidated Financial Statements, the Consolidated Management Report, the Non-Financial Report, and the Executive Board's proposal for the appropriation of profits. As a result of these discussions, the Audit Committee recommended to the Supervisory Board that the Annual Financial Statements be adopted. The Audit Committee also dealt with the quality of the audit. Another issue at the meeting was the recommendation by the Audit Committee to the Supervisory Board that Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart ("EY"), be proposed to the Annual General Meeting as the auditor for the fiscal year 2021. EY had previously confirmed the absence of circumstances that could compromise its independence as auditor. The Audit Committee also looked at the current Group Risk and Opportunity Report and the performance of the Jenoptik share on the capital market.

The Financial Statements for the first quarter, the current forecast for the 2021 fiscal year, and an update on sustainability management and current topics in Internal Audit were the priorities at the **Audit Committee's meeting on May 10, 2021**.

At its **meeting on August 10, 2021**, the Audit Committee discussed the Mid-Year Financial Statements with the Executive Board prior to their publication. The Audit Committee set out the main points for the audit of the Annual Financial Statements in the fiscal year 2021, reviewed the fee agreement with EY, and addressed the issue of monitoring the independence of the auditor. To this end, it reviewed the non-audit services provided in 2020, and updated the catalog of permissible non-audit services it approved to reflect the new regulatory requirements of the Financial Market Integrity

Strengthening Act (FISG). The Audit Committee then appointed EY to audit the Annual and Consolidated Financial Statements for the fiscal year 2021 and carry out a substantive audit of the 2021 Remuneration Report in accordance with the shareholder resolution at the Annual General Meeting. A further topic of the meeting was the current Group Risk and Opportunity Report.

At its last **meeting** of the year **on November 9, 2021**, the Audit Committee examined the Quarterly Statement as of September 30, 2021, and the current forecast. Other priorities at the meeting included a presentation of the Jenoptik cybersecurity strategy by the company's Chief Information Security Officer and an update on sustainability reporting, in particular with regard to EU taxonomy and the Supply Chain Due Diligence Act.

The **Personnel Committee** met three times in the past fiscal year. The purpose of the sessions in February and March was the settlement of the target agreements with the members of the Executive Board for 2020, in particular to define the multiplier for calculating the variable remuneration, and the settlement of LTIs. In addition, the performance criteria for variable remuneration for the target agreements for the fiscal year 2021 were proposed. The Personnel Committee also prepared the adoption of the remuneration system for the Executive Board members, which was updated to reflect the new legal requirements of the Act Implementing the Second Shareholder Rights Directive (ARUG II) and submitted to the Annual General Meeting in June for approval.

The **Investment Committee** met six times in the past fiscal year to deal with various acquisition and divestment projects, in particular the projects to sell VINCORION and acquire both BG Medical Applications GmbH and the SwissOptic Group.

The **Nomination Committee** met once and dealt with succession planning on the Supervisory Board in view of the Supervisory Board elections to be held in June 2022. To this end, it prepared a proposal by the Supervisory Board for the election of shareholder representatives to the Supervisory Board.

The **Mediation Committee** established on the basis of § 27 (3) of the 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

The Supervisory Board continued to focus on the principles of good corporate governance and regulatory changes in corporate governance over the past fiscal year. At its meeting in June, the Supervisory Board commissioned an external consultant to update and supplement its requirements and competency profile, also with regard to the independence of the shareholder representatives. The results of the review were discussed at the December meeting, when preparations were made with regard to the Supervisory Board election of shareholder representatives to be held in June 2022. The December meeting also saw the Supervisory Board review its checklist on the German Corporate Governance Code and, together with the Executive Board, adopt the Declaration of Conformity in accordance with § 161(1) AktG. This and prior declarations extending back to 2004 are permanently available to shareholders on the Jenoptik website.

The Supervisory Board regularly reviews the efficiency of its work in accordance with the Code's recommendations. Following the most recent efficiency review carried out with the assistance of an external expert in 2020, the Supervisory Board undertook an internal self-assessment in the past fiscal year. The review gave a positive picture of the work of the Supervisory Board and its committees. No efficiency shortcomings were identified. The next external efficiency review is scheduled to take place in 2023.

Individual members of the Supervisory Board exercise an executive role at other companies with which Jenoptik has a business relationship. All of these business transactions, which are not of significant relevance to Jenoptik, were conducted under the same conditions as would have been maintained with third-party companies. Neither the Executive Board nor the Supervisory Board effected any transactions that would have required approval or a duty to publish under the provisions of ARUG II ("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 Group Notes on page 237. In the past fiscal year, there were no conflicts of interest that would have required reporting to the Annual General Meeting with this report.

Members of the Supervisory Board are independently responsible for undergoing the training and professional development measures necessary for their tasks. The company offers selected internal or external information events for targeted professional development, if required. All members are regularly notified of new regulatory requirements. New members are also supported by the company during their inductions. Professor Keller took the opportunity to personally acquaint herself with the Executive Board, the members of the Supervisory Board, and the way they work together prior to her appointment by court order.

Further detailed information on corporate governance can be found in the Corporate Governance Statement beginning from page 26 on of the Annual Report.

## Annual Financial Statements and Consolidated Financial Statements

After an in-depth preliminary review and on the basis of the resolution by the Annual General Meeting on June 9, 2021, the Audit Committee appointed EY as auditor for the fiscal year 2021 in its meeting on August 10, 2021. EY has acted as the JENOPTIK AG and Group auditor of the Annual and Consolidated Financial Statements since 2016. The lead audit partner is Steffen Maurer, who is exercising this role for the third time. EY audited the Annual Financial Statements prepared by the Executive Board according to the provisions of the German Commercial Code (HGB), the Consolidated Financial Statements prepared according to § 315e HGB and on the basis of International Financial Reporting Standards (IFRS), and the Consolidated Management Report, and issued its unqualified approval. The audit of the Non-Financial Report in the form of a limited assurance engagement was also issued with unqualified approval by PWC. Within the scope of its 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 auditor undertook its audit according to § 317 HGB, giving consideration to the generally accepted German audit principles defined by the Institute of Public Auditors in Germany (IDW). In addition to the formal audit required by law, EY also carried out a substantive audit of the content of the Remuneration Report, as commissioned to do so by the Audit Committee at its meeting on August 10, 2021. You can find the Remuneration Report, including the audit opinion, from page 40 on.

On completion, the audit reports, the Annual Financial Statements, the Consolidated Financial Statements, the Executive Board's proposal for the appropriation of profits, the Combined Management Report, and the Non-Financial Report were dispatched to all members without delay and, together with the documents submitted by the Executive Board, discussed in great detail by the Audit Committee and the Supervisory Board at their March meetings. Both also dealt extensively with the key audit matters.

Representatives of auditor EY and of audit firm PWC, which was appointed by the Audit Committee to conduct an audit review of the Non-Financial Report, reported on the key outcomes of their audits at the two meetings, in the presence of the Executive Board during the relevant agenda items, and were also available to respond to any further queries. The Supervisory Board is of the opinion that the participation of the Executive Board is a valuable addition to Supervisory Board discussions and completion of auditing of the Annual and Consolidated Financial Statements, at which auditor EY is in attendance, and therefore considers it necessary that the Executive Board continues to participate in the future. If a 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 financial statement 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 impartiality. No major weaknesses in the risk early warning system or the accounting-related internal control system were reported. The Chairman of the Audit Committee also reported in detail to the Supervisory Board on the examination of the statements carried out by the Audit Committee.

Following its own comprehensive examination and discussion, the Supervisory Board concurred with the findings submitted by the auditor and the Audit Committee's recommendation, and raised no reservations about the results of the audit. It approved the Annual Financial Statements and Consolidated Financial Statements submitted by the Executive Board, thus adopting the Annual Financial Statements in accordance with § 172 (1) AktG. The Supervisory Board discussed in detail with the Executive Board the proposal for the appropriation of accumulated profits, providing for payment of a dividend of 0.25 euros per qualifying no-par value share, and also agreed to this following its own review.

## Changes on the Supervisory Board and Executive Board

Prof. Dr. Andreas Tünnermann stepped down from the Supervisory Board with effect from December 31, 2021. Prof. Dr. Tünnermann was the technology expert on the Supervisory Board and provided outstanding service in promoting the expertise of the entire board, particularly in the key areas for Jenoptik of optical technologies, digitization, strategy, and growth planning. We thank him for his valuable assistance and years of service on the Supervisory Board of JENOPTIK AG. To succeed Prof. Dr. Tünnermann, Prof. Dr. Ursula Keller, Professor of Physics at ETH Zurich, was appointed to the Supervisory Board by court order, with effect from January 21, 2022, for a limited period until the expiry of Prof. Dr. Tünnermann's remaining term of office, i.e., until the end of the Annual General Meeting in 2022. Mr. Dudok was elected as a member of the Personnel, Mediation, and Nomination Committees.

There were no personnel changes on the Executive Board in 2021.

The Supervisory Board would like to thank the members of the Executive Board and all the employees for their exceptional performance and great commitment throughout the fiscal year, as well as our shareholders for the trust they have shown in us.

Jena, March 2022

On behalf of the Supervisory Board



Matthias Wierlacher  
Chairman