
REPORT OF THE SUPERVISORY BOARD

The Supervisory Board carried out its duties with due diligence pursuant to the statutory requirements, articles of incorporation, and Company bylaws in the 2021 fiscal year. The Supervisory Board monitored the work of the Management Board diligently and regularly. On the following pages, the Supervisory Board reports on its activities in the 2021 fiscal year.

Dear Readers,

Dear Shareholders,

The COVID-19 pandemic continued to have a significant influence on the 2021 fiscal year. Nevertheless, it has been a successful fiscal year for SUSS MicroTec. The Company succeeded in achieving a significant increase in order entry by 19.9% to a record level of € 337.0 million. In addition, a slight increase in sales of 4.5% was achieved. Earnings before interest and taxes (EBIT) also improved from € 20.4 million to € 22.6 million. However, the supply bottlenecks for vendor parts caused by the pandemic slowed down the Company's sales growth. Overall, the work done by the Supervisory Board and its committees, which we report on herein, has also effectively adapted to the new conditions. In 2021, meetings were held predominantly as video or conference calls in accordance with the strict health and safety measures in place at the Company.

As in previous years, in addition to participating in Supervisory Board meetings, the Chairman of the Supervisory Board maintained close contact with the Management Board and remained apprised of the business situation and significant events. In addition, the Supervisory Board's financial expert, who was also the Chairman of the Audit Committee, worked in regular close consultation with the Management Board as well as with the annual report auditors, BDO AG Wirtschaftsgesellschaft based in Hamburg, branch office in Munich, on issues such as financial reporting, the annual audit, the internal control system, and the risk and compliance management system.



Dr. David Dean, Chairman of the Supervisory Board

MEETINGS AND MAIN TOPICS OF DISCUSSION

The Supervisory Board conducted regular discussions on the development of business, financial position, and strategic orientation of SUSS MicroTec, its subsidiaries, and the Group. The Management Board regularly provided the Supervisory Board with comprehensive information about corporate planning, strategic direction, and the development of order entry, sales, liquidity, and earnings. In addition, the Supervisory Board reviewed the monitoring of the financial reporting process as well as the effectiveness of the internal control system, the risk and

compliance management system, and the independence of the auditor. Furthermore, the Supervisory Board discusses the state and development of corporate governance at the Company at least once a year. In particular, it discussed compliance with the recommendations of the German Corporate Governance Code.

The Management Board and Supervisory Board work in close collaboration to keep developing the Company successfully. The Supervisory Board regularly monitored the Management Board during the fiscal year and advised it on various areas of corporate management. The discussions between the Supervisory Board and Management Board, whether virtual or face-to-face, were always constructive, fruitful and based on trust. The Supervisory Board was involved in all decisions that were of vital importance to the Company. The Management Board coordinated the Company's strategic orientation with the Supervisory Board and provided it with regular, prompt, and comprehensive information – in written and verbal form – about corporate planning, business progress, the current position of the Group and the Company, and planned changes to legal and organizational structures. The Supervisory Board discussed significant business events extensively with the Management Board and gave its consent to the transactions requiring its approval. It also regularly satisfied itself of the legality, propriety and expediency of the actions taken by the Management Board. The Supervisory Board was given access to the Company's books and business documents as needed. During the 2021 fiscal year, the Supervisory Board held a total of seven ordinary meetings and four extraordinary meetings with the Management Board. All members of the Supervisory Board participated in all the meetings.

The discussions at the Supervisory Board meetings focused on various topics in the fiscal year. In the first half of 2021, the Supervisory Board meetings mainly covered the reconstitution of the Management Board and the implementation of a new system of Management Board remuneration as well as the relaunch of the production of the UV scanners. It also reviewed and approved the financial reports for 2020, debated the outlook for the 2021 fiscal year and discussed new, strategically important customer projects. There was a lively exchange with the auditors on the main points of the 2020 audit. Another key issue that came up in 2021 was the harmonization of the previously disparate SAP systems and the planned merger of SUSS MicroTec Lithography GmbH into SUSS MicroTec Photomask Equipment GmbH & Co. KG. In addition to regular status updates on business development, the development of core key figures and the progress of strategic projects. There were also in-depth discussions of objectives and measures to improve sustainability and sustainability communication as well as the further development of the compliance management system. The Management Board was reconstituted and, in the process, the schedule of responsibilities was defined and appointments to various bodies in the subsidiaries were determined.

Another key topic of meetings held in the second half of the year was the new transformation program launched by the Management Board to improve the Company's operational excellence and earning power. As part of the strategic discussions, the competitive positioning and future opportunities were explained and discussed by all business units. The transformation program was launched to respond even more quickly and to respond even faster and more effectively to the needs and wishes of our customers, and to further strengthen the earnings power and balance sheet of the company. A major focus of this focus of this program is on the Operations area. The management is of the opinion that the manufacturing strategy is not suitable to efficiently support the growth strategy and the margin improvement goals. Therefore it is important to optimize and streamline production processes and the of production and to improve throughput times. The LEAN principles approach is intended to introduce a synchronized manufacturing. These projects and the progress during the year were regularly discussed at the Supervisory Board meetings. At its meeting in November 2021, following in-depth discussion, the Supervisory Board adopted new Company bylaws that have been made permanently available on the Company's website under Corporate Governance. Furthermore, on December 17, 2021, the Supervisory Board decided to form an additional Sustainability Committee, which met for the first time in January 2022.

All Supervisory Board members participated in all meetings and decisions during their term of office:

Supervisory Board member	Meeting participation	Attended in person	Attended virtually	Attendance
Dr. David Dean	11	2	9	100 %
Dr. Myriam Jahn	11	2	9	100 %
Dr. Dietmar Meister	11	2	9	100 %
Dr. Bernd Schulte	11	2	9	100 %
Jan Smits	11	2	9	100 %

MEETINGS OF THE PERSONNEL AND AUDIT COMMITTEES

As of December 31, 2021, the Personnel Committee (Nomination Committee and Remuneration Committee) consisted of the Supervisory Board members Dr. David Dean (Chairman), Dr. Myriam Jahn, and Dr. Bernd Schulte. This committee deals with matters concerning the Management Board – in particular, preparations for the appointment of Management Board members, their competency profile, the preparation of Management Board service contracts and the remuneration of Management Board members. The committee took a close look at the succession plan for the Chief Executive Officer, the appointment of a Chief Operating Officer and a new remuneration arrangement to meet ARUG II requirements, particularly at the beginning of 2021.

Meetings of the Personnel Committee

Supervisory Board member	Meeting participation	Attended in person	Attended virtually	Attendance
Dr. David Dean	12	0	12	100 %
Dr. Myriam Jahn	12	0	12	100 %
Dr. Dietmar Meister	9	0	9	100 %
Dr. Bernd Schulte	12	0	12	100 %
Jan Smits	9	0	9	100 %

As of December 31, 2021, the Audit Committee consisted of the Supervisory Board members Dr. Dietmar Meister (Chairman), Dr. David Dean, and Jan Smits. The Audit Committee deals in particular with questions of accounting and the risk management system, the internal control system and the compliance management system, the required independence of the auditor, the engagement of the auditor, the determination of key audit matters, and the fee agreement.

Meetings of the Audit Committee

Supervisory Board member	Meeting participation	Attended in person	Attended virtually	Attendance
Dr. David Dean	7	1	6	87.5 %
Dr. Dietmar Meister	8	1	8	100 %
Jan Smits	8	1	8	100 %

The meeting on August 3, 2021, was also attended by Dr. Myriam Jahn and Dr. Bernd Schulte.

The Audit Committee thoroughly discussed the reports being published with the Management Board prior to the quarterly announcements and interim reports as of March 31, 2021, June 30, 2021, and September 30, 2021.

The Audit Committee meetings in the first quarter of 2021 focused on discussing and reviewing the annual reports and financial statements of the individual companies and the consolidated financial statements in preparation for the Supervisory Board meeting to adopt the financial statements. The Audit Committee also discussed risk reporting and assessed the effectiveness and suitability of risk management. In the second quarter, the Audit Committee engaged in discussions with the Management Board on the establishment of an internal audit function and reviewed the effectiveness of the internal control system used for financial reporting and non-financial reporting purposes. In addition, the Audit Committee engaged in discussions with the Management Board on the further development of the controlling organization, the processes, an employed BI tool, the process for the refinement of long-term planning, the planned harmonization of the ERP system, and the merger of two Group companies. In the third quarter, the Audit Committee addressed the refinement of the compliance management system and sustainability management. It also determined the audit scope and key audit matters for the 2021 financial year. In the fourth quarter, the Audit Committee conducted in-depth discussions of budget planning for 2022. The Audit Committee also held several meetings during the year, both scheduled and unscheduled, to thoroughly discuss the invitation to tender for the audit of the annual financial statements and the selection of a new auditor for the 2022 fiscal year. The Audit Committee remained apprised of business development by regularly reviewing management reporting during the year.

TRAINING AND CONTINUING EDUCATION FOR THE SUPERVISORY BOARD

In October 2021, an external law firm provided training and continuing education event to the Supervisory Board on legal issues related to Supervisory Board activities. In particular, it addressed legal changes such as the German Act on Strengthening Financial Market Integrity (Finanzmarktintegritätsstärkungsgesetz, FISG) and the Second Act on Equal Participation of Men and Women in Management Positions (Zweites Führungspositionen-Gesetz, FÜPoG II). There was also a refresher on the obligation to report directors' dealings and a brief presentation on sustainability reporting. The workshop also covered current issues in the German Corporate Governance Code (including self-assessment, succession planning, curriculum vitae) as well as the remuneration system and remuneration report under ARUG II.

CORPORATE GOVERNANCE AND DECLARATION OF COMPLIANCE

In the 2021 fiscal year, the Supervisory Board concerned itself once again with the substance of the German Corporate Governance Code 2020 and its implementation. A supplement to the current declaration of compliance from December 2020 addressing Management Board remuneration was published back in June 2021. Information on corporate governance at the Company is published in the corporate governance declaration (March 2021) and the declaration of compliance (December 2021). An extensive report on the amount and pattern of remuneration for the Management and Supervisory Boards is provided in the Remuneration Report section of the condensed Management Report. In December 2021, the Management and Supervisory Boards approved the updated annual declaration of compliance with the German Corporate Governance Code pursuant to Section 161 of the German Stock Corporation Law (AktG) and made this declaration permanently available to shareholders on the Company's website.

During an ordinary Supervisory Board Meeting on March 29, 2021, the Supervisory Board conducted its efficiency review and its documentation in accordance with the recommendation of the German Corporate Governance Code (GCGC) as part of a self-assessment. No deficits within the meaning of the GCGC were identified. The examination of the efficiency of the Supervisory Board's activities is conducted at regular intervals by all members using Company-specific questions and checklists. The Company bylaws of the Supervisory Board (as of November 2021) require an efficiency review and verification of the efficacy of the committees at least once a year as a self-assessment.

The focus areas of the examination of efficiency are as follows:

- the processes within the Supervisory Board
- the quality of the discussion
- the focus of the Supervisory Board
- the necessity of creating additional committees

In the 2021 reporting year, there continued to be no consultancy agreements or other service or labor contracts between the members of the Supervisory Board and the Company. No conflicts of interest among Management and Supervisory Board members to be immediately disclosed to the Supervisory Board were reported in the 2021 fiscal year.

SUSTAINABILITY

In 2021, sustainability has become increasingly relevant to the general public and the capital market. The Management Board and the Supervisory Board dealt intensively with this topic in the 2021 financial year I and began to revise and expand the sustainability strategy, because the Management Board and the Supervisory Board are convinced that the success of the company does not only depend on the achievement of financial factors. In particular, the needs of our employees and customers, environmental concerns and the issues of human rights and compliance in the areas in which we operate are important building blocks for our corporate success. In December 2021, it was decided to establish a sustainability committee. In April 2022, a comprehensive sustainability report for the 2021 financial year will be published in addition to the mandatory non-financial statement.

AUDIT OF THE SEPARATE AND CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

BDO AG Wirtschaftsprüfungsgesellschaft, headquartered in Hamburg, branch office in Munich, audited the separate annual financial statements and management report of SUSS Micro-Tec SE as of December 31, 2021, prepared in accordance with the German Commercial Code (HGB), as well as the consolidated annual financial statements and Group management report as of December 31, 2021, and issued an unqualified audit opinion for both. The consolidated financial statements were prepared in accordance with Section 315e HGB based on International Financial Reporting Standards (IFRS), as applicable in the EU. The auditor conducted the audit in accordance with the generally accepted German accounting principles promulgated by the Institute of Public Auditors in Germany (IDW).

The audit reports of BDO AG Wirtschaftsprüfungsgesellschaft, headquartered in Hamburg, branch office in Munich, were presented to all members of the Supervisory Board and were extensively addressed at the financial statements meeting of the Supervisory Board on March 29, 2022, in the presence of the auditor. The auditor reported on the primary results of the audit and stated that there were no substantive weaknesses in the internal control and risk management systems. In particular, the auditor provided explanations on the net assets, financial position, and results of operations of the Company and the Group and was available to the Supervisory Board in order to provide additional information. The auditor also elaborated on the scope, key findings, and costs of the audit. Particularly significant audit areas (key audit matters) include the impairment testing of goodwill, as well as income recognition in the case of multi-component transactions in accordance with IFRS 15. In the financial statements of SUSS MicroTec SE, the valuation of the shares in SUSS MicroTec Inc. and the loans granted to it were also examined. In addition, the audit of the financial statements focused on assessing the suitability and accuracy of segment reporting, inventories reported in current assets, and demonstration equipment. Other key audit matters included cut-off testing for "partially completed" assets or assets with missing parts. The audit of the subsidiary SUSS MicroOptics (SMO) focused in particular on issues such as the measurement of fixed assets and the depreciation periods for various classes of fixed assets.

During the financial statements meeting on March 29, 2022, the Supervisory Board examined the annual financial statements of the Company and the Group as well as the condensed management report of SUSS MicroTec SE contained in the Group management report for the 2021 fiscal year. The Supervisory Board had no objections. The Supervisory Board noted the reports of the auditor after conducting a detailed examination with approval.

COMPOSITION OF THE MANAGEMENT AND SUPERVISORY BOARDS

There were various changes in the Management Board of the Company over the past fiscal year. The Chief Executive Officer, Dr. Franz Richter, left the Management Board of SUSS MicroTec SE at his own request as of April 30, 2021. Two new members were appointed to the Management Board of SUSS MicroTec SE effective May 1, 2021. Dr. Götz Bendele was appointed to succeed Dr. Franz Richter as Chief Executive Officer (CEO) and Dr. Thomas Rohe as the new Chief Operations Officer (COO). The Management Board now consists of three people.

There were no changes in the composition of the Supervisory Board in the 2021 fiscal year.

THANKS

Once again, I would like to express my deepest appreciation to the employees who have been working hard to drive forward the Company's positive development during the pandemic, which has been going on for roughly two years. We owe our very good performance in order intake and further increase in sales and earnings to the extraordinary commitment of our employees in all areas of the Company. I would also like to express my thanks to Chief Executive Officer Dr. Franz Richter, who left at the end of April, for his many years of dedicated service and to the incumbent Management Board for its dedication and commitment in 2021.

Garching, Germany, March 2022

signed

Dr. David Dean

Chairman of the Supervisory Board