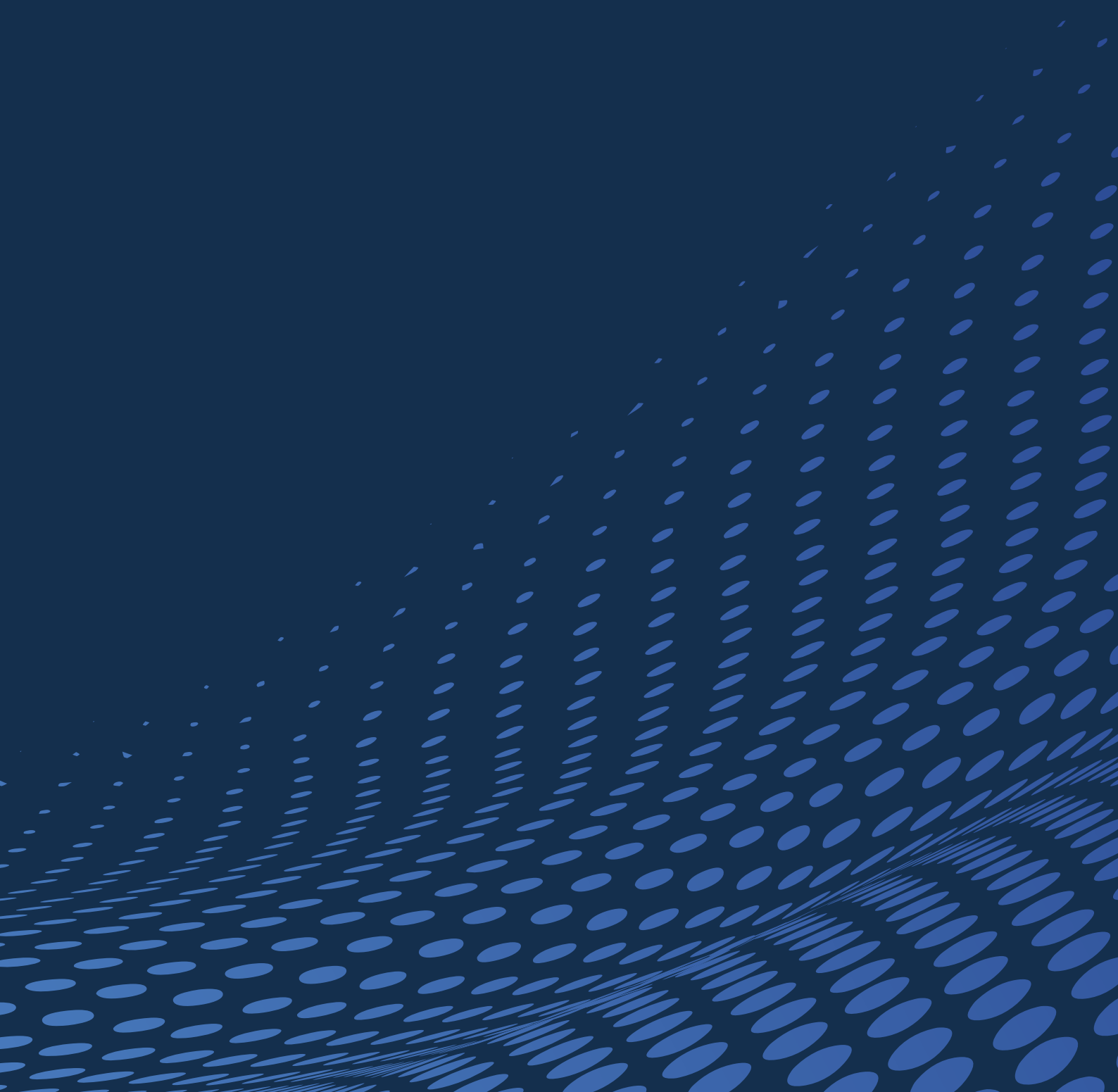


COR- PORATE GOVER- NANCE



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CORPORATE GOVERNANCE

CORPORATE GOVERNANCE STATEMENT

The principles of responsible and good corporate governance determine the activities of the management and control bodies of the SCHWEIZER Group and Schweizer Electronic AG. The corporate governance statement in accordance with Section 289f and Section 315d HGB (German Commercial Code) forms part of the combined status report.

Schweizer Electronic AG is a listed company in accordance with German law and therefore has a dual management system, comprising the Executive Board and the Supervisory Board.

The Executive Board of Schweizer Electronic AG and the management of the Group subsidiaries lead the Company in accordance with the statutory provisions, the Articles of Association and the procedural rules.

The Supervisory Board monitors, advises and supports the Executive Board in its activities. The procedural rules of both boards regulate aspects such as the collaboration between them. With the German Corporate Governance Code, a standard for the transparent control and management of companies was established, which is focused particularly on the interests of the shareholders.

1. DECLARATION OF CONFORMITY PURSUANT TO SECTION 161 AKTIENGESETZ (STOCK CORPORATION ACT)

The Declarations of Conformity made by Schweizer Electronic AG have been made available to all interested parties on the Company's website at <https://schweizer.ag/en/investors-media/corporate-governance-en/compliance-declarations>.

The Executive Board and the Supervisory Board of Schweizer Electronic AG issued the following Declaration of Conformity pursuant to Section 161 of the German Stock Corporation Act (Aktiengesetz: AktG) on 9 December 2022:

DECLARATION OF CONFORMITY PURSUANT TO SECTION 161 AKTG (AS AT: DECEMBER 2022)

The Executive Board and the Supervisory Board of Schweizer Electronic AG (hereinafter "Company") issue the following Declaration of Conformity pursuant to Section 161 AktG with respect to the recommendations of the "Government Commission on the German Corporate Governance Code" and will ensure that it is published on the Company's website. The Executive Board and the Supervisory Board of Schweizer Electronic AG issued the last Declaration of Conformity in accordance with Section 161 AktG in November 2021 and then updated it in August 2022. The following declaration relates to the period between November 2021 and 26 June 2022 and refers to the recommendations of the German Corporate Governance Code ("Code") in the version of 16 December 2019, which was published in the Federal Gazette on 20 March 2020 (2019 version).

For the time period after 27 June 2022, the following declarations refer to the recommendations of the Code in the edition of 28 April 2022, which was published in the Federal Gazette on 27 June 2022 (2022 version).

The Executive Board and the Supervisory Board of Schweizer Electronic AG declare that the recommendations of the Code have been complied with since the last Declaration of Conformity was issued in November 2021, with the following exceptions:

B.5: The Code recommends that an age limit be specified for members of the Executive Board and disclosed in the Corporate Governance Statement (recommendation B.5 of the Code). The Company has not complied with and is not complying with this recommendation. The Executive Board and the Supervisory Board do not consider a specification of an age limit for members of the Executive Board to be meaningful. Competence, technical expertise and experience are far more relevant criteria, which should be evaluated regardless of age.

C.2: C.2 of the Code recommends that an age limit be specified for members of the Supervisory Board and disclosed in the Corporate Governance Statement. The Company has not complied with and is not complying with this recommendation. The Supervisory Board does not consider a general specification of an age limit for members of the Supervisory Board to be meaningful. Competence, technical expertise and experience are far more relevant criteria, which should be evaluated regardless of age.

C.7: According to recommendation C.7, para.1 of the Code, more than half of the shareholder representatives shall be independent from the Company and the Executive Board. This recommendation was not complied with until the close of the Company's Annual General Meeting on 24 June 2022, as the shareholder representatives did not consider two of the shareholder representatives to be independent. On 24 June 2022, the Annual General Meeting of the Company elected Dr Harald Marquardt, another shareholder representative independent of the Company and the Executive Board, as a member of the Supervisory Board. Since then, the shareholder representatives have estimated that three – and thus more than half of the shareholder representatives – are independent of the Company and the Executive Board. Recommendation C.7 of the Code has therefore been complied with since the end of the Company's Annual General Meeting on 24 June 2022.

C.10: According to recommendation C.10 sentence 1 of the Code, the Chair of the Supervisory Board, the Chair of the Audit Committee and the Chair of the committee dealing the Executive Board remuneration should be independent of the Company and of the Executive Board. The Company had not complied with this recommendation by 24 June 2022. Since the Supervisory Board had elected Dr Stefan Krauss as Chair of the Supervisory Board and Chair of the Audit Committee dealing with Executive Board remuneration on 24 June 2022, recommendation C.10 sentence 1 of the Code has been complied with since then.

C.12: According to recommendation C.12 of the Code, members of the Supervisory Board shall not perform any executive function or advisory duties with significant competitors of the Company and shall not have a personal relationship with a significant competitor. This recommendation has no longer been fully complied with since July 2022. Since then, SCHWEIZER has been a qualified supplier of new PCB applications produced in-house to a significant extent. Due to the fact

that one member of the Supervisory Board has an executive function at another PCB-producing company, which could be regarded as a significant competitor of SCHWEIZER, recommendation C.12 of the Code is no longer fully complied with.

C.13: C.13 of the Code recommends that in its election proposals to the General Meeting, the Supervisory Board shall disclose the personal and business relationships of every candidate with the enterprise, the governing bodies of the Company, and any shareholders with a material interest in the Company. The Company has not complied with and is not complying with this recommendation, because the Supervisory Board believes the requirements of the Code regarding the duty of disclosure are vague and unclear in their delimitation. In this context, such a report is not considered useful.

D.2, D.3, D.4: With the earlier establishment of the Personnel and Finance Committee and since 26 November 2021 of the Audit Committee, the Supervisory Board has complied with recommendation D.2 sentence 1 of the Code (formation of committees of members with relevant specialist expertise depending on the specific circumstances of the Company and the number of its members). However, as a highly precautionary measure, a deviation from this Code recommendation is declared.

Since Mr Christoph Schweizer was Chair of the Audit Committee and simultaneously Chair of the Supervisory Board until 24 June 2022 and is also a close family member of a member of the Executive Board, recommendation D.4 sentence 1 at the end and sentence 2 of the Code (2019 version) was deviated from until 24 June 2022.

Since Dr Stefan Krauss has been Chair of the Supervisory Board and simultaneously Chair of the Audit Committee since 24 June 2022, only recommendation D.4 sentence 2 of the Code (2019 version) and D.3 sentence 5 of the Code (2022 version) have been deviated from since.

Furthermore, there is still no Supervisory Board Nomination Committee as recommended in D5. of the Code (2019 version) and D4. of the Code (2022 version). The Supervisory Board does not believe it is either reasonable or necessary to set up such a committee for a company the size of Schweizer Electronic AG with only six members sitting on the Supervisory Board. The tasks intended for the Nomination Committee as well as the other tasks of the Supervisory Board can easily be dealt with in plenary meetings, provided they are not entrusted to the existing Audit Committee of the Supervisory Board.

Given the size of the Company and the size of the Supervisory Board of Schweizer Electronic AG, the Supervisory Board maintains it is neither reasonable nor necessary to set up additional committees.

F.2: In F.2, 1st half-sentence of the Code, it is recommended that the consolidated financial statements and the Group status report shall be made publicly accessible within 90 days from the end of the financial year.

The Company has not complied with and is not complying with this recommendation. Compliance with a term of 90 days is not possible due to the time required to prepare consolidated financial

statements and a Group status report. However, the consolidated financial statements and group management report have been and are disclosed within the statutory period.

G.4: The Code recommends in G.4 that to ascertain whether remuneration is in line with usual levels within the enterprise itself, the Supervisory Board shall take into account the relationship between Executive Board remuneration and the remuneration of senior managers and the workforce as a whole, and how remuneration has developed over time.

The Supervisory Board has not fully complied with this recommendation. When concluding employment contracts, the Supervisory Board did take steps, in accordance with the provisions of the German Stock Corporation Act (AktG), to ensure that the total remuneration awarded to Executive Board members does not exceed the customary remuneration without specific reason. However, insofar as the Code specifies this review of vertical appropriateness of Executive Board remuneration, which is already required under the German Stock Corporation Act, and defines in more detail the relevant comparison groups as well as the time scale for the comparison, a deviation is declared in this respect.

The Supervisory Board considers the requirements of the recommendation to still be too vague. In particular, the Supervisory Board does not have sufficiently specific information on how the senior management staff should be distinguished from junior management and which sections of the workforce are relevant and which irrelevant in this respect. It is also unclear what time frame and perspective should be considered in terms of "development over time". The Supervisory Board is therefore of the view that the measures already implemented for determining the remuneration of the Executive Board are sufficient to ensure appropriate remuneration for members of the Executive Board.

G.13: In G.13 sentence 2 of the Code, it is recommended that if post-contractual non-compete clauses apply, the severance payments shall be taken into account in the calculation of any compensation payments. The Company has not fully complied with and is not fully complying with this recommendation. However, the remuneration system adopted by the Supervisory Board on 12 April 2021 and approved by the Annual General Meeting on 25 June 2021 for the members of the Schweizer Electronic AG Executive Board provides for any severance payment to be offset against compensation payments for observing non-compete obligations. Since 1 July 2022, the service contracts of the members of the Executive Board have included a corresponding offsetting provision in some cases. The recommendation will be fully complied with from 1 April 2023.

G.18: According to Code recommendation G.18, sentence 2, performance-related remuneration promised to members of the Supervisory Board is intended to be geared towards sustainable or long-term corporate development. The Company has not complied with and is not complying with this recommendation, because the performance-related compensation promised to Supervisory Board members is linked to the dividend distributed for the respective financial year. The Executive Board and the Supervisory Board believe that linking performance-related remuneration to the dividend adequately reflects the responsibility of the Supervisory Board for sustainable business development and that the existing compensation arrangement provides the members of the Supervisory Board with sufficient incentive to orient the exercise of their duties towards the long-term, successful development of the Company.

2. REMUNERATION REPORT AND REMUNERATION SYSTEM

The remuneration system applicable to the members of the Executive Board pursuant to Section 87a AktG, which was approved by the Annual General Meeting on 25 June 2021, as well as the resolution on the remuneration of the Supervisory Board passed by the Annual General Meeting pursuant to Section 113 para. 3 AktG is available at <https://schweizer.ag/investoren-und-medien/corporate-governance>. The remuneration report and the audit opinion can be found at the same web address.

3. STRUCTURE OF THE COMPANY'S MANAGEMENT AND MONITORING

3.1 SHAREHOLDERS AND ANNUAL GENERAL MEETING

The shareholders of Schweizer Electronic AG exercise their rights as part of the Company's Annual General Meeting held at least once a year. The Chair of the Supervisory Board presides over the Annual General Meeting. Each share represents one vote. All shareholders who are entered in the share register and have registered by the deadline are entitled to participate in the Annual General Meeting. The Annual General Meeting decides on all the tasks allocated to it by law, in particular with respect to the appropriation of profits, formal approval of the actions of the Executive Board and Supervisory Board, appointment of auditors, capital measures and changes to the Articles of Association. The Company assists shareholders in exercising their rights at the Annual General Meeting. Furthermore, the Investor Relations department is available for the exchange of information between the Company and shareholders throughout the year.

It is the goal of SCHWEIZER to make it as easy as possible for shareholders to participate in the Annual General Meeting. All the documents necessary for participation are therefore published online. The shareholders can register for the Annual General Meeting in writing or electronically, and they can issue authorisations by postal vote or online, for example, to the Company's proxy holders. The Annual General Meetings in 2020 to 2022 took place virtually due to the COVID-19 pandemic. All shareholders were given the opportunity to attend or follow the Annual General Meetings.

3.2 EXECUTIVE BOARD

As a governing body of the Group, the Executive Board is committed to serving the Company's interests and increasing its value in a sustainable manner. The Executive Board develops the strategic direction of the Company and, besides long-term economic targets, also takes environmental and social targets into account. The Executive Board consults on and agrees on these targets with the Supervisory Board and ensures their implementation. The Executive Board ensures appropriate risk management and controlling in the Company. The Executive Board leads the Company under its own responsibility.

The Executive Board is responsible for preparing the interim announcements, the semi-annual financial report as well as the annual financial statements and summarised status report of Schweizer Electronic AG and the Group. The Executive Board prepares the remuneration report jointly with the Supervisory Board.

It has established an appropriate and effective internal control system and risk management.

Furthermore, the Executive Board ensures that statutory provisions, official regulations and internal corporate guidelines are adhered to and acts to ensure that they are complied with through the Group companies (compliance). The Executive Board fosters a corporate culture in which reliability, honesty, credibility and integrity are the cornerstones of actions.

In the context of the established risk management system, the Executive Board not only ensures that existing legal regulations and Company guidelines and principles are complied with, but also provides for an environment in which any risks are identified at an early stage and measures are taken, thereby guaranteeing lawful conduct and minimising risks. Directives on competition law, insider regulations, fair competition, foreign trade legislation, export controls and the avoidance of corruption are made available to employees and form part of the corporate processes. Besides the general conditions of purchase, the existing supplier guidelines and evaluations, as well as the Conflict Minerals Policy, form the basis for a responsible supply chain. The Company has established a whistleblowing system in order to investigate violations fairly and appropriately. SCHWEIZER employees as well as external parties can report violations using this system. The whistleblowing system ensures that absolute confidentiality is maintained when processing the information provided. Information on the risk management system is described in the summarised status report and published as a separate section in the Annual Report under <https://schweizer.ag/en/investors-media>.

Periodic evaluations of specific compliance risks are carried out using checklists; the necessary measures are taken and verified by certification companies.

Information on the implementation of the CSR Directive Implementation Act is available in the Non-Financial Statement as a separate section in the Annual Report and is available on the website at: <https://schweizer.ag/en/the-company/csr-en>.

The Executive Board informs the Supervisory Board regularly, promptly and comprehensively with regard to all relevant issues regarding strategy, planning, business development, risk situation, risk management and compliance.

3.2.1 Composition of the Executive Board

The Board consist of two members. The Executive Board consists of Mr Nicolas-Fabian Schweizer (appointed until 30 June 2027) and Mr Marc Bunz (appointed until 31 March 2028). Further information regarding the first appointment, areas of responsibility, mandates and resumes of the Executive Board members can be found on the Company's website at: <https://schweizer.ag/en/the-company/institutions>.

3.2.2 Targets and diversity for the composition of the Executive Board

In its resolution dated 11 April 2022, the Supervisory Board determined the targets and diversity of Executive Board appointments. When selecting suitable candidates for the Executive Board, the Supervisory Board has always oriented and will continue to orient itself in the future primarily on their technical and personal suitability, irrespective of gender or age. A general age limit, as rec-

ommend in the GCGC, is not provided for members of the Executive Board. Should the Executive Board be increased to more than three members, the Supervisory Board intends to appoint a woman to this position. The target applies as from 12 April 2022 and is valid until 31 December 2026.

3.2.3 Long-term succession planning for the Executive Board

In fulfilment of its task with respect to the appointment and dismissal of Executive Board members, the Supervisory Board decides on appointments to the Executive Board. With the support of the Executive Board the Supervisory Board, jointly with the Audit Committee, carries out sustainable long-term succession planning for the Executive Board. In this planning, the requirements of the German Stock Corporation Act (Aktiengesetz), the German Corporate Governance Code and the procedural rules of the Supervisory Board are taken into account in addition to the criteria determined by the Supervisory Board for the composition of the Executive Board. Taking into account the specific qualification requirements and the criteria mentioned, an appointment profile is developed on the basis of which the Audit Committee prepares a shortlist of available candidates (internal and external). Structured interviews are held with these candidates. A recommendation is then made to the Supervisory Board for the passing of an appropriate resolution. If required, external consultants are called in to support the development of the requirements profile in the selection of candidates.

When considering the composition of the Executive Board, a balanced age structure is observed without a fixed age limit being set.

D&O insurance with an excess has been concluded for the Executive Board.

3.3 SUPERVISORY BOARD

Under the Articles of Association, the Supervisory Board of Schweizer Electronic AG is made up of six members, of whom two are chosen by the Company employees in accordance with the provisions of the law with respect to the German One-Third Employee Representation Act (Drittelbeteiligungsgesetz) and the remaining four by the Annual General Meeting. Elections to the Supervisory Board are held as individual elections.

The Chair and Deputy Chair of the Supervisory Board are chosen from among the members of the Supervisory Board.

The Supervisory Board appoints the members of the Executive Board. It monitors and advises the Executive Board in the leadership of the Company. The key decisions made by the Executive Board require the approval of the Supervisory Board. The Supervisory Board meets at least four times per year. The members of the Executive Board participate in Supervisory Board meetings unless the Chair of the Supervisory Board issues a directive to the contrary. However, the Supervisory Board should also meet regularly without the presence of the Executive Board. In financial year 2022, several meetings of the Supervisory Board and the Committee were held virtually or as face-to-face meetings with the option of participating virtually.

The Supervisory Board adopts the annual financial statements and approves the consolidated financial statements. The Audit Committee commissions the auditor and they jointly determine the focal points of the audit. Further details on its way of working are explained in the Supervisory Board report.

The Supervisory Board reviews and assesses its activity regularly every year by means of a questionnaire. The last review took place in autumn 2022. The results were then discussed by the Supervisory Board in a meeting. No major deficits were found.

The members of the Supervisory Board disclose any conflicts of interest to the Supervisory Board without delay. When passing resolutions, the Supervisory Board ensures that potential conflicts of interest are taken into account. Further details can be found in the Supervisory Board report.

Any further education and training measures required are carried out by the members of the Supervisory Board under their own responsibility and are supported by the Company in doing so.

D&O insurance with an excess has been concluded for the Supervisory Board.

Audit Committee

The Supervisory Board has an Audit Committee, which carries out both the tasks of the former Personnel and Finance Committee and the tasks of an audit committee. The committee chair regularly informs the Supervisory Board of the consultations and resolutions of the committee. The Audit Committee comprises three shareholder representatives, the Chair Dr Stefan Krauss from 24 June 2022 (until 24 June 2022: Mr Christoph Schweizer), Dr Stephan Zizala and Dr Harald Marquardt (from 24 June 2022). Further information on the members of the Supervisory Board and the current Audit Committee is available under point 3.3.3 and at <https://schweizer.ag/en/the-company/institutions>.

3.3.1 Targets for the composition, competence profile and diversification concept of the Supervisory Board

In the meeting held on 11 April 2022 and 9 December 2022, the Supervisory Board passed and updated a resolution on its targets for its composition, diversity concept and competence profile. Accordingly, the Supervisory Board should have a composition such that it can perform its tasks set out by law and the Articles of Association in the best possible manner. This includes ensuring that the Supervisory Board carries out qualified control of and consultation with the Executive Board and, in doing so, appropriately take into account long-term economic, environmental and social targets both in the corporate planning and in the risk management system. The Supervisory Board and the Audit Committee deal with the non-financial reporting pursuant to Section 289b and 315b HGB (German Commercial Code) every year.

Competence profile of the Supervisory Board

Ensuring that appropriate appointments are made to the Supervisory Board is an important issue in good corporate governance. The Supervisory Board of Schweizer Electronic AG has adopted the competence profile below for the composition of the overall body, which is reviewed and adapted on a regular basis, in line with the legal requirements and the German Corporate Governance

Code (GCGC). Accordingly, the Supervisory Board should have a composition such that it can perform its tasks set out by law and the Articles of Association in the best possible manner. This includes ensuring qualified control of and consultation with the Executive Board by the Supervisory Board. In its election proposals to the Annual General Meeting, the Supervisory Board takes into account the targets it has set for the composition of the Supervisory Board and aims to fill this competency profile, while at the same time taking the targets of the diversity concept for the Supervisory Board into account.

Objectives of the competence profile

The candidates proposed for election to the Supervisory Board should be in a position, based on their knowledge, skills and experiences, to carry out the tasks of a Supervisory Board member in an international company and to preserve the Company's public reputation.

The aim is to have all the knowledge and experience regarded as significant given the activities and business fields of SCHWEIZER on the Supervisory Board as a whole. With its competence profile, the Supervisory Board defines the requirements as well as the personality of each individual Supervisory Board member as well as the technical competence of the body as a whole.

Requirements of individual Supervisory Board members

Personal requirements

In the context of election proposals, the **independence, loyalty, mandate limitations, availability and professionalism** of the persons proposed for election should be taken into account in particular.

Technical competence of the Supervisory Board as a whole

The Supervisory Board should cover the following areas of competence. Not every Supervisory Board member needs to have all the named competences. Rather, the knowledge, skills and technical experience as a whole is understood as the sum of all the knowledge, skills and experience of individual Supervisory Board members.

Area of competence	Requirements profile
Strategy	Experience and knowledge of corporate strategy development and strategy processes
Management	Experience and knowledge of managing an industrial company
Technical	Experience and knowledge in the field of PCB technology, PCB production or related sectors and their procurement markets
Internationality	Experience and knowledge in the field of international business activities and related topics (e.g. sales/marketing)
Finance and accounting	Knowledge and experience in the areas of accounting and financial statement auditing ^{*)} as well as sustainability reporting and the related audits
Risk management	Experience and knowledge of risk management and compliance
Sustainability	Expertise in the field of sustainable corporate governance, Environmental Social Governance (ESG) and Corporate Social Responsibility (CSR)

^{*)}Pursuant to Section 100 para. 5 and Section 107 para. 4 AktG, at least one member of the Audit Committee must have expertise in the area of accounting at least one other member must have expertise in the area of financial statement auditing.

Given the purpose and size of the Company as well as the proportion of international business activities, the Supervisory Board of Schweizer Electronic AG aims to consider the following elements:

1. a minimum of one seat on the Supervisory Board for persons that particularly embody the criterion of internationality (for example, through foreign nationality, relevant experience abroad or relevant experience in international business);
2. no more than two seats on the Supervisory Board for persons having an advisory or executive role at customers, suppliers, lenders or other business partners of Schweizer Electronic AG; this is intended to limit potential conflicts of interest within the Supervisory Board;
3. a minimum of two seats on the Supervisory Board on the shareholder side for independent Supervisory Board members as defined by the GCGC;
4. a minimum of one seat on the Supervisory Board to be occupied by a woman.

In contrast, the Supervisory Board does not regard the determination of a general age limit for Supervisory Board members as appropriate. Rather, competence, technical knowledge and experience, evaluated independent of age, are considered important. This target is valid from 12 April 2022 until 31 December 2026.

3.3.2 Implementation of the targets for the composition of the overall body

With the exception of point 2, the composition of the Supervisory Board meets the targets for the composition. The target mentioned in point 2 states no more than two seats on the Supervisory Board for persons having an advisory or executive role with customers, suppliers, lenders or other business partners of Schweizer Electronic AG; this is intended to limit potential conflicts of interest within the Supervisory Board. Currently, three members of the Supervisory Board have either an advisory role for SCHWEIZER or an executive role with a customer or supplier. Dr Stefan Krauss advises Schweizer Electronic AG on matters relating to labour law. The legal regulations and relevant case law to be observed relating to the separation of the advisory role as a service provider and member of the Supervisory Board were and are always met. As the Chair of the Executive Board of Marquardt Management SE, Dr Harald Marquardt holds an executive role with a customer. The volume of business with companies of the Marquardt Group is regarded as immaterial for both SCHWEIZER as well as for the Marquardt Group. As President of WUS Printed Circuit (Kunshan) Co., Ltd., Mr Chris Wu has an executive role with a supplier and shareholder of Schweizer Electronic AG. When making decisions, the Supervisory Board always considers potential conflicts of interest and takes relevant precautionary measures.

The Supervisory Board as a whole has all the required technical and personnel qualifications and is familiar with the business fields of SCHWEIZER. The diversity of the Supervisory Board is appropriate. The target of having one woman on the Supervisory Board by 31 December 2026 has been met since the Annual General Meeting in 2017.

Competence matrix:

Based on its target composition, the Supervisory Board of Schweizer Electronic AG has prepared the following overview:

		Dr Stefan Krauss	Dr Stephan Zizala	Dr Harald Marquardt	Chris Wu	Petra Gaiselmann¹⁾	Jürgen Kammerer¹⁾
Membership	Member since	2021	2016	2022	2017	2019	2019
Personal suitability	Independence ²⁾	✓	✓	✓		✓	✓
	Mandate limitation	✓	✓	✓	✓	✓	✓
Diversity	Gender	male	male	male	male	female	male
	Area of activity	Lawyer	Chair of the Executive Board (since 1/1/2023)	Chair of the Executive Board	President of a PCB company	Operations	Operations
Skills	Strategy	✓	✓	✓	✓		
	Management	✓	✓	✓	✓		
	Technical		✓	✓	✓	✓	✓
	Internationality		✓	✓	✓		
	Finance and accounting	✓	✓	✓			
	Risk management	✓	✓	✓	✓		
	Sustainability				✓		

¹⁾ Employee representative

²⁾ In accordance with the GCGC or, in exceptional cases, as justified by the Company

✓ based on an annual self-assessment by the Supervisory Board. A tick means at least good knowledge (4) on a scale of 5 (very good) to 1 (no knowledge).

3.3.3 Members of the Supervisory Board and Supervisory Board member mandates

Name	Current profession	Date of birth	Member since	Appointed until ¹⁾	Membership in statutory domestic or foreign controlling bodies of commercial enterprises (as of: 31/12/2021)
Dr Stefan Krauss ²⁾ Chair	Commercial lawyer / specialist lawyer in labour law	24/11/1964	06/2021	2026	-
Chair of the Audit Committee					
Dr Stephan Zizala Deputy Chair	from 1 October 2022 at u-blox AG, Thalwil, Switzerland and from 1 January 2023 Chair of the Executive Board of u-blox AG	24/11/1972	2016	2024	-
Audit Committee member					
Dr Harald Marquardt ³⁾	Chair of the Executive Board of Marquardt Management SE	08/05/1961	06/2022	2027	-
Audit Committee member					
Chris Wu	President of WUS Printed Circuit (Kunshan) Co., Ltd.	20/09/1971	2017	2024	Director, Biggering (BVI) Holdings Co., Ltd. Director, Happy Union Investment Co., Ltd.
Petra Gaiselmann ⁴⁾	Control technology employee at Schweizer Electronic AG	22/06/1971	2019	2024	-
Jürgen Kammerer ⁴⁾	Process engineer for mechanics at Schweizer Electronic AG	12/03/1966	2019	2024	-

¹⁾ The term of office ends at the end of the (respective) ordinary Annual General Meeting

²⁾ Chair of the Supervisory Board and Audit Committee since 24 June 2022

³⁾ Member of the Supervisory Board and Audit Committee since 24 June 2022

⁴⁾ Employee representative

4 TARGETS FOR AND IMPLEMENTATION OF THE PROPORTION OF WOMEN ON THE SUPERVISORY BOARD, EXECUTIVE BOARD AND AT MANAGEMENT LEVEL

The "Equal Participation of Women and Men in Leadership Positions in the Private and Public Sector Act" stipulates a minimum quota of 30 percent for women and men (known as the gender quota) on the supervisory boards of companies that are publicly listed and subject to parity co-determination. For companies such as Schweizer Electronic AG that are publicly listed or subject to codetermination (including under the One-Third Employee Representation Act [Drittelbeteiligungsgesetz]), an obligation has been introduced whereby they themselves must set targets for the proportion of women on the Supervisory Board and Executive Board and at the two highest management levels. The Company has to observe a "no deterioration" rule.

For the period from 1 July 2017, for the percentage of women on the **Supervisory Board**, the Supervisory Board set a target that at least one seat on the Supervisory Board should be filled by a woman. At the time the new target was determined, there were no women on the Supervisory Board. This target was extended until 31 December 2026 and has been met since the Annual General Meeting held in 2017. The Supervisory Board has set a target of zero for the percentage of women on the **Executive Board** for the period from 1 July 2017 to 30 June 2022. At the time this target was determined, there were no women on the Executive Board. With the new target valid from 12 April 2022 until 31 December 2026, the Supervisory Board has set itself the goal that, should the Executive Board be increased to more than three members, a woman will be appointed to this position. Further information on determining the target figure and diversity for the composition of the Executive Board can be found in the "Executive Board" section of this declaration.

Since 1 July 2017, the Executive Board has determined a target for the proportion of women in the **key management** level below the Executive Board. This target was extended until 31 December 2026, with at least one woman to be appointed to one position. The legally stipulated second management level below the Executive Board is not defined as such at SCHWEIZER. For this reason, the target relates to the key management level. At the time the new targets were stipulated, the key management level below the Executive Board related to employees who report directly to the Executive Board and comprised a total of ten persons. When defining the new target figure, there were no women at this management level.

In the current composition, the agreed targets for the percentage of women on the Supervisory Board and Executive Board were achieved. The target percentage of women for the key management level set by the Executive Board has not been met since an employee left in April 2021. It is, however, always taken into account for personnel decisions to be made for the key management level.

5 ACCOUNTING AND FINANCIAL STATEMENT AUDIT

Since the 2015 financial year, consolidated financial statements have been prepared in accordance with IFRS guidelines. The annual financial statements of Schweizer Electronic AG are prepared in accordance with HGB guidelines. The consolidated financial statements and the annual financial statements are produced by the Executive Board, checked by the auditor and approved and adopted by the Supervisory Board. The consolidated financial statements and the annual financial statements are published within four months of the end of the financial year.

It has been agreed with the auditor, KPMG AG Wirtschaftsprüfungsgesellschaft, Freiburg im Breisgau branch, that the Chair of the Supervisory Board be immediately informed of key issues arising during the audit. The auditor reports on all issues and occurrences that are of essential importance to the tasks of the Supervisory Board that are revealed by the financial statements audit – reporting immediately to the Chair of the Supervisory Board. In addition, the Chair shall be informed if the auditor identifies facts that result in inaccuracy with respect to the Declaration of Compliance submitted by the Executive Board and the Supervisory Board in accordance with Section 161 AktG. The auditor personally attends the Supervisory Board meetings at which the consolidated financial statements and the annual financial statements are approved and adopted.

6 TRANSPARENCY

SCHWEIZER attaches great importance to ensuring consistent, comprehensive and timely information. The business situation and the results are reported in the Annual Report, in earnings calls, in the interim reports and in the half-yearly financial report.

Information is also communicated via press releases and ad-hoc disclosures. All reports and disclosures are available at: <https://schweizer.ag/en/investors-media>. Furthermore, the Investor Relations department is available to answer any questions throughout the year.

7 ACQUISITION AND SALE OF COMPANY SHARES

In accordance with Article 19 of Regulation (EU) No. 596/2014 on market abuse, members of the Executive Board and the Supervisory Board are statutorily obliged to disclose the acquisition or sale of shares of Schweizer Electronic AG or related derivatives or other associated financial instruments, where the value of the transactions made by the member concerned or related persons reaches a total volume of EUR 20,000 within one calendar year. The transactions reported to Schweizer Electronic AG during the last financial year were duly disclosed and can be viewed on the Company's website at: <https://schweizer.ag/investoren-und-medien/corporate-governance/managers-transactions>.

Schramberg, 24 April 2023

Executive Board

Nicolas-Fabian Schweizer
Chair of the Executive Board

Supervisory Board

Dr Stefan Krauss
Chair of the Supervisory Board



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