

Consolidated Corporate
Governance Report
2023/24

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CONSOLIDATED CORPORATE GOVERNANCE REPORT

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CONSOLIDATED CORPORATE GOVERNANCE REPORT

The Austrian Code of Corporate Governance (ACCG) is a regulatory framework for stock corporations regarding the management and supervision of the company. The objective of the Code is the responsible management and control of enterprises and groups for sustainable, long-term value creation. This is intended to achieve a high level of transparency for all stakeholders of the company. The Code is based on the provisions of Austrian company, stock exchange and capital market law, the EU recommendations regarding the responsibilities of supervisory board members and the remuneration of directors and the principles of the OECD Guidelines for Corporate Governance.

COMMITMENT TO THE AUSTRIAN CODE OF CORPORATE GOVERNANCE/ DECLARATION OF COMMITMENT

AT & S Austria Technologie & Systemtechnik Aktiengesellschaft ("AT&S") has expressly committed to compliance with the rules of the ACCG since its admission to listing on the Vienna Stock Exchange on 20 May 2008. This Corporate Governance Report is based on the status of the Code as amended in January 2023. In key report items, matters of the entire Group are included, if necessary.

The Code can be accessed at www.corporate-governance.at.

AT&S meets all mandatory L-Rules ("Legal Requirements"). Unless an explanation is provided, C-Rules ("Comply or Explain") are also complied with by the respective corporate bodies and by the company.

In accordance with L-Rule 60 of the ACCG, AT&S must prepare a Consolidated Corporate Governance Report. The Consolidated Corporate Governance Report of AT&S also corresponds to the Corporate Governance Report of the AT&S Group. This Consolidated Corporate Governance Report is publicly available on the AT&S website at ats.net/en/company/corporate-governance/ (C-Rule 61 ACCG).

In accordance with Rule 62 of the Austrian Code of Corporate Governance, compliance with the requirements of the Code shall be evaluated periodically, but at least every three years, by an external institution. Therefore, compliance with the provisions of the Code on the part of AT&S was externally evaluated and confirmed (except C-Rules 77, 81a, 82a and 83) in the past financial year in accordance with Rule 62

of the Austrian Code of Corporate Governance. The next external evaluation is therefore scheduled for the financial year 2026/27.

Explanation of deviations (from C-Rules)

Based on the following explanations, AT&S ensures behaviour consistent with the Code in accordance with the ACCG:

C-Rules 27 and 27a and all related provisions

1. The long-term incentive programme based on stock appreciation rights ("SAR") for the Management Board and key staff, which was implemented by resolution of the Supervisory Board on 3 July 2014 and is still applicable, so far does not include defined non-financial criteria for variable remuneration to maintain transparency and traceability with regard to target achievement. However, the variable remuneration of the Management Board not accounted for by SAR is dependent on the short-term achievement of three performance indicators defined as part of the budget for the respective financial year, which reflect the company's commitment to the topics of sustainability and innovation.
2. Andreas Gerstenmayer is contractually entitled to termination benefits in the event of a termination of his appointment (in accordance with the Salaried Employees Act ("old system for severance pay"), applied mutatis mutandis), which could, under certain circumstances, result in a severance payment exceeding the amount of two annual remunerations. A possible exceedance of two annual remunerations applies to all Management Board members in the event of premature termination of the employment relationship by the respective Board member for reasonable cause, or where the function becomes obsolete for legal reasons.
3. All contracts of the Management Board members include a "Change of Control" clause, which defines the benefits related to the termination of the Management Board appointment as a result of a change of control.

The above-mentioned deviations result from the endeavour not to interfere with the rights arising from existing contracts and to make all Management Board contracts as consistent as possible. Details regarding the Management Board remuneration can be found in the Remuneration Policy and the respective Remuneration Report for the Management Board.

C-Rule 43

The Nomination and Remuneration Committee is chaired by Georg Riedl, Deputy Chairman of the Supervisory Board. Given Mr Riedl's expertise as a practising lawyer in the field of drawing up contracts, his intensive work related to topics of management board remuneration as well as the relevant experience of the other members of the Nomination and Remuneration Committee, the required membership of the Chairman of the Supervisory Board in this committee was dispensed with when appointing members to this committee.

C-Rule 62

Compliance with C-Rules 77, 81a, 82a and 83 was exempted from the audit scope of the external auditor performing the external evaluation for this financial year and was therefore not externally evaluated in deviation from C-Rule 62.

MANAGEMENT BOARD**Composition, working practices and organisation****AT&S AG MANAGEMENT BOARD**

	Assigned Group functions	Date of first appointment	End of current appointment	Supervisory Board mandates or comparable functions of members of the Management Board in other domestic and foreign companies
Andreas Gerstenmayer, CEO born 1965, male	Strategy & Transformation, Market Intelligence, Public Affairs, Communications, IT & Digital/Data, Human Resources, Country Management China	01/02/2010	31/05/2026	Member of the Supervisory Board of ams-OSRAM AG, Unterpremstätten, Austria
Petra Preining, CFO born 1973, female	Group Controlling, Group Finance, Group Treasury, Investor Relations, Group Procurement, Legal, Compliance & Audit, Risk & Continuity Management, Information Security	01/10/2022	30/09/2027	Member of the Supervisory Board of Frequentis AG, Vienna, Austria
Peter Schneider, EVP BU Electronics Solutions born 1970, male	BU Electronic Solutions, Customer Service & Success, Group Key Account Management (KAM) Excellence	01/06/2021	31/05/2029	
Ingolf Schröder, EVP BU Microelectronics born 1972, male	BU Microelectronics, Group Business & Operational Excellence	01/09/2020	31/08/2025	
Peter Grieschnig, CTO born 1965, male	Technology & Innovation Management, R&D, Advanced Interconnect Solution Services, ESG, Security, EHS, Group Industrial Planning, Group Quality	01/04/2023	31/03/2028	

As a collective executive body, the Management Board is jointly responsible for the management of the company. In addition to the collective responsibility, each Management Board member is also responsible for defined areas of business. The assigned corporate functions are shown in the table. CVs of the Management Board members can be found on the AT&S website at ats.net/en/company/management-board-supervisory-board/.

Remuneration of the Management Board (and Supervisory Board)

With the Stock Corporation Amendment Act 2019 (Federal Law Gazette I 2019/63), the provisions regarding the disclosure of the remuneration of the individual members of the Management Board and the principles of the remuneration policy have been terminated. This information is now disclosed in detail in the Remuneration Report (Section 78d of the Austrian Stock Corporation Act (AktG)), which must be presented annually for a vote at the Annual General Meeting.

SUPERVISORY BOARD

AT&S AG SUPERVISORY BOARD

	Date of first appointment	End of current appointment	Supervisory board mandates in other listed companies ¹	Independent according to ACCG rule
Hannes Androsch Chairman of the Supervisory Board born 1938, male	30/09/1995	31 st AGM 2025	–	–
Regina Prehofer First Deputy Chairwoman of the Supervisory Board born 1956, female	07/07/2011	30 th AGM 2024	Member of the Supervisory Board of Andritz AG, Graz, Austria (appointed on 21/03/2024) Member of the Supervisory Board of Wienerberger AG, Vienna, Austria (left on 05/05/2023)	53, 54
Georg Riedl Second Deputy Chairman of the Supervisory Board born 1959, male	28/05/1999	30. o. HV 2024	–	53
Gertrude Tumpel-Gugereil Member of the Supervisory Board born 1952, female	04/07/2019	30. o. HV 2024	Member of the Supervisory Board of Vienna Insurance Group AG, Vienna, Austria Member of the Supervisory Board of OMV AG, Vienna, Austria Member of the Supervisory Board of Commerzbank AG, Frankfurt, Germany	53, 54
Robert Lasshofer Member of the Supervisory Board born 1957, male	09/07/2020	31 st AGM 2025	Member of the Supervisory Board of Vienna Insurance Group AG, Vienna, Austria	53, 54
Georg Hansis Member of the Supervisory Board born 1973, male	09/07/2020	31 st AGM 2025	–	53
Hermann Eul Member of the Supervisory Board born 1959, male	09/07/2020	31 st AGM 2025	Member of the Supervisory Board of Infineon Technologies AG, Neubiberg, Germany (appointed on 23/02/2024) Member of the Supervisory Board of Knowles Corporation, Itasca, USA (left on 01/01/2024)	53, 54
Karin Schaupp Member of the Supervisory Board born 1950, female	07/07/2011	30 th AGM 2024	–	53, 54
Lars Reger Member of the Supervisory Board born 1970, male	09/07/2020	31 st AGM 2025	–	53, 54
Wolfgang Fleck Member of the Supervisory Board born 1962, male	03/09/2008	–	–	n. a.
Günter Pint Member of the Supervisory Board born 1976, male	19/09/2017	–	–	n. a.
Siegfried Trauch Member of the Supervisory Board born 1960, male	28/01/2016	–	–	n. a.
Christa Köberl Member of the Supervisory Board born 1969, female	01/12/2023	–	–	n. a.
Günther Wöfler Member of the Supervisory Board born 1960, male	10/06/2009	30/11/2023	–	n. a.
Bianca Erhardt Member of the Supervisory Board born 1995, female	14/12/2022	–	–	n. a.

¹ Supervisory Board positions held within the reporting period

Management based on the principles of good corporate governance, which is developed continuously, is of vital importance to the Management Board and the Supervisory Board. Open discussions and discourse constantly take place both within these bodies and between the Management and Supervisory Boards. The strategic orientation of the company is defined in close coordination between the two bodies and is regularly discussed and evaluated at the Supervisory Board meetings. A catalogue of transactions and measures which – in addition to those defined by law – require the explicit approval of the Supervisory Board can be found in the Rules of Procedure of the Management Board alongside the requirements of ongoing reporting by the Management Board to the Supervisory Board. The Supervisory Board supervises the Management Board in managing the company and provides advice regarding decisions of crucial or fundamental importance.

Throughout the financial year from 1 April 2023 to 31 March 2024, the Supervisory Board received written and oral reports from the Management Board on the Group's policies and performance and was closely involved in all business issues.

The Supervisory Board met four times during the financial year 2023/24. No Supervisory Board member attended less than 50% of the meetings.

Central topics of the meeting included discussing the budget for the financial year 2024/25, the business development, expansion projects and their financing, personnel measures, the current market development as well as the optimisation of Group financing. The latter includes, among other things, financing options that were considered to support the further development of the company. In addition, the budget for the financial year 2024/25 was approved.

The Supervisory Board carries out an annual self-evaluation in accordance with Rule 36 of the Code of Corporate Governance and did so again for the financial year 2023/24. This evaluation performed by the Supervisory Board based on a digital questionnaire confirmed that its practices meet the Good Governance requirements and that its organisation, work practices and target orientation are efficient and effective.

Independence of Supervisory Board members

In accordance with C-Rule 53 of the ACCG, the Supervisory Board has established the following criteria to be used in determining the independence of its members: Supervisory Board members are to be regarded as independent if they have no business or personal relationships with the company or its Management Board which could be cause for material conflicts of interest and therefore liable to influence the behaviour of the member in question. The detailed criteria for the assessment of a Supervisory Board member are defined in the Rules of Procedure of the Supervisory Board, Appendix 1: Criteria of independence of the AT&S Supervisory Board. The Rules of Procedure of the Supervisory Board can be viewed at ats.net/en/company/management-board-supervisory-board/.

In spring 2024, the members of the Supervisory Board appointed by the Annual General Meeting each declared in writing whether they were independent. Eight of the nine members of the Supervisory Board representing shareholder interests declared that they were independent. Hannes Androsch declared that he was not independent. C-Rule 54 specifies that, for companies with a free float in excess of 50%, at least two Supervisory Board members who are independent in accordance with C-Rule 53 should also not be shareholders with interests in excess of 10%, or representatives of such interests. Six of nine Supervisory Board members representing shareholder interests declared themselves independent within the meaning of this rule.

Related party transactions

In connection with various projects, the Group obtained services totalling €363 thousand (previous year: €363 thousand) from AIC Androsch International Management Consulting GmbH, where Chairman of the Supervisory Board Hannes Androsch has full authority to act on behalf of the company as its Managing Director.

Committees

To provide effective support and to properly address complex matters, the Supervisory Board has established three standing committees which analyse particular issues in detail and report regularly to the Supervisory Board.

COMPOSITION OF THE COMMITTEES OF THE SUPERVISORY BOARD

Committee	Members
Audit Committee	Regina Prehofer (Chairwoman, Finance expert) Gertrude Tumpel-Gugereil (Finance expert, Deputy Chairwoman) Georg Riedl Wolfgang Fleck Christa Köberl (since 01/12/2023) Günther Wölfli (until 30/11/2023)
Nomination and Remuneration Committee	Georg Riedl (Chairman) Hermann Eul (Deputy Chairman) Robert Lasshofer Wolfgang Fleck Christa Köberl (since 01/12/2023) Günther Wölfli (until 30/11/2023)
Finance Committee	Hannes Androsch (Chairman) Regina Prehofer (Deputy Chairwoman) Robert Lasshofer Georg Riedl Wolfgang Fleck Christa Köberl (since 01/12/2023) Günther Wölfli (until 30/11/2023)

Audit Committee

The Audit Committee carries out the responsibilities defined by Section 92 para. 4a of the Austrian Stock Corporation Act and Rule 40 of the Austrian Code of Corporate Governance. In particular, the Audit Committee reviews and prepares the approval of the annual financial statements and reviews the proposed distribution of profits, the Management Report and the Consolidated Corporate Governance Report. The Audit Committee also monitors the accounting process, approves non-audit services and is required to report the audit results to the Supervisory Board. The Audit Committee held three meetings and addressed above all the preparation of the resolution on the separate and consolidated financial statements for the financial year 2022/23, risk management, the internal control system, internal audit, the adaptation requirements for non-financial reporting based on the EU Taxonomy Regulation and the Corporate Sustainability Reporting Directive, as well as the compliance organisation. The Audit Committee also monitored the preparation for the audit of the separate and consolidated financial statements for the financial year 2023/24.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee deals with matters regarding succession planning and the remuneration of Management Board members. All committee members representing shareholders possess knowledge of and experience in remuneration policies. The Nomination and Remuneration Committee is also authorised to make decisions in urgent cases. This committee held one meeting in the financial year 2023/24, which focused – most notably – on extending the appointment of Mr Schneider as a member of the Management Board.

Finance Committee

A Finance Committee has been established to address the complex and specific tasks of financing as efficiently as possible.

The Finance Committee convened four times in the financial year 2023/24. At these meetings, the Finance Committee discussed in detail matters of Group financing in general, as well as project financing.

DIVERSITY OF THE MANAGEMENT AND SUPERVISORY BOARDS

When proposals for Supervisory Board appointments are made to the Annual General Meeting, and when Management Board members are nominated, the focus is on maintaining a professional and diversity-related balance, as such a balance significantly contributes to the professionalism and effectiveness of the work of the Supervisory and Management Boards. In addition to professional and personal qualifications, aspects such as age structure, origin, gender, education and experience are also considered.

At present, five women serve on the AT&S Supervisory Board. At 36%, the proportion of women exceeds the legal requirements by far; within the shareholder representatives, the proportion of women is one-third. The age of Supervisory Board members ranges from 28 to 85 years on 31 March 2024. All members of the Supervisory Board representing shareholder interests have extensive experience in international business.

Currently, one woman, Petra Preining, serves on the Management Board of AT&S; the proportion of women on the Management Board thus amounts to 20%.

MANAGERS' TRANSACTIONS

Purchases and sales carried out by members of the Management Board, the Supervisory Board and related persons are reported to the Financial Market Authority in accordance with Art. 19 of Regulation (EU) No. 596/2014 and published via an EU-wide disclosure system as well as on the AT&S website, under ats.net/en/investors/ir-news/managers-transactions.

DIRECTORS AND OFFICERS (D&O) INSURANCE

D&O insurance is in place for the Supervisory Board, the Management Board and senior executives in the Group. The company pays for the costs in connection with this insurance.

RISK MANAGEMENT

In accordance with C-Rule 83 of the ACCG, the effectiveness of the risk management system was evaluated with limited assurance by the auditor, Deloitte Audit Wirtschaftsprüfungs GmbH, for the reporting period. The activities performed did not result in any findings and the Management and Supervisory Boards are informed about the result. In addition, the Head of Risk Management reports on current risks at the meetings of the Audit Committee.

Leoben-Hinterberg, 13 May 2024

The Management Board

DI (FH) Andreas Gerstenmayer m.p.

Dr. Peter Schneider m.p.

Dr. Peter Griehsnig m.p.

Mag. Petra Preining m.p.

DI Ingolf Schröder m.p.

