

# Combined Non-financial Report

# Separate Combined Non-financial Report in Accordance with the CSR Directive Implementation Act


## Position and Business Model

Jenoptik sees its entrepreneurial activity as more than purely the realization of commercial objectives; it is equally a commitment to society and the environment. Together with our customers, we shape forward-looking trends in the fields of healthcare, environment, mobility, and safety. As an international photonics group, innovation is our driving force and the basis of our success in business. Innovation and responsibility also form the core of our sustainability strategy. With our expertise and innovative products, Jenoptik is making an important contribution as an “enabler” to overcoming social and climate challenges and enabling customers worldwide to contribute more efficiently and sustainably to greater resource conservation and climate protection.

Jenoptik provides the majority of its products and services to the photonics market and is a supplier to the capital goods industry. The Group is thus primarily a technology partner to industrial companies and public sector contractors. According to the current SPECTARIS Trend Report, photonic solutions can make a significant contribution to reducing greenhouse gas emissions due to their properties, applications and effects, and enable resource-saving production processes as well as energy savings and reduce material consumption. According to SPECTARIS, the use of photonic technologies will reduce global greenhouse gas emissions by at least 11 percent by 2030.

As an enabler, Jenoptik not only enables customers to contribute to greater resource conservation and environmental protection, but it also supports the achievement of the United Nations Sustainable Development Goals (SDGs) through its products and solutions. We are improving health and well-being through our biophotonics products (SDG 3), helping to make cities and communities more sustainable through our road safety solutions (SDG 11), strengthening industry, innovation and infrastructure (SDG 9) and enabling responsible production through smart manufacturing (SDG 12). We promote more diversity among our employees (SDG 5) and continue to intensify our efforts to reduce greenhouse gases (SDG 13). By joining the UN Global Compact – the world’s largest initiative for responsible corporate governance – Jenoptik is committing itself to comprehensively complying with the ten principles in

the areas of human rights, labor standards, environmental protection, and anti-corruption.

On June 30, 2022, Jenoptik successfully completed the disposal of VINCORION, reaching an important milestone in its transformation into a pure and globally leading photonics group. Accordingly, VINCORION is no longer included in the non-financial KPIs for 2022 and the prior year 2021. For this reason, the prior-year figures differ from those presented in the 2021 Annual Report. The companies acquired at the end of 2021, BG Medical Applications GmbH and the SwissOptic Group, were included in the non-financial reporting in 2022. 

## Our Take on Sustainability

Our understanding of sustainability is based on the conviction that we can only achieve our economic goals, thereby sustaining profitable growth, by behaving responsibly towards the environment and society. To satisfy this demand, the issue of sustainability is within the responsibility of the Chairman of the Executive Board. Responsibility for the group-wide coordination of Jenoptik’s sustainability management lies with the Investor Relations & Sustainability department, which coordinates this cross-cutting issue in close cooperation with the divisions’ environmental management officers. The Executive Board and Supervisory Board are regularly updated on current projects. An ESG Committee, comprising representatives of the divisions with relevance to sustainability, regularly discusses relevant cross-cutting issues and coordinates the implementation and enforcement of new regulations, for example.

The separate Combined Non-financial Report published here serves the purpose of fulfilling the requirements of the CSR Directive Implementation Act (CSR-RL-UG) in accordance with § 289b (3) and 315b (3) of the German Commercial Code (HGB). The reporting requirements pursuant to Article 8 of the EU Taxonomy Regulation relating to the disclosure of environmentally sustainable business activities also apply. The report covers the key issues in the areas of employees, the environment, social commitment, human rights as well as anti-corruption and supplier management in the fiscal year 2022. The information in the non-financial report applies equally to the Group



More information on the business model and markets can be found in chapter Business Model and Markets

and JENOPTIK AG; any information that differs is indicated. The GRI standard served as an orientation for the selection of key figures, but was not used for further detailing. This includes information on the number of employees, employees on parental leave or the fluctuation rate. In addition, to maintain clarity of reporting, no framework was used. The materiality analysis and the risk assessment were prepared in accordance with the requirements of CSR-RL-UG. In accordance with § 315b (1) (3) of the German Commercial Code, reference is occasionally made to other information available in the Group Management Report. The list below shows all the relevant passages in the Management Report that are relevant to the separate Combined Non-financial Report.

- Business model page 30
- Strategy from page 34 on
- R+D/Innovation management from page 42 on
- Risks & opportunities from page 73 on
- Diversity policy from page 101 on

## Information on the EU Taxonomy Regulation

With the taxonomy regulations, the EU Commission has defined uniform standards for ecological management and specifies, among other things, when an economic activity is to be classified as ecologically sustainable. The aim is to increase the transparency of the sustainability level of companies and to direct the flow of more money into so-called green technologies in order to achieve climate neutrality by 2050. In accordance with Article 8 of the EU Taxonomy Regulation, the Jenoptik Group also fulfills the transparency requirements to ensure transition to a climate-neutral, resource-efficient and circular economy for the long-term competitiveness of the EU.

With regard to the taxonomy environmental objectives (1) climate protection and (2) adaptation to climate change, in addition to taxonomy eligibility, the taxonomy alignment of the corresponding business activities must also be addressed since fiscal year 2022. In addition to the verification of the essential contribution of the “Do No Significant Harm” (DNSH) requirements, compliance with the Minimum Safeguards is also a prerequisite for taxonomy conformity.

With regard to the disclosure of environmentally sustainable business activities, a screening of all significant activities of the Jenoptik Group was carried out in 2021, and updated in fiscal year 2022, with regard to the environmental objectives “climate protection” and “adaptation to climate change” regulated in

Article 9. The conclusion was that the business activities of Jenoptik are not regulated in the EU taxonomy and that the NACE codes as well as the activities of both Annexes I and II do not apply. As a technology group, Jenoptik’s business activities – like those of other suppliers – do not fall within the sectors regulated in the EU-taxonomy. Consequently, Jenoptik does not generate any revenue associated with environmentally sustainable business activities as defined in the EU taxonomy. Consequently, no investment and operating expenditure associated with a revenue-generating economic activity are taxonomy-eligible in 2022 either.

Nevertheless, Jenoptik invests in sustainability and contributes to environmental protection and resource conservation. Sustainable investments as well as operating expenditure as per Annex I of the EU taxonomy within the scope of business activities, 6.5. transportation by passenger cars and light commercial vehicles, 7.1. New build and 7.3. Installation, maintenance and repair of energy efficient appliances, 7.4. Installation, maintenance and repair of charging stations for electric vehicles, and 7.5. Installation, maintenance and repair of equipment for measuring, regulating, and controlling the overall energy performance of buildings were made in the reporting year. The composition of the capex and opex KPIs is therefore explained below. Jenoptik makes use of the option not to include joint ventures in the consideration.

The tables T61 – T63 at the end of the Non-financial Report provide an overview of the key performance indicators (KPIs) to be disclosed.

The **capital expenditure** (capex) was determined in accordance with the requirements of the Taxonomy Regulation. In order to determine Jenoptik’s taxonomy-eligible capital expenditure, we first analyzed the additions to property, plant and equipment, intangible assets and rights of use in the reporting year to determine what proportion of these relate to the acquisition of products from taxonomy-eligible business activities and individual measures through which the target activities are carried out in a low-carbon manner or the emission of greenhouse gases is reduced (numerator). It was explicitly pointed out in the dialog with the responsible persons that double counting must be avoided. The taxonomy-eligible capital expenditure determined in this way was set in proportion to the total capital expenditure reported in the Notes (denominator).

Additions to property, plant, and equipment, intangible assets and rights of use amounted to 106.0 million euros in 2022. The investment of the Jenoptik Group in the acquisition of products from taxonomy-eligible business activities comprised a total of 10.2 million euros in 2022 (prior year: 0.5 million euros), which

equated to 9.6 percent of the total capex volume. This includes, for example, investment in energy-efficient equipment, charging stations for electric vehicles and technologies for renewable energies, the new construction of our employee restaurant in Jena as well as leasing of cars. To verify the taxonomy compliance of energy-efficient equipment, the suppliers of the relevant equipment were contacted. As a result, not all evidence could be provided, so no taxonomy aligned capex is available.

The determination of **operating expenditure** (opex) was carried out in accordance with Article 8, item 1.1.3. of the Regulation. As for capital expenditure, Jenoptik only reports operating expenditure for the acquisition of products from taxonomy aligned business activities and individual measures through which the emission of greenhouse gases is reduced. In order to determine Jenoptik’s taxonomy-eligible operating expenditure, the first step was to analyze the expenses in the reporting year to determine what proportion of these were related to direct, non-capitalized costs, to research and development, building refurbishment measures, short-term leasing, maintenance and repair as well as all other direct expenses in connection with the day-to-day maintenance of assets in property, plant, and equipment (numerator). Total operating expenses (denominator) covered by the taxonomy amounted to 79.7 million euros. As a result of the analysis, no significant taxonomy-eligible and, consequently, no taxonomy aligned operating expenses could be identified.

## Materiality Analysis

Jenoptik is in continuous dialog with all of its stakeholders. In 2020, an update of the materiality analysis was made in the form of an online survey by means of an independent assessment of all non-financial aspects which are essential for sustainable business development – both from a corporate perspective and from the perspective of the respective external target groups (customers and business partners, suppliers, employees, shareholders, investors, and the general public). The results of the overall assessment are summarized in table T50 and are regularly reviewed. Due to the new regulatory requirements from the Corporate Sustainability Reporting Directive (CSRD), an update will be carried out in 2023 taking into account double materiality. In 2022, topics such as the reduction of CO<sub>2</sub> emissions, resource conservation and sustainable supplier management have gained further importance. The Jenoptik materiality matrix forms the basis of all our long-term ESG activities and is incorporated into the corporate strategy.

What follows is information on sustainability issues which are essential to a better understanding of our business performance and the company’s development in the future.


## Sustainability Targets

Sustainability plays a crucial role in our corporate culture and is firmly anchored in the Group’s corporate strategy. Management’s clear commitment to greater sustainability is evident in the wide range of sustainability targets, some of which are also reflected in remuneration for the Executive Board and group financing. Both our debenture bond and the syndicated loan are aligned to the ESG targets diversity rate, green electricity rate, and the Group’s CSR rate.

### T50 Jenoptik’s key topics

Employees	Environment	Social commitment	Human rights	Anti-corruption	Other topics
Corporate culture	Energy management	Social commitment in science, education, art & culture as well as social projects	Compliance with human rights and social standards in the supply chain	Responsible business relationships and fair business practices	Innovation: Environmentally friendly products and efficient use of materials
HR development	Reduction of CO <sub>2</sub> emissions		Sustainable supplier management	Integrity and compliance	Innovation-friendly environment
Recruiting and employer attractiveness	Water management			Data protection	Customer satisfaction
Fair working conditions	Protection of resources			Data security	
Occupational safety					

The Group's overall sustainability targets cover all ESG areas and are summarized in table T51. The sustainability targets are explained in detail in the respective subsequent sections of

the Non-financial Report. Statements on the Vitality Index can be found in the Research and Development chapter. 



For more on the topic of innovation management see the R+D chapter

## T51 Non-financial targets and performance indicators

Aspects	Aspiration	Performance indicators	Status 2021 *	Status 2022	Target
Employees	We want to increase the satisfaction and commitment of the employees and the attractiveness of Jenoptik as an employer	<ul style="list-style-type: none"> <li>Fluctuation (attributable to employees)</li> <li>Engagement score</li> <li>Absenteeism</li> </ul>	5.9 %	7.1 %	<5 %
	We want to increase our diversity and employ more women and employees of international origin in management positions	<ul style="list-style-type: none"> <li>Diversity rate<sup>1</sup></li> </ul>	30.0 %	30.6 %	30 % by 2022 33 % by 2025
	We want to fill more vacancies with our own trainees	<ul style="list-style-type: none"> <li>Training rate</li> <li>Number of trainees taken on (retention rate)</li> </ul>	3.6 % 96.0 %	3.5 % 83.8 %	>4 % 100 %
Innovation	Securing and boosting competitiveness, revenue and earnings through successful innovations				
	<ul style="list-style-type: none"> <li>We want to increase our R+D output including customer-specific developments</li> <li>We want to increase the share of revenue generated by products and platforms which have been developed in the last three years</li> </ul>	<ul style="list-style-type: none"> <li>R+D output</li> <li>Vitality Index</li> </ul>	8.5 % 22.2 %	8.9 % 23.7 %	10 % by 2022 20 % by 2022 22 % by 2025
Environment	Reduction in CO <sub>2</sub> emissions:				
	<ul style="list-style-type: none"> <li>We want to increase the proportion of green electricity used at our main sites</li> </ul>	<ul style="list-style-type: none"> <li>Proportion of green electricity at main sites</li> </ul>	76.1 % 39.3 %	85.4 % 35.9 %	70 % by 2022 75 % by 2025 30 % by 2025
	<ul style="list-style-type: none"> <li>We want to reduce our CO<sub>2</sub> emissions</li> </ul>	<ul style="list-style-type: none"> <li>CO<sub>2</sub> reduction (Scope 1+2) in comparison to the base year 2019 (10,161 t)</li> </ul>	14	16	Increase
	<ul style="list-style-type: none"> <li>We want to expand our fleet of cars with alternative drive technologies and build up a corresponding infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Number of cars in the fleet with alternative drives</li> <li>Number of charging columns/charging points</li> </ul>	21	23	Increase
Suppliers	We want to increase transparency in our supply chain in order to guarantee the protection of human rights and the environment	<ul style="list-style-type: none"> <li>CSR rate<sup>2</sup></li> </ul>	38.9 %	51.4 %	40 % by 2022 50 % by 2025


<sup>1</sup> Diversity rate: average percentage of the number of managers with an international background as well as female managers

<sup>2</sup> CSR rate: Corporate Social Responsibility Rate: percentage of all suppliers of production materials with an annual purchasing volume in excess of 200,000 euros for which complete CSR self-assessments assessed as non-critical exist


\* Deviations from the figures published in the 2021 Annual Report due to the sale of VINCORION

The group-wide recording of all key performance indicators (KPIs) for sustainability reporting has been carried out quarterly since 2021 within the framework of the existing LucaNet financial reporting system. The creation of a uniform reporting process guarantees the provision of regular information to the boards as well as the management of these KPIs.

## Risks in Connection with Non-financial Aspects


Weighing up corporate risks and opportunities is one of Jenoptik's principles of responsible corporate governance. The Group has a risk manual and a system of guidelines, thus providing a reliable reference framework for all employees worldwide. Our group guidelines structure provides a globally uniform framework which can be supported with more detailed regulations. 

In two risk periods per year, Compliance & Risk Management identifies all risks within the Group and discusses the top issues – set in net terms – with the Executive Board and the Supervisory Board. Our processes for the identification, management and control of risks involve non-financial environmental, social and corporate governance risks, including climate-related risks in the form of physical risks and transition risks. Physical climate risks result from the physical effects of climate change, e.g. plant damage due to extreme weather events or losses due to long periods of drought. Transition risks are understood as the risks for business models resulting from decarbonization and the transition to CO<sub>2</sub>-free economic structures. They are divided, for example, into political/regulatory risks (e.g. rising prices for CO<sub>2</sub> emissions), legal risks (e.g. liability suits for climate damage), market risks (e.g. falling demand for fossil fuels), technology or competitive risks (e.g. outdated environmental technology), and risks to reputation (e.g. changing consumer preferences) in response to climate change.

The net analysis did not identify any risks that are very likely, now or in the future, to have a serious negative impact on the specified key non-financial aspects of Jenoptik. 

## Employee Matters

HR at Jenoptik covers all employee-related operating and strategic measures for the implementation of the Group's objectives and is thus an essential component of the overall leadership and management process. HR offers local service on site in the respective country for all employees and managers, supports division-specific projects and offers expert knowledge in the areas of recruiting, employer branding, HR development, labor law and remuneration. The HR department reports directly to the Chairman of the Executive Board, who is also HR Director, via the function Head of Global HR. The first point of contact for all HR-related issues in day-to-day business concerning the Group's employees and managers are our colleagues from HR Operations. Each division has an HR Business Partner who is part of the management team. Working with Division Management, the HR Business Partners develop and implement HR strategic topics. The end of 2021 saw the global launch of our "Introduction of SAP Success Factors" project to digitize and standardize all HR processes. All modules are expected to be completed worldwide by the fourth quarter of 2023.

Jenoptik's corporate culture is characterized by initiative, respect for diversity, and equal opportunities. The basis for this is formed by our Jenoptik values – open, driving, confident. 

The focus was on **diversity** also in 2022. Increasing the diversity rate, calculated as the average percentage of managers with an international background and female managers, to 30 percent by 2022 and to 33 percent by 2025 is therefore a key objective of the Group. In the fiscal year 2022, the diversity rate has already improved to 30.6 percent (prior year: 30.0 percent). Detailed information on gender equality and targets for the proportion of women on the Supervisory Board, Executive Board and the management level below the Executive Board can be found in the Corporate Governance Statement.

Our regional diversity councils have supported us in our activities, promoting implementation in the various countries. For external benchmarking, we took part in the Women's Career Index (FKI) audit in 2022. In the overall index, we scored 83 points, five points above the industry average. We will continue to focus on all these topics in 2023.



See Corporate Governance Statement



For further information on the topic of corporate culture, please refer to the strategy chapter



Detailed information on our risk management system and risks, including non-financial aspects, can be found in the Risk and Opportunity Report

Jenoptik promotes **equal pay in the workplace** and ensures comparability and fairness through a group-wide uniform, person-independent assessment of all jobs. Using a standardized software solution, jobs will be continuously classified in terms of requirements, tasks and responsibilities. Even within divisions or areas of activity with a binding collective wage agreement, new jobs undergo a structured classification process. This counteracts gender-specific salary differences for comparable activities in these areas. Remuneration for positions exempt from collective wage agreements shall be regularly compared with the market situation.

We have measured the **satisfaction and commitment of our employees** using an employee survey. This is carried out annually worldwide. When completing the survey, employees evaluate the various facets of the corporate and leadership culture. The commitment of our employees (so-called Engagement Score) and the recommendation rate (so-called Net Promoter Score) are also measured.

A total of 63 percent of our employees took part in the 2022 survey (prior year: 68 percent). The engagement score was 76 percent, i.e. 76 percent of the employees who took part in the survey positively identify with their duties at Jenoptik and actively contribute (prior year: 72 percent). With a "Net Promoter Score" of 74 percent (prior year: 68 percent) more than two thirds of the participating employees would recommend Jenoptik as a good employer.

Jenoptik is family-friendly and responds to the needs of its employees with flexible working hour models. Flextime, part-time work, and flexible parental leave all make it easier for our employees to strike their own balance between family and working life. In 2022, 165 employees made use of parental leave in Germany (prior year: 135 employees). The number of part-time contracts in Germany rose to 13.3 percent in 2022 and, globally, 10.6 percent of our employees are part-time workers (prior year: 12.9 percent in Germany and 9.7 percent worldwide). In 2022, the global employee turnover rate was 7.1 percent (prior year: 5.9 percent). One of the most important preconditions for balancing career and family is the availability of childcare. For several years, Jenoptik has been investing in flexible childcare models in daycare centers at the Jena, Wedel, and Monheim sites. This means that a fixed quota of places in daycare centers is available to our employees.

**HR development** is a key factor that determines the future viability of the company and the commitment of our employees. To help promote them in line with their potential and interests, the development needs are analyzed in regular staff appraisals. In our employee survey, we verified whether staff appraisals are held at all sites. In 2022, Jenoptik invested around 2.7 million euros (prior year: 1.9 million euros) in the professional development of its employees. This includes both the costs for trainees and students at the Cooperative State Universities and the costs for further training for our employees.

Learning at Jenoptik is structured according to the 70:20:10 principle: as employees and their supervisors are the experts for their own further development, 70 percent of learning takes place in the workplace and 20 percent through learning from others. Classroom or online training makes up 10 percent.


We have also been following the 70:20:10 learning principle in the development of our managers: there are three target-group specific programs aimed at high-potential employees, new managers and experienced managers. We will again offer refresher training for our experienced managers in 2023.

## HR Recruitment

Jenoptik's HR requirements are guided by the Group's international growth strategy, resulting in a greater need for recruitment in particular in Germany, UK and the US. The audiences addressed by recruitment and thus also HR marketing are primarily junior staff, specialists and skilled workers in the natural and engineering sciences.

In order to fill more vacant positions with internal specialists trained at Jenoptik, the training ratio was increased, taking into account the retirement of employees in the context of succession planning. In the reporting period, the training ratio was 3.5 percent (prior year 3.6 percent). Thus, at the end of 2022, a total of 154 trainees were employed by the Group worldwide (prior year 152 worldwide). The retention rate for trainees who successfully completed their vocational training in 2022 was 83.8 percent (prior year: 96.0 percent). These trainees were taken on for an unlimited period by the company.



Specific support for high-potential school students, university students and graduates is part of the Group's expertise strategy, ensuring early loyalty to the company and thus simplifying the recruitment process. A selection of targeted initiatives and cooperation arrangements is shown in the following table T52. 



Further information on our social commitment can be found in the section "Social commitment"

Increasing **attractiveness as an employer** is the focus of employer branding at Jenoptik. Clear and distinctive positioning as an attractive employer should support recruitment and develop a positive and unmistakable employer image as a future-oriented, innovative high-tech company in the photonics industry. Social media channels as well as training and university fairs are used for this purpose.

**Occupational health and safety** are also key topics affecting the basic needs of our employees and their satisfaction in the workplace. They are firmly anchored in the Group's operating processes and aim to minimize risks arising in the work environment, work processes as well as work and operating equipment, that may endanger employees. Their principles apply to all Jenoptik employees. The Jenoptik companies are each responsible for applying the law on all aspects of occupational health and safety. The department of occupational health and safety issues is part of Corporate Real Estate Management, currently falling within the remit of the Chief Financial Officer. It shall provide advice to all companies, coordinate tasks and support the Executive Board in implementing measures. Occupational health and safety committee meetings are held in all divisions each quarter. In addition, all employees are briefed on

issues relating to health and safety at work at least once a year. At all the German locations, around ten percent of the workforce are trained as first-aiders. The number of reportable **workplace and commuting accidents** in Germany in 2022 was 9.9 per 1,000 employees (prior year: 6.5). The rate of workplace accidents (without commuting accidents) for the Group as a whole was 4.3. Compared to the other member companies of the ETEM trade association (Energy, Textile, Electronics and Media Products), Jenoptik is still significantly below the average figure of 17.1 in 2021.

In the interests of our employees' health and performance, the Group also offers regular preventive medical checkups in line with the employees' working conditions and tasks, in addition to occupational health management measures. In 2022, the focus was also on managing the coronavirus pandemic. With the aid of the already established and regularly adapted hygiene concept at all sites, it was possible to limit the spread of infection at the operating facilities while maintaining the ability to work in all areas. Opportunities for remote working also helped to maintain the ability to work as far as possible in 2022, thus contributing significantly to the success.

**Company health management** at Jenoptik in Germany is centrally managed by the HR department in the Corporate Center. The cooperation agreement with the Techniker Krankenkasse (TK) health insurance fund and the establishment of local "health steering groups" to support the implementation of on-site activities further enabled the implementation of employee offerings as part of our "Move It!" project.

## T52 Initiatives and cooperations (selection)

Jenoptik supports

- career guidance projects at schools, also offering their students the opportunity to complete an internship
- young researchers in Thuringia as a longstanding state-level corporate sponsor of the "Jugend forscht" initiative
- various industry organizations to promote professional development activities
- students in the form of degree theses, internships, and scholarships


Jenoptik works with

- selected universities around the world with regards to HR marketing and recruitment, for research purposes, and to foster the professional development of its employees
- selected universities around the world via projects and is active through a range of committees and networks in an advisory capacity



## Environmental Matters

The protection of our environment is of high priority to Jenoptik. We see it as our corporate responsibility to grow sustainably in harmony with the environment and society and to use resources efficiently at all our sites worldwide.

**Environmental management** is a key part of our business practices. We comply with national and international statutes and ensure that our products are manufactured in line with resource conservation and energy efficiency. However we also require our suppliers and contractual partners to comply with relevant laws to minimize environmental risks. As a manufacturing company, we focus on efficient resource management so as to reduce energy consumption and greenhouse gas emissions to the best of our ability, use commodities and materials in a safe and resource-saving manner and to largely avoid producing hazardous waste. We espouse good environmentally friendly design and the economical use of resources as early as the development stage, while minimizing the impact on people, the environment and nature through regulated recycling and disposal. In line with their environmental relevance, selected Jenoptik companies are certified in accordance with the ISO 14001 environmental management standard, which sets out globally recognized requirements for an environmental management system. 

Environmental protection topics are part of Corporate Real Estate Management and fall within the remit of the Chief Financial Officer. Active operational environmental management is carried out in the divisions. The Jenoptik companies are each responsible for applying the law on all aspects of environmental protection. The central environmental protection officer from Safety, Occupational and Environmental Protection is available to provide assistance where required and, for example, reviews all group investment projects with regard to their environmental relevance. Waste officers take care of all matters relating to the prevention, accrual, recycling, and disposal of hazardous and non-hazardous waste.

Even though Jenoptik does not belong to one of the most energy-intensive industries, the photonics group actively contributes to climate protection. Jenoptik has set itself the goal of reducing CO<sub>2</sub> emissions (Scope 1 + 2) by 30 percent by 2025 compared to the base year 2019. In this way, the Group supports climate policy goals and is closely aligned to the requirements of the Science Based Targets Initiative (SBTi), which aims to limit the average rise in world temperatures to significantly

below 1.5 degrees. The savings will come from direct emissions released by Jenoptik itself (Scope I) as well as the indirect emissions from purchased energy (Scope II). Specific measures include further expanding the proportion of green electricity as well as energy efficiency measures in buildings and facilities at Jenoptik sites worldwide. The proportion of green electricity used at the main sites is to increase to 75 percent of total electricity requirements by 2025, the vehicle fleet is to be expanded to include vehicles with alternative drive systems, and an appropriate infrastructure for charging all battery-powered vehicles is to be provided at the sites.

In 2022 the third group-wide sustainability competition focusing on environmental protection took place. The numerous project entries from our employees indicate the level of commitment to greater sustainability at Jenoptik. An independent internal jury evaluated the project entries, and the winners were awarded prizes at the beginning of 2023.

Projects from the 2022 sustainability competition:

- With great commitment, employees in Japan organized a beach cleanup in cooperation with the “Coastal Environmental Foundation”.
- With the iTASCAR, our Smart Mobility Solutions developers succeeded in creating a sustainable and environmentally friendly solution for measuring temporary average speed. Previously, power grids or diesel generators were required for the connection. Now, only renewable and carbon-free energy from wind, solar and hydrogen power is used for this purpose.
- In cooperation with the Jena Beekeepers’ Association, Jenoptik sponsors two bee colonies, contributing to species conservation and greater biodiversity.
- The Smart Mobility Solutions division received ISO 14001 certification for seven European sites. In addition to introducing reusable packaging for customers, a charging infrastructure for e-bikes was installed and the outdoor lighting concept was adapted with twilight and timer switches for the adjacent nature reserve and neighbors in Monheim.
- Calcium fluoride lenses assessed as rejects are used for other blanks in order to produce other lenses from them in the sense of the circular economy. This enables resources to be conserved and the waste of high-quality materials is reduced.
- It is no longer necessary to completely replace the honeycomb filters used in mobile speed cameras thanks to the



See section on quality management in the Non-financial Report

efficient solution developed by the team at Monheim. A 3D printed frame allows the silicone layer of the filter to be replaced so that it must no longer be disposed of completely due to a defective subcomponent, thereby reducing waste.

In the Real Estate area, Jenoptik implements the statutory requirements relating to nature conservation and environmental protection for all new buildings, extensions and the modernization of production facilities. For example, state-of-the-art technologies for saving resources and protecting the environment are utilized when fitting out production facilities. With LEED Gold certification (Leadership in Energy and Environmental Design), a recognized sustainability standard in the construction industry, which is to be implemented for all newly constructed buildings, the Group far exceeds the statutory requirements in terms of sustainability. Costing more than 10 million euros, the new Conference Center with employee restaurant in Jena was officially opened in September 2022. With the aim of achieving the internationally recognized LEED Gold Standard sustainability certification environmental and social aspects have been implemented to a particularly high degree. This includes the installation of a photovoltaic system, e-charging columns, covered bicycle racks, low-emission interior materials or measures for reduced water consumption. In addition, Jenoptik's open culture is reflected in the spatial design and furniture structures, along with the future orientation in the use of modern materials (e.g. Alucobond and glass facades or metal fabrics for sun protection).

The groundbreaking ceremony on September 6, 2022 marked the start of construction for the Jenoptik Group's new high-tech factory (Fab) at Airportpark Dresden, where production is scheduled to begin in early 2025. The high-tech fab, with an investment volume of more than 70 million euros, will not only provide precise manufacturing conditions but also meet stringent environmental standards. By complying with the "KfW 40 Standard" and "LEED Gold Certification", Jenoptik aims to fulfill to comprehensive and strict building criteria in terms of sustainability. In order to achieve this, plans include a photovoltaic system, the use of recycled materials in construction, an ultra efficient building envelope including extensive vegetation, cold and heat recovery, as well as the recycling of water.

At several sites around the world, there are ongoing conversion measures to switch existing lighting to LED lighting, taking into account cost and environmental aspects.

In addition, the course was set for the further development of an energy monitoring system. With the help of ultra efficient building control technology (BCT) and a computer-aided facility management system (CAFM), data quality is to be further increased, evaluation facilitated and transparency improved.

The successive development of an e-charging network – especially at the headquarters in Jena and beyond – will create the basis for a vehicle fleet utilizing alternative drive technologies.

**Greenhouse gases:** As a technology company, Jenoptik generates only small volumes of emissions within its plants. The majority of its pollutant emissions is attributable to procured and externally purchased energy from electricity, gas, or district heating suppliers. Jenoptik is reporting its CO<sub>2</sub> emissions for the past fiscal year, with the values stated being based on existing invoices and meter readings as well as estimated values, and is disclosing these separately according to Scope 1 and Scope 2 emissions. We only use very low amounts of other greenhouse gases in our production processes, so we do not report them for reasons of materiality.

The group-wide total energy consumption is shown in table T53 and is largely derived from electricity, gas and district heating. At 66,263 MWh, this figure was up on the prior year due to acquisitions (2021: 52,876 MWh).

In addition to absolute energy consumption, we are also reporting the energy consumption in relation to revenue, thus making the development of energy efficiency in our production transparent. In 2022, the total energy consumption of 67.6 MWh per 1 million euros of group revenue was less than in the prior year (2021: 70.4 MWh per 1 million euros of group revenue).

Throughout Germany, Jenoptik has used the targeted purchase of renewable energies to source almost exclusively green electricity, backed by certificates of origin, from European hydro power. In the year covered by the report, for example, our newly acquired SwissOptic site in Switzerland and our site in Jupiter (USA) were successfully converted to green electricity. Our other international sites are also gradually converting to renewable energy sources. These measures have enabled us to significantly increase the share of green electricity used in the last two years. In this reporting year, we have therefore already achieved our target of increasing the share of green electricity used at our main sites to 70 percent of total electricity require-

ments by 2022 and to 75 percent by 2025. In 2022, the share of renewable energies in total electricity increased to 85.4 percent (2021: 76.1 percent).

The consumption of various media (electricity, district heating, gas, heating oil, wood pellets, and diesel/gasoline) at all major sites was used to determine the CO<sub>2</sub> emissions. Despite acquisitions and an increase in revenue, group-wide CO<sub>2</sub> emissions increased by just 5.6 percent in 2022, to 6,514 tons (2021: 6,167 tons). Relative to the base year 2019, CO<sub>2</sub> emissions in 2022 were already reduced by 35.9 percent. The main reason for this, in addition to a higher proportion of green electricity, is the sale of VINCORION.

Direct emissions from gas, heating oil, diesel, and gasoline (Scope 1) amounted to 2,010 tons in 2022 (prior year: 1,708 tons), while indirect emissions from electricity and district heating totaled 4,505 tons (prior year: 4,459 tons).

**Water:** Jenoptik does not require large volumes of water for its manufacturing processes. Water is only used as a coolant, as a process medium and for sanitary purposes and comes primarily from the public drinking water supply and from groundwater. Nevertheless, as part of our water management, we take care to keep water consumption as low as possible at all our sites. For the current 2022 reporting year, reporting on water consumption and waste quantities was based as far as possible on available invoices throughout the year and valid estimates of the remaining consumption. In 2022, 98,874 m<sup>3</sup> of water were consumed at our main sites (prior year: 59,166 m<sup>3</sup>), primarily due to the companies acquired in 2022.

Due to low volumes of water required for production processes, we do not see ourselves encountering any key risks in this area. Conservation regulations only play a very minor role

## T53 Total energy consumption in 2022 by energy source (in MWh)

	Electricity	Gas	Wood pellets	District heating	Heating oil	Diesel/gasoline	Energy consumption
Germany	28,562	1,546	628	8,359	376	1,528	40,998
Europe	10,167	72	0	0	0	71	10,310
Americas	8,268	3,855	0	0	0	159	12,282
Asia/Pacific	2,673	0	0	0	0	0	2,673
<b>Total</b>	<b>49,670</b>	<b>5,473</b>	<b>628</b>	<b>8,359</b>	<b>376</b>	<b>1,758</b>	<b>66,263</b>
CO <sub>2</sub> emissions (in t)	3,657	1,419	0	848	120	471	6,514

## T54 Energy consumption and CO<sub>2</sub> emissions by the major Jenoptik sites (in MWh and t)

	Energy consumption		CO <sub>2</sub> emissions	
	2022	2021*	2022	2021*
Germany	40,998	39,715	2,031	2,028
Europe	10,310	969	59	61
Americas	12,282	11,843	2,661	3,841
Asia/Pacific	2,673	349	1,764	237
<b>Total</b>	<b>66,263</b>	<b>52,876</b>	<b>6,514</b>	<b>6,167</b>
of which Scope 1			2,010	1,708
of which Scope 2			4,505	4,459

\* Differences from the figures published in the 2021 Annual Report result from the sale of VINCORION

for the Group due to its business purpose and the location of its sites outside conservation areas.

## T55 Water consumption (in m<sup>3</sup>)

	2022	2021*	2020*
<b>Total</b>	<b>98,874</b>	<b>59,166</b>	<b>52,287</b>

\* Differences from the figures published in the 2021 Annual Report result from the sale of VINCORION

**Waste:** Increasing the reusability or recycling of electronic components, for example, plays an important role in product development at Jenoptik, contributing to a reduction in avoidable waste.

Within the scope of our business activities, however, hazardous waste is also generated to a small extent in a few production processes, for example, adhesive residues or solvents. Our goal is to avoid producing such waste that is generated during production as far as possible or to recycle it and, if this is not possible, to dispose of it properly in order to minimize negative effects on the environment. In the production of semiconductor lasers in Berlin-Adlershof, for example, a new process has reduced the solvents used. Volumes sent for recovery or recycling are recorded locally, and we distinguish between hazardous and non-hazardous waste within these categories.

Waste types at Jenoptik are systematically recorded, categorized, and their quantities calculated. The waste volumes are reported group-wide for all main sites. In 2022, the volume of hazardous waste disposed of at treatment and disposal facilities rose to 175 tons (prior year: 64 tons) due to the acquisitions. The quantity of non-hazardous waste increased to 1,305 tons (prior year: 1,014 tons). In general, Jenoptik recycles its waste through certified waste management companies. For example, the introduction of digital production control at the Triptis site has resulted in paper being saved and more plastic materials being returned to the recycling process. This has conserved resources, avoided expenditure on disposal, and even generated income.

### Resource Management

Many innovative Jenoptik products and solutions contribute to the efficient and responsible use of resources and support the UN's Sustainable Development Goals (SDGs). As an "enabler", we enable our customers to design production processes and products more efficiently, thereby saving energy and resources. The table below provides an overview of the contribution made by selected Jenoptik products to resource conservation.

## T56 Hazardous and non-hazardous waste (in t)

	2022	2021*	2020*
Non-hazardous waste	1,305	1,014	1,007
Paper and cardboard in t	198	195	169
Mixed packaging in t	197	212	192
Household-type commercial waste in t	366	290	260
Metals in t	189	133	105
Other non-hazardous waste in t	356	185	280
Hazardous waste	175	64	50

\* Differences from the figures published in the 2021 Annual Report result from the sale of VINCORION and actual settlements now available

## T57 Contribution of our products to resource conservation

Jenoptik Products & Solutions

### Optical systems and components

for semiconductor equipment or information and data transfer

... for medical diagnostics

... sensor solutions for the automotive industry in the field of autonomous driving or traffic monitoring

### Jenoptik diode lasers and laser systems

for a wide range of applications, e.g. in the automotive industry

or in medical technology for the treatment of glaucoma in ophthalmology

### Traffic monitoring systems

check the compliance with current road traffic regulations and improve traffic flow

Cooperation agreement with SFC-Energy to increase traffic safety with environmentally friendly technologies

**Green cameras** improve the air quality

**Toll payment monitoring systems** on federal highways

### Metrology systems and equipment

for checking shape and roughness, particularly in the automotive industry, stabilize production processes, and reduce failure rates

Contribution to resource conservation, environmental and health protection

- Ongoing development toward ever-smaller crystalline structures in semiconductor production opens up a growing number of new uses
  - Customized measurement solutions from TRIOPTICS check the image quality, for example, of smartphone camera lenses or AR/VR systems, thereby helping to reduce waste
  - Improving communication options and extending Internet access to remote regions
  - Efficient and time-saving production processes conserve resources and improve, for example, the data volumes while simultaneously reducing production costs, waste, and power consumption
  - Thermography solutions facilitate the monitoring and optimization of solar power panels
  - Optical systems improve imaging and diagnostics in real-time disease detection, enhancing health and well-being
  - Imaging technology is enabling advances in autonomous driving, for example, improving traffic flow and reducing emissions
- 
- Most efficient available light sources with an efficiency of up to 70 percent conserve resources and enable efficient production, especially in comparison with conventional processing methods, when machining high-strength steels with a lower weight.
  - Increasing health and well-being through minimally invasive surgical methods, e.g. in ophthalmology
- 
- Increased safety on the roads and in public squares through reduction of accidents and resilient infrastructures
  - Improvement of living conditions through reduced noise pollution and environmental pollution
  - Traffic monitoring with TraffiPole as a sustainable and environmentally conscious solution with reduced power consumption and elimination of cooling due to special design, housing made entirely of recyclable materials, with option for self-sufficient operation using solar panels
  - SFC fuel cell technology reliably supplies Jenoptik speed monitoring systems with green energy
  - Average speed cameras not only improve compliance with speed limits and traffic flow, but also deliberately reduce emissions in so-called "clean air zones"
  - Installation at the side of the road limits interference in the environment (no installation of monitoring gantries)
- 
- The results are more precise surfaces and tighter tolerances in engine components (downsizing) and thus vehicles requiring less fuel and generating fewer emissions
  - More complex transmissions for hybrid vehicles in the field of electromobility demand the increased use of metrology
  - Flexible design and long service life, often in excess of 10 years, allow upgrades and overhauls for a long time, thus conserving resources

## Social Commitment/Corporate Citizenship

Supporting young people in their education and scientific activities, as well as in social projects, is at the heart of our social commitment. Jenoptik supports a whole range of non-profit projects, organizations and initiatives and is chiefly involved in the following three funding areas:

- A commitment to the younger generation with projects in **science, education, and in the social arena**
- **Art and cultural projects** to lend an attractive design to our company locations
- Creation of conditions to improve our employees' work/life balance
- Commitment to **integration and internationality**, to strengthen the foundations of business and society in the future.

As a responsible and socially committed company, we want to play an active role in shaping our own environment, relying here on close and long-term partnerships that go beyond

purely financial aspects. With our commitment to society, we want to strengthen the confidence placed in Jenoptik and boost the employees' sense of identification with the company. We also expect this to have a positive effect on our brand image, reputation and our attractiveness as an employer.

The duties of Corporate Citizenship are the responsibility of Corporate Communications, which reports directly to the Chairman of the Executive Board. Group-wide guidelines govern the principles of a structured and standardized approach to defining "Jenoptik as a Corporate Citizen" and ensure a standardized method of handling donations and sponsorship queries, as well as carrying out sponsorship projects.

Our commitment to our region is of particular relevance. Since 1996, the Group has supported the Adult Initiative for Children with Cancer Jena e.V. Donations both made by Jenoptik and collected from partners as well as the organization of diverse events help to support children with cancer and their parents. Another pillar of social commitment is the group-wide "Mitarbeiter im Ehrenamt (Employees and Volunteering)" program. Many Jenoptik employees around the world are committed to this and are supported by Jenoptik in doing so.

### T58 Social commitment – exemplary projects 2022

Social	Jenoptik supports	<ul style="list-style-type: none"> <li>• Summer camps for children of Jenoptik employees and children of recognized refugee families</li> <li>• Promotion of "Mitarbeiter im Ehrenamt"</li> <li>• Thanksgiving food collections for the needy in Jupiter and Rochester Hills</li> </ul>
Science & Education	Jenoptik is a partner for	<ul style="list-style-type: none"> <li>• Experimentarium Imaginata Jena e.V.</li> <li>• Thuringian young researcher competitions for students</li> <li>• Applied Photonics Award</li> <li>• Lothar Späth Award for Outstanding Innovations in Science and Business</li> <li>• Global competition "SPIE Startup Challenge"</li> </ul>
Art & Culture	Jenoptik supports cultural projects with partners	<ul style="list-style-type: none"> <li>• Light art on the facade of the Ernst Abbe high-rise</li> <li>• Summer concert series at the Thalbürgel monastery church</li> <li>• Open-air Cultural Festival "Kulturarena" organized by the city of Jena</li> <li>• Easter charity concert by the International Young Orchestra Academy on behalf of the Elterninitiative für krebskranke Kinder Jena e.V.</li> </ul>

Jenoptik promotes the work/life balance with a comprehensive concept that takes into account working hour models, comprehensive employee information, and childcare. As a member of the "Familienfreundliches Jena e.V." support group, the Group works with numerous partners to support projects conducted by the "Jenaer Bündnis für Familie (Jena Alliance for the Family)". Once again there was a joint summer camp for the children of Jenoptik employees and children from refugee families.

Since 2021, Jenoptik has been the main sponsor of Imaginata Jena, an experimentarium for the senses and an extraordinary learning and events venue. The aim of Imaginata, to get young people excited about science and technology at an early age, fits in very well with one of the central issues of Jenoptik's social commitment – encouraging young people socially and in education.

## Responsible Corporate Governance

In a globalized market environment, Jenoptik is fully committed to responsible corporate governance and law-abiding, compliant conduct. We make our business decisions with this in mind and always work to ensure that our actions are in accordance with regulations, laws and our values. Compliance & Risk Management therefore lies within the remit of the Chairman of the Executive Board and reports directly and regularly to him. The Director of Compliance & Risk Management is in close contact with all employees throughout the organization and controls the Group's enterprise risk management system in close cooperation with the central departments and the divisions' risk officers. Our compliance organization comprises a central Compliance Competence Center with specialist responsibility for compliance, risk management, data protection as well as customs and export control. In the North America and Asia/Pacific regions, the team is strengthened by regional compliance officers. 

**Respect for human rights** is a high priority for Jenoptik, especially in the supply chain. Jenoptik is committed to internationally recognized standards of human rights and does not tolerate any form of slavery, forced labor, child labor, human trafficking or exploitation in its own business operations or those of the supply chain. We also expect our suppliers to comply with and respect internationally recognized human rights standards, e.g. the Slavery and Human Trafficking Statement. Codes of conduct for sales partners and suppliers define the Jenoptik Group's requirements on our business partners and require them to comply with nationally and internationally applicable statutes, regulations and standards. In order to

identify violations and high-risk business partners in good time, a whistleblowing system and a platform for group-wide supplier screening regarding compliance with all sustainability criteria was implemented. Cooperation only takes place with those business partners who accept Jenoptik's compliance declaration.

**Anti-corruption:** Jenoptik fights all forms of active and passive corruption and expects all its business partners to do the same. For detailed information on Jenoptik's compliance management system, the company guidelines and codes of conduct for employees, suppliers and sales partners, our online training, and our whistleblowing system, we refer you to the Corporate Governance Statement and the Risk and Opportunity Report.

## Supply Chain Management

**Sustainability in the supply chain:** Part of our awareness as a sustainable company is to assume responsibility along the value chain. We have established various measures to implement and demand sustainability standards from our suppliers.

A code of conduct applicable to suppliers and sales partners defines the requirements for our business partners with regard to compliance with human rights, the prohibition of corruption and bribery, fair conduct in the market and competition, commitment to environmental protection, and the responsible handling of substances, mixtures and products as well as conflict minerals. International guidelines and standards, such as the UN Global Compact, are of particular relevance to us when it comes to protecting the environment and resources and complying with human rights. Our Code of Conduct is an integral part of all supply contracts and is binding on all suppliers.

As a high-tech company, Jenoptik is dependent on a wide range of **raw materials**. In the face of an increasing scarcity of resources, Jenoptik is committed to making sparing use of the materials it requires. Supply bottlenecks in connection with the coronavirus pandemic were offset by targeted supplier management measures, such as weekly coordination and planning meetings with critical suppliers as well as support for suppliers in the procurement of critical components. We comply with the applicable regulations, for example the requirements of the European chemicals regulation REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) and the European RoHS directive (Restriction of certain Hazardous Substances), and are involved on associated committees. In order to implement efficient processes for collecting relevant data, the Product Compliance project was also continued in 2022. In the future, declarations from suppliers, raw material



Further information on compliance & risk management can be found in the Risk and Opportunity Report chapter



and chemical data can be systematically and automatically evaluated and the respective declarations issued. The objective of our purchasing processes is to meet all regulations relating to conflict minerals in compliance with the Dodd-Frank Act and the EU Conflict Minerals Regulation. Our Code of Conduct requires that our suppliers do not supply products that violate these requirements. To minimize risks, we have been using a central digital platform to query the relevant suppliers since 2021. This platform is used to obtain the standardized form (CMRT) of the Responsible Minerals Initiative. The information provided by the suppliers is checked for possible risks and measures to minimize them are derived.

When assessing our suppliers, we evaluate not only a certified quality management system, but also proof of a certified environmental management system that complies with the international standard ISO 14001. Among other things, this ISO standard requires the definition of a corporate environmental policy, environmental goals, and an environmental program, in conjunction with the establishment of a corresponding management system to implement the achievement of objectives. In 2023, we plan to add ISO 50001 certification (compliance with and implementation of an energy management system).

Another component for reviewing and evaluating the sustainability performance of suppliers is our assessment as part of a strategic supplier evaluation. This has been expanded to include the main criterion of sustainability and covers the topics of sustainability, compliance, CO<sub>2</sub> management as well as innovations in the field of sustainability. For the evaluation of the first two criteria, we assess the responses of our suppliers on a global ESG risk management platform with regard to the fulfillment of environmental and energy standards, precautions against bribery and corruption, and compliance with human rights. The establishment and publication of the CO<sub>2</sub> emissions of purchased goods and services (Scope 3.1) as well as the definition of reduction measures are rewarded with a higher score. A supplier achieves the maximum score for the main criterion of sustainability if he actively undertakes additional initiatives beyond the statutory requirements.

Purchasing in the Jenoptik Group is globally positioned and responsible for all procurement activities and supplier management. The Vice President for Corporate Supply Chain Management & Procurement reports directly to the CFO of JENOPTIK AG. Compliance with and optimization of sustainability standards in the supply chain is overseen by Group Procurement. This department provides process descriptions

and guidelines for implementing our sustainability requirements in the internal procurement processes and conducts corresponding training courses. Regular consultations are held with the Compliance & Risk Management and Legal central departments to define objectives and to implement them within the Group.

**Compliance in the supply chain:** As a global company, we work with suppliers of products, materials, and services from more than 33 countries. More than 82 percent of our procurement activities are in Europe.

Compliance in the supply chain is guided by our requirement to always comply with statutes, internal regulations and voluntary self-commitments. In order to further increase transparency in the supply chain, identify compliance violations in good time and initiate suitable measures to minimize risks, we subject our supplier base to regular risk analyses. For all suppliers of production materials with a significant purchasing volume, surveys are conducted on ESG issues such as environmental protection, compliance management, human rights and the prohibition of child labor, ensuring health and safety, as well as anti-corruption and sustainability. Currently, 862 suppliers have been audited. This equates to a coverage rate of 84 percent of the global direct purchasing volume. In the event of violations, or where there is potential for improvement, the cause is determined in dialog with the suppliers and joint action plans for improvement are developed and implemented. The Corporate Social Responsibility Rate (CSR), indicates the percentage of suppliers of production materials with an annual purchasing volume in excess of 200,000 euros for which completed CSR self-assessments evaluated as non-critical exist. In 2022, the CSR rate was 51.4 percent (prior year: 38.9 percent). In comparison with the 2022 target of 40 percent, this is a very pleasing development, as it has been possible to integrate suppliers into the platform more quickly in the past fiscal year, and the willingness of our suppliers to fulfill the ESG criteria and to complete ESG self-assessments has increased significantly. The CSR rate is to be 50 percent by 2025.

A further objective in the reporting year was to carry out a preliminary analysis of compliance with the requirements of the Supply Chain Due Diligence Act in order to ensure that the specified human rights and environmental due diligence obligations are being adequately observed in its supply chains. In preparation and as a result of the preliminary analysis, the new due diligence requirements were examined and a timetable and action plan was drawn up for identified gaps. The

adaptation of the risk management approach has already been implemented. To this end, suppliers with a specific country risk were additionally included in the survey on ESG topics. The remaining measures (e.g. an expansion of our Code of Conduct for Suppliers) will be implemented in the current reporting year in order to meet the requirements of the Supply Chain Due Diligence Act on time.

## Quality Management

### Quality Management

The key to Jenoptik’s success as a technology company primarily lies in the quality of its components, products, and solutions. Longstanding collaborations with key customers, sometimes in the form of development partnerships, and the confidence placed in us by our partners are proof that our products and solutions are convincing in their quality world-wide. We are committed to actively ensuring that the quality of our products and services is above average in many of our product areas. For more than 30 years, Jenoptik has been a member of the German Association for Quality (DGQ e.V.).

Quality management at Jenoptik is managed locally in the business units and falls within the responsibility of the division managers. Each division applies individual customer and market-related quality indicators. The following overview summarizes essential Key Performance Indicators (KPIs) for quality management in the Jenoptik Group. Group-wide, the Jenoptik Business System (JBS) was established to support the divisional QM system in 2022.

One measure to ensure and further improve our quality is our process optimizations (Plan-Do-Check-Act (PDCA) and lean cycles), the impact of which can be felt in all areas of the business – from the development of new products via quality planning to the quality of the finished product (safe launch). Topics such as international quality and occupational health and safety as well as environmental protection programs were developed on the basis of the Jenoptik and divisional strategies. 2022 saw the implementation of additional modules such as test equipment management, Computer Aided Quality Systems (CAQ Systems) for more efficient planning, execution and evaluation of business processes. For example, the Smart Mobility Solutions division set up a “Supplier Quality Development Area” to establish an independent quality check for incoming goods inspections and the qualification of suppliers. Currently, the focus is on the further development and improvement of the SAP system, such as integration of the EHS module for product compliance.

In addition to certifications, further issues in quality management at Jenoptik include standardization, process improvements, tests as well as continuous dialog with customers, e.g. analyses of customer satisfaction. Our group companies comply with the requirements of the ISO 9001 quality management standard. All production sites worldwide are certified in accordance with ISO 9001.

Selected companies meet the requirements of the ISO 14001 environmental management system.

Table T60 shows a selection of group certifications and the actions undertaken in 2022. The Advanced Photonic Solutions division has successfully passed the multi-site certification in accordance with the ISO 9001 and ISO 14001 international standards for quality and environmental management for several sites. Similarly, some manufacturing sites have obtained ISO 13485 (medical) or IATF 16949 (automotive) certification. In all audits, the auditors from the DQS (Deutschen Gesellschaft zur Zertifizierung von Managementsystemen) and TÜV Rhine-

## T59 Examples of the divisions` KPIs

Criterion	Examples for KPIs of the divisions
Quality from a customer perspective	<ul style="list-style-type: none"> <li>• Customer satisfaction</li> <li>• Complaints costs ratio</li> <li>• Warranty and guarantee costs</li> <li>• Delivery reliability</li> </ul>
Quality as an internal operations partner	<ul style="list-style-type: none"> <li>• Internal audits (number of improvements)</li> <li>• Measures in the process of continual improvement (number)</li> <li>• Process and product quality                             <ul style="list-style-type: none"> <li>- Production yield / quality level</li> <li>- Reworking costs</li> <li>- Scrap costs</li> </ul> </li> <li>• Policy Deployment Matrix (PDM)</li> </ul>
Quality from the supplier’s perspective	<ul style="list-style-type: none"> <li>• External supplier audits (number of improvements)</li> <li>• Suitable suppliers (number)</li> <li>• Complaints ratio</li> <li>• Complaints costs</li> <li>• Guarantee and warranty costs</li> <li>• Delivery reliability</li> </ul>

land positively highlighted the further development of the quality and environmental management system, the high degree of integration of environmental topics into company processes, and the large number of improvement measures planned and implemented in particular. In addition, they certified that the employees have a very high level of qualification. In the fall, the production area at the Shanghai site successfully passed an ISO 9001 audit by the DQS.

Smart Mobility Solutions has also been successful with regard to certifications. Environmentally compatible action is one of

the top priorities here. For this reason, environmental management in accordance with ISO 14001 was integrated into the management system for the first time as part of the re-certification of ISO 9001 and successfully certified in October 2022.

Due to its assignment to the new Non-Photonic Portfolio Companies division, Jenoptik Industrial Metrology GmbH replaced its matrix certification with a site-specific certification (ISO 9001 / ISO 14001 / ISO 45001) in the fiscal year 2022. When doing so, the corporate processes were rewritten, combined and certified in an integrated management system.

## T60 Certification within the Group (selection)

Certification	Description	2022 actions
ISO 9001	Certification of quality management processes	<ul style="list-style-type: none"> <li>Matrix certification of all national and international sites of Advanced Photonic Solutions incl. Trioptics GmbH, SwissOptic GmbH, former Berliner Glas Medical GmbH</li> <li>Certification with the new scope of the HOMMEL ETAMIC site in Villingen-Schwenningen as well as re-certification of the Rochester Hills (USA) site of Jenoptik Industrial Metrology</li> <li>Successful surveillance audit at the Shanghai site</li> <li>Re-certification in the Smart Mobility Solutions division for sites in Germany and the Netherlands</li> </ul>
ISO 13485	Certification for the medical market with respect to the design, development and manufacture of medical products	<ul style="list-style-type: none"> <li>Certification in the Advanced Photonic Solutions division at the Jena and Triptis (Germany) and Jupiter (USA) sites</li> </ul>
ISO 14001	Certification of the environmental management system	<ul style="list-style-type: none"> <li>Certification of the German sites of the Advanced Photonic Solutions division and the Swiss site of SwissOptic GmbH</li> <li>First certification as matrix certification at Smart Mobility Solutions for seven sites</li> <li>Certification with the new scope of HOMMEL ETAMIC site Villingen-Schwenningen</li> </ul>
DIN EN ISO/IEC 17025:2018	Accreditation of the calibration laboratory	<ul style="list-style-type: none"> <li>Re-certification with the new scope of HOMMEL ETAMIC site Villingen-Schwenningen</li> </ul>
ISO 45001	Certification of the occupational health and safety management system	<ul style="list-style-type: none"> <li>Re-certification with the new scope of HOMMEL ETAMIC site Villingen-Schwenningen</li> </ul>
IATF 16949	Certification for the automotive industry	<ul style="list-style-type: none"> <li>Surveillance audit and special audit at the Triptis site</li> </ul>
DIN EN 16247-1	Energy audit to increase energy efficiency	<ul style="list-style-type: none"> <li>Certification with the new scope of the HOMMEL ETAMIC site in Villingen-Schwenningen</li> </ul>
ILO-OSH-2001 / OHSAS 18001 or DIN ISO 45001	Certification of occupational safety and health management	<ul style="list-style-type: none"> <li>Re-certification with the new scope of the HOMMEL ETAMIC location Villingen-Schwenningen</li> </ul>

## T61 Share of revenue from goods or services related to taxonomy-aligned business activities – disclosure for 2022

Figures in thousand euros

Business activities	Code(s) (2)	Absolute revenue (3)	Share of revenue (4)	Criteria for a significant contribution			DNSH criteria ("No significant impact")								Taxonomy-aligned share of revenue, 2022 (18)	Category (enabling activities) (20)	Category "(transitional activities)" (21)
				Climate protection (5)	Adaptation to climate change (6)	Climate protection (11)	Adaptation to climate change (12)	Water and marine resources (13)	Circular economy (14)	Environmental pollution (15)	Biological diversity and ecosystems (16)	Minimum protection (17)	%	E			
<b>A. Taxonomy-Eligible Activities</b>																	
<b>A.1. Environmentally sustainable activities (taxonomy-aligned)</b>																	
Revenue from environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0.0											0.0			
<b>A.2 Taxonomy-eligible, but not environmentally sustainable activities (non taxonomy-aligned activities)</b>																	
Revenue from taxonomy-eligible but not environmentally sustainable activities (non taxonomy-aligned activities) (A.2)		0	0.0														
<b>Total (A.1 + A.2)</b>		<b>0</b>	<b>0.0</b>											<b>0.0</b>			
<b>B. Non Taxonomy-Eligible Activities</b>																	
Revenue from non taxonomy-eligible activities		980,684	100.0														
<b>Total (A + B)</b>		<b>980,684</b>	<b>100.0</b>														

## T62 Capex share from goods or services associated with taxonomy-aligned business activities – disclosure for 2022

Figures in thousand euros				Criteria for a significant contribution		DNSH criteria ("No significant impact")									
	Code(s) (2)	Absolute CapEx (3)	CapEx share (4)	Climate protection (5)	Adaptation to climate change (6)	Climate protection (11)	Adaptation to climate change (12)	Water and marine resources (13)	Circular economy (14)	Environmental pollution (15)	Biological diversity and ecosystems (16)	Minimum protection (17)	Taxonomy-aligned CapEx share, 2022 (18)	Category (enabling activities) (20)	Category "(transitional activities)" (21)
Business activities			%	%	%	J/N	J/N	J/N	J/N	J/N	J/N	J/N	%	E	T
<b>A. Taxonomy-Eligible Activities</b>															
<b>A.1. Environmentally sustainable activities (taxonomy-aligned)</b>															
Capex environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0.0										0.0		
<b>A.2 Taxonomy-eligible, but not environmentally sustainable activities (non taxonomy-aligned activities)</b>															
6.5. Transportation by passenger cars and light commercial vehicles		1,631	1.5												
7.1. New build		6,897	6.5												
7.3. Installation, maintenance and repair of energy efficient appliances		1,676	1.6												
7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and in parking lots belonging to buildings)		24	0.0												
Capex taxonomy-eligible but not environmentally sustainable activities (non taxonomy-aligned activities) (A.2)		10,227	9.6												
<b>Total (A.1 + A.2)</b>		<b>10,227</b>	<b>9.6</b>										<b>0.0</b>	<b>0.0</b>	
<b>B. Non Taxonomy-Eligible Activities</b>															
Capex from non taxonomy-eligible activities		95,756	90.4												
<b>Total (A + B)</b>		<b>105,983</b>	<b>100.0</b>												

## T63 Opex share from goods or services associated with taxonomy-aligned business activities – disclosure for 2022

Figures in thousand euros

Business activities	Code(s) (2)	Absolute OpEx (3) T€	OpEx share (4) %	Criteria for a significant contribution		DNSH criteria ("No significant impact")									
				Climate protection (5) %	Adaptation to climate change (6) %	Climate protection (11) J/N	Adaptation to climate change (12) J/N	Water and marine resources (13) J/N	Circular economy (14) J/N	Environmental pollution (15) J/N	Biological diversity and ecosystems (16) J/N	Minimum protection (17) J/N	Taxonomy-aligned OpEx share, 2022 (18) %	Category (enabling activities) (20) E	Category "(transitional activities)" (21) T
<b>A. Taxonomy-Eligible Activities</b>															
<b>A.1. Environmentally sustainable activities (taxonomy-compliant)</b>															
Opex environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0.0												
<b>A.2 Taxonomy-eligible, but not environmentally sustainable activities (non taxonomy-aligned activities)</b>															
Opex taxonomy-eligible but not environmentally sustainable activities (non taxonomy-aligned activities) (A.2)		0	0.0												
<b>Total (A.1 + A.2)</b>		<b>0</b>	<b>0.0</b>										<b>0,0</b>	<b>0,0</b>	
<b>B. Non Taxonomy-Eligible Activities</b>															
OpEx non taxonomy-aligned activities (B)		79,656	100.0												
<b>Total (A + B)</b>		<b>79,656</b>	<b>100.0</b>												

## Independent Practitioner's Report on a Limited Assurance Engagement on Non-financial Reporting<sup>1</sup>

To JENOPTIK AG, Jena

We have performed a limited assurance engagement on the Combined Separate Non-financial Report of JENOPTIK AG, Jena, (hereinafter the "Company") for the period from 1 January to 31 December 2022 (hereinafter the "Combined Separate Non-financial Report").

Not subject to our assurance engagement are the external sources of documentation or expert opinions mentioned in the Combined Separate Non-financial Report.

### Responsibilities of the Executive Directors

The executive directors of the Company are responsible for the preparation of the Combined Separate Non-financial Report in accordance with §§ (Articles) 315c in conjunction with 289c to 289e HGB ("Handelsgesetzbuch": "German Commercial Code") and Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (hereinafter the "EU Taxonomy Regulation") and the Delegated Acts adopted thereunder, as well as for making their own interpretation of the wording and terms contained in the EU Taxonomy Regulation and the Delegated Acts adopted thereunder, as set out in section "Information on the EU Taxonomy Regulation" of the Combined Separate Non-financial Report.

This responsibility includes the selection and application of appropriate non-financial reporting methods and making assumptions and estimates about individual non-financial disclosures of the Company that are reasonable in the circumstances. Furthermore, the executive directors are responsible for such internal controls as the executive directors consider necessary to enable the preparation of a Combined Separate Non-financial Report that is free from material misstatement whether due to fraud or error.

The EU Taxonomy Regulation and the Delegated Acts issued thereunder contain wording and terms that are still subject to considerable interpretation uncertainties and for which clarifications have not yet been published in every case. Therefore, the executive directors have disclosed their interpretation of the EU Taxonomy Regulation and the Delegated Acts adopted thereunder in section "Information on the EU Taxonomy Regulation" of the Combined Separate Non-financial Report. They are responsible for the defensibility of this interpretation. Due to the immanent risk that indeterminate legal terms may be interpreted differently, the legal conformity of the interpretation is subject to uncertainties.

<sup>1</sup> PricewaterhouseCoopers GmbH has performed a limited assurance engagement on the German version of the Combined Separate Non-financial Report and issued an independent practitioner's report in German language, which is authoritative. The following text is a translation of the independent practitioner's report.



## Independence and Quality Control of the Audit Firm

We have complied with the German professional provisions regarding independence as well as other ethical requirements.

Our audit firm applies the national legal requirements and professional standards – in particular the Professional Code for German Public Auditors and German Chartered Auditors (“Berufssatzung für Wirtschaftsprüfer und vereidigte Buchprüfer”: “BS WP/vBP”) as well as the Standard on Quality Control 1 published by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW): Requirements to quality control for audit firms (IDW Qualitätssicherungsstandard 1: Anforderungen an die Qualitätssicherung in der Wirtschaftsprüferpraxis – IDW QS 1) – and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## Responsibility of the Assurance Practitioner

Our responsibility is to express a conclusion with limited assurance on the Combined Separate Non-financial Report based on our assurance engagement.

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the IAASB. This Standard requires that we plan and perform the assurance engagement to obtain limited assurance about whether any matters have come to our attention that cause us to believe that the Company’s Combined Separate Non-financial Report, other than the external sources of documentation or expert opinions mentioned in the Combined Separate Non-financial Report, are not prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by the executive directors disclosed in section “Information on the EU Taxonomy Regulation” of the Combined Separate Non-financial Report.

In a limited assurance engagement the procedures performed are less extensive than in a reasonable assurance engagement, and accordingly a substantially lower level of assurance is obtained. The selection of the assurance procedures is subject to the professional judgement of the assurance practitioner.

In the course of our assurance engagement, we have, amongst other things, performed the following assurance procedures and other activities:

- Gaining an understanding of the Company’s sustainability organization and stakeholder engagement
- Inquiries of the executive directors and relevant employees involved in the preparation of the Combined Separate Non-financial Report about the preparation process, about the internal control system relating to this process and selected disclosures in the Combined Separate Non-financial Report

- Identification of likely risks of material misstatement in the Combined Separate Non-financial Report
- Analytical procedures on selected disclosures in the Combined Separate Non-financial Report
- Reconciliation of selected disclosures with the corresponding data in the consolidated financial statements and group management report
- Evaluation of the presentation of the Combined Separate Non-financial Report
- Evaluation of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Combined Separate Non-financial Report

In determining the disclosures in accordance with Article 8 of the EU Taxonomy Regulation, the executive directors are required to interpret undefined legal terms. Due to the immanent risk that undefined legal terms may be interpreted differently, the legal conformity of their interpretation and, accordingly, our assurance engagement thereon are subject to uncertainties.

### Assurance Opinion

Based on the assurance procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Combined Separate Non-financial Report of the Company for the period from 1 January to 31 December 2022 is not prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by the executive directors disclosed in section "Information on the EU Taxonomy Regulation" of the Combined Separate Non-financial Report.

We do not express an assurance opinion on the external sources of documentation or expert opinions mentioned in the Combined Separate Non-financial Report.

### Restriction of Use

We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Consequently, it may not be suitable for any other purpose than the aforementioned. Accordingly, the report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is to the Company. We do not accept any responsibility to third parties. Our assurance opinion is not modified in this respect.

Munich, 20 March 2023

PricewaterhouseCoopers GmbH  
Wirtschaftsprüfungsgesellschaft

Hendrik Fink                      ppa. Thomas Groth  
Wirtschaftsprüfer  
[German public auditor]