

Annual Report
2023/24

CONNECTING TECHNOLOGY

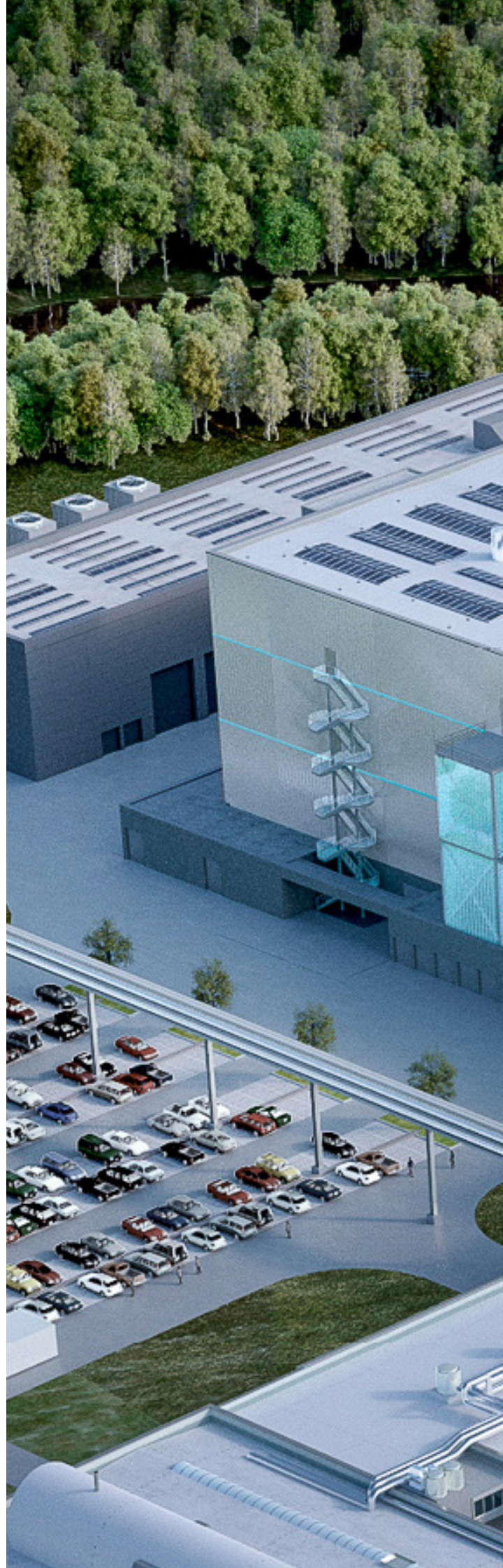
TODAY.
TOMORROW.
TO FUTURE.

AT&S



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AT&S AT A GLANCE



~13,800

Employees



€1.55 billion

Revenue



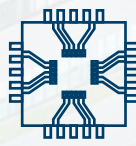
€307 million

EBITDA



€963 million

Revenue in
Electronics Solutions



€587 million

Revenue in Microelectronics



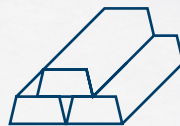
26%

Vitality Index



73.9%

Renewable energies



200 kg

of in-house copper recycled
per day



71 billion

Connected devices by 2027
(+5,5% CAGR)

KEY FIGURES

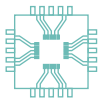
	Unit	2023/24	2022/23	Change year-on-year	2021/22	2020/21
Revenue	€ in millions	1,550	1,791	(13%)	1,590	1,188
EBITDA	€ in millions	307	417	(26%)	350	246
EBITDA margin	%	19.8	23.3	-	22.0	20.7
EBIT	€ in millions	31	146	(79%)	126	80
EBIT margin	%	2.0	8.2	-	8.0	6.7
Profit for the period	€ in millions	(37)	137	>(100%)	103	47
ROCE	%	0.6	6.6	-	7.8	5.8
Net CAPEX	€ in millions	855	996	(14%)	602	436
Operating free cash flow	€ in millions	(202)	(520)	+61%	111	(251)
Net debt	€ in millions	1,403	851	+65%	212	509
Earnings per share	€	(1.39)	3.03	>(100%)	2.39	1.01
Dividend per share	€	0.00 ¹	0.40	-	0.90	0.39
Employees ²	-	13,828	15,280	(10%)	13,046	11,349

¹ 2023/24: Proposal to the Annual General Meeting

² Incl. contract staff, average

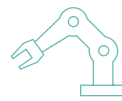
MARKETS AND APPLICATIONS

IC SUBSTRATES



- > AI and servers
- > High-performance computers
- > Client PCs
- > Cloud and edge computing
- > 5G base stations
- > Gaming and networking

INDUSTRIAL



- > Smart solutions for buildings, power grids, lighting, production and transport
- > Robots
- > Sensors and M2M communication

MOBILE DEVICES



- > Smartphones
- > Wearables
- > Laptops and tablets
- > Drones and action cameras

MEDICAL



- > Therapy applications (cardiac pacemakers, neurostimulation, hearing aids, prostheses)
- > Digital patient examination (pulse and glucose measurement)
- > Diagnostics and imaging systems (X-ray, MRI and ultrasound)

AUTOMOTIVE & AEROSPACE



- > Advanced driver assistance systems
- > Autonomous driving
- > Power supply for drive systems
- > Satellites
- > Flight control and cockpit electronics

WHO WE ARE

AT&S sets the highest quality standards in the industry, industrialises leading-edge technologies, cares about people, and reduces its ecological footprint – **AT&S creates value.**

AT&S is a globally leading manufacturer of high-end IC substrates and printed circuit boards and a developer of pioneering interconnect technologies. At its locations in Europe and Asia, AT&S develops and produces high-tech solutions for its global partners, especially for applications in the areas of communication, computer and consumer electronics, mobility, industry and medical technology as well as increasingly for data management and AI applications. AT&S will continue to drive the digital megatrends and grow profitably in the coming years. To do so, AT&S will increase vertical integration and work even more closely with its customers as a solutions supplier.



PRODUCTION SITES

- 1 Leoben, Austria
- 2 Fehring, Austria
- 3 Nanjangud, India
- 4 Chongqing, China
- 5 Shanghai, China
- 6 Ansan, South Korea
- 7 Kulim, Malaysia

SALES SUPPORT OFFICES

- 1 San Jose, USA
- 2 Düren, Germany
- 3 Stockholm, Sweden
- 4 Bengaluru, India
- 5 Tokyo, Japan
- 6 Taipei, Taiwan
- 7 Hong Kong, China (holding company)

AT&S



COMPANY

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LETTER FROM THE EXECUTIVE BOARD

DEAR SHAREHOLDERS,

2023/2024 was a very challenging financial year for AT&S. The challenge was, and still is, a market that has changed and become significantly more volatile than projected by tech companies and analysts for the medium and long term. Compounding factors included the geopolitical situation with the trade conflict between the USA and China as well as the wars in Ukraine and the Middle East, the resulting supply chain problems, inflation and rising prices. All of these factors posed significant challenges for the entire technology industry, including AT&S, and will continue to keep us occupied. Like the majority of analysts, we had expected a market recovery in the second half of 2023, which, however, failed to materialise. As recent forecasts suggest that the market will only rebound slowly, we adjusted our guidance for the financial year 2026/27. Revenue is now expected to amount to €3.1 billion in 2026/27, which is still an impressive figure considering that it is double the revenue of the past financial year. We still anticipate an EBITDA margin of 27 to 32%.



Andreas Gerstenmayer
CEO



The world will change with megatrends such as cloud computing and, above all, artificial intelligence. AT&S is part of this transformation and an enabler of digitalisation.





Petra Preining
CFO

At this point, we would like to thank our roughly 13,800 AT&S employees, who demonstrated strength, resilience and team spirit during these challenging times. We would also like to express our gratitude to you, our shareholders. Thank you for the understanding you have shown towards the entire Management Board of AT&S AG in these eventful times.

The technology industry keeps evolving: never before has technology been as important for humanity as it is today – we already saw that during COVID. Everything goes digital, and the world will change with megatrends such as cloud computing, 5G and soon 6G, and above all artificial intelligence. AT&S is part of this transformation and an enabler of digitalisation, which will change the world. Even though the current geopolitical situation has slowed down this evolution slightly, one thing is certain: we are right in the middle of it. We are convinced that the market will pick up again and new opportunities and growth possibilities will open up for AT&S as a result.

Why? Because AT&S is a fascinating company in the technology industry, with the most profound engineers, working together perfectly as a team. We operate in the most important – and therefore the right – markets, where all the products and applications that will have a lasting impact on the world are created. And AT&S will grow with AI: we supply the required technology, from substrates for AI processors and energy-saving solutions for IT infrastructures such as servers and data centres to AI solutions for devices such as laptops and smartphones. We focus on the right markets, with the right technologies and the right team.

In spite of all challenges, we also achieved a number of successes in the past financial year. We won renowned customers whose names we can unfortunately only disclose in a few cases: among our top customers is the US tech giant AMD, a global market leader in the semiconductor segment. In addition, we won another three US technology customers specialising in AI solutions. In the printed circuit board business, we won a global market leader in power electronics for the automotive and industrial sectors from Europe as a customer. AT&S has for many years proven itself as a technology partner in industry and among customers. Our customers value our innovative strength, reliability, quality and solution orientation. This track record helps us regularly win new customers for a variety of future-oriented applications.

We monitor the trends in market demand very closely and focus not only on driving customer diversification globally, but also on diversifying our locations in Asia. In January 2024, we opened our first plant in Kulim, Malaysia, where we will produce substrates for high-performance computing and AI applications for our customer AMD starting at the end of the financial year 24/25. The smooth delivery of the first qualification batches to AMD marks a milestone and paves the way for future

€3.1 billion

Revenue expected to double in three years by 2026/27

success. The construction of plant 2 was completed and its ramp-up is dependent on the further development of the market.

Our second investment project, the R&D centre and plant 3 in Leoben, Austria, is also on schedule. The first 300 employees are already on board, the certification phase is ongoing and production at this lighthouse project – Europe’s first competence centre for IC substrates and microelectronics packaging – will commence during the financial year 2024/25.

Since the beginning of the financial year 2023/24, a new reporting structure with the two business units ME (Microelectronics) and ES (Electronics Solutions) has been in place in the AT&S Group. Our global ESG activities have been merged in a dedicated “Corporate ESG” (Environmental, Social, Governance) department allocated to the Management Board function of the Chief Technology Officer (CTO), which was also newly created. This shows the great importance that AT&S attaches to these topics. ESG now covers all sustainability-related topics such as decarbonisation, circular economy, occupational safety and the management of measures for a more sustainable supply chain.

The past financial year saw the introduction of multiple new regulations regarding ESG topics. The new EU Corporate Sustainability Due Diligence Directive was adopted in the last quarter of the past financial year, which requires companies to ensure that morally unobjectionable standards are applied along the entire value chain. With our Supplier Code of Conduct, a reporting system that thoroughly examines the supply chain has been in place at AT&S for several years.

As far as sustainability and decarbonisation are concerned, we are on track to achieve our goals: 73.9% of the energy we used came from renewable sources, including large hydroelectric power plants (in 2025/26, it will be at least 80 percent). And we are well on our way to completing the decarbonisation of all production sites by 2030. As part of our copper recycling project, we recycle roughly 200 kg of copper per day; in 2024/25, this amount is set to increase to about 400 kg per day. AT&S received a total of ten awards and prizes from customers, countries and regions for its ESG performance in the past financial year. Thanks to our copper recycling project, we did particularly well with our activities in the areas of innovation and circular economy.

It is our clear strategy that technology and innovation will continue to be the driving forces behind the success of AT&S going forward. Today, we are already considered one of the most reliable partners in the industry, delivering the best quality and offering customers the best solutions possible.



Peter Griehsnig
CTO



FURTHER INFORMATION ON SUSTAINABILITY AT AT&S CAN BE FOUND AT:

ats.net/en/sustainability/



Peter Schneider
EVP BU Electronics Solutions

AT&S has pursued a strategy of intensive growth since 2010, with new plants in Chongqing, Kulim and Leoben as well as an R&D centre that is unique in Europe. Our forecast: we will double our revenue from currently €1.55 billion to €3.1 billion by the financial year 2026/27. We will achieve this goal once the market has recovered and our plants in Chongqing and Shanghai are fully utilised again. As soon as production is also ramped up in Kulim and at the new plant in Leoben, we will expand our production capacity.

In order to further sharpen the Group's strategic profile, AT&S intends to sell the plant in Ansan, Korea, which predominantly serves the medical market. Therefore, the company has started to request binding offers for the sale of the facility. Ansan has been, and still is, a success story. When AT&S took over the plant in 2006, products were only sold to local technology companies and the plant's performance fell significantly short of AT&S's expectations. As new business models were introduced and new fields of business opened up in the automotive and especially the medical technology segment, the technology was aligned with international customers' needs, which led to a sharp increase in revenue. Within a few years, revenue quadrupled. Today, Ansan is a highly profitable niche player with considerable growth potential. We are convinced that Ansan will be able to further accelerate this growth with a new owner.

Due to the currently tense market environment and in order to counter the persisting price pressure in the industry, we further intensified our ongoing efficiency programmes. With this transformation process, we are positioning AT&S as a sustainably profitable company in these challenging times in order to enable future growth and further expand our ability to innovate and invest. Because we are taking the current situation as an opportunity to adapt the company to the future market environment. New opportunities keep arising for AT&S because we have fascinating customers, great technologies and the best team in the industry.

Sincerely

The Management Board



Ingolf Schröder
EVP BU Microelectronics

STRATEGY

SUSTAINABLE PROFITABLE GROWTH

The overarching goal of AT&S is to continue our sustainable profitable growth course and create added value for all involved – our customers, shareholders and employees. In order to guarantee sustainable profitable growth, we have adjusted our pace of growth to the market realities and revised our revenue target downwards to €3.1 billion by the financial year 2026/27. The announced investments, operational excellence, outstanding customer service and a strong innovation culture are key elements of our strategy. We continue to pursue our technology leadership strategy and set the highest quality standards in our industry. We set ambitious ESG goals as guideposts on the journey.

The digitalisation, artificial intelligence, connectivity and smart applications trends we address will lead to strong market growth for the relevant technological solutions in the medium to long term. This is reflected in growth by 6.2% (p.a.) in the high-end HDI printed circuit board market in the years 2023-2028 and by 9.4% (p.a.) in the advanced substrates segment during the same period. In addition to this application-driven growth, we increasingly see technology-driven, and therefore value-driven, growth, particularly with respect to the IC substrate segment. Driven by the trend of ever more power-efficient chips, heterogeneous integration leads to ever larger and more complex substrates, enabling value-based growth of the technologies we produce. As described in Section 1 “*Market and Industry Environment*” of the Group Management Report, we experienced a decline in demand over the past 18 months along with increasing price pressure. Therefore, our current focus is on reducing operating costs and adjusting investment plans in order to take account of the current situation and to be ready for the expected growth cycles with an improved cost structure.

Based on our deep understanding of the underlying applications as well as our high level of manufacturing expertise and industrialisation of required new technologies, we will continue to hold top positions in our target markets (see “*Market and Industry Environment*” in the Group Management Report). Our strategic investments in the expansion of our performance in key technologies support this growth strategy. The long-term corporate goals of AT&S reflect these growth ambitions in profitable market segments and applications.

VISION AND STRATEGIC GOALS

We aspire to be the first choice for our customers in our market segments based on top performance – for high-end printed circuit boards and IC substrates, for advanced packaging technologies, and the corresponding system and interconnect solutions. Our growth strategy follows the vision “First choice for advanced solutions”. Its implementation is guided by four key strategic goals:

1. Expansion of technology leadership

We strive to be the leading provider of advanced interconnect solutions. To achieve this, we aim for a Vitality Index of >20%. Our strategic implementation focuses on the development and industrialisation of new technology platforms and on strengthening our role as a proactive development partner for our customers. AT&S is continuously developing its technology portfolio, which covers high-end printed circuit boards, IC substrates and embedding technology. The company is also constantly expanding its service offer beyond the production of printed circuit boards and IC substrates to IC packaging design, manufacturing, system integration and testing. Thus, AT&S is transforming from a contract manufacturer into a proactive interconnect solution provider.

2. Sustainable profitable growth

We strive to generate approximately €3.1 billion by the financial year 2026/27, aiming for an EBITDA margin in the range of 27% to 32%. Strategic implementation of this ambitious goal is supported by the following levers:

a) Customer orientation and highest service level: We support our customers by providing technical advice as well as additional design, simulation and testing services in order to enable the optimum interconnect solution.

b) Operational excellence: In our processes, we focus on efficiency, productivity with highest capacity utilisation and a competitive cost structure. In doing so, we are also prepared for particularly complex and individual manufacturing requirements in different lot sizes in premium quality. In view of the current market situation, efforts have been stepped up across the board.

c) Focus on fast-growing and profitable applications: We concentrate on technologically advanced applications with disproportionately high market growth and solid EBITDA margin potential.

d) Focus on cash flow generation and optimisation of the financing structure: We strengthen our internal financing power for further investment cycles by maintaining our key figures at a high level: we aim for an equity ratio of approximately 20% and a net debt to EBITDA ratio of <3.

3. Creation of shareholder value

AT&S is progressively expanding its capabilities, which is connected to high investments. Nevertheless, we are focused on maintaining a high level of value creation for our shareholders. In the upcoming years we expect the interest on the capital employed by our shareholders (ROCE) to achieve a mid-term level of >12%. The return on capital employed thus exceeds the weighted average cost of capital of comparable companies. At the same time, we are pursuing a transparent dividend policy based on investment cycles and profit for the year.

4. Sustainable management

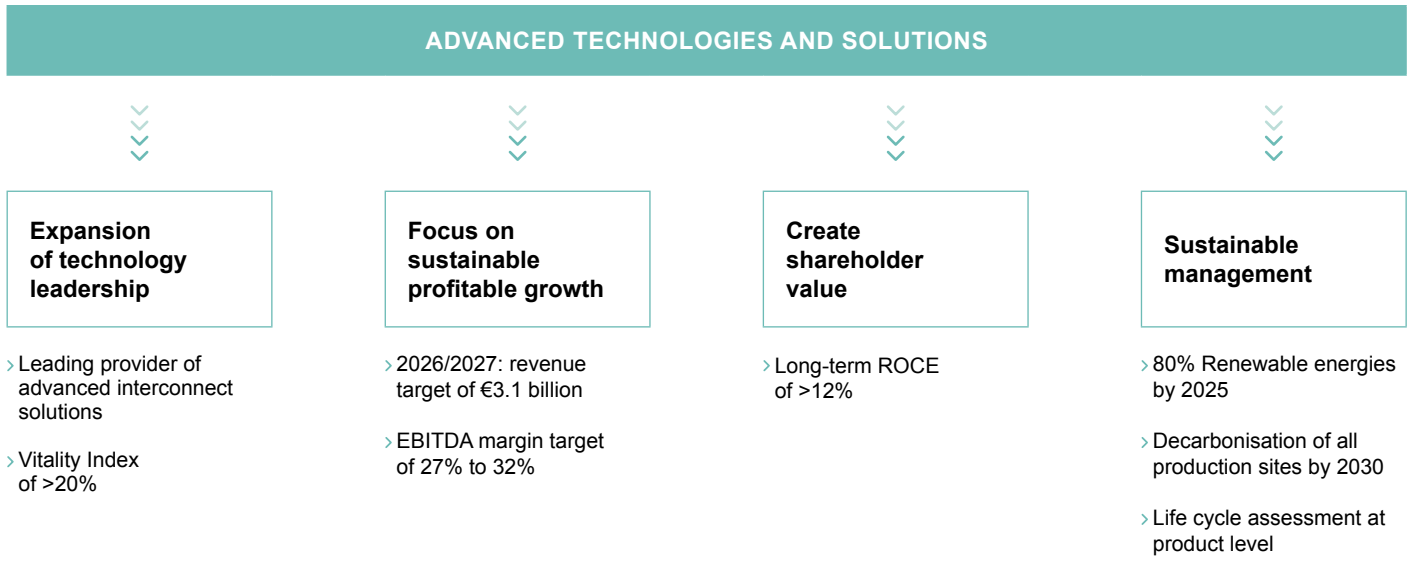
We will only be able to expand our technology leadership and achieve sustainable profitable growth if our actions are value-based and we generate added value for all stakeholder

groups. Compliance with high standards in the areas of ethics, working conditions, health and safety, environment and quality are fundamental requirements on the road to success. The Responsible Business Alliance, the OECD Guidelines for Multi-national Enterprises, the Sustainable Development Goals of the United Nations (SDGs), the International Labour Organization (ILO), the UN Global Compact as well as the Responsible Minerals Initiative (RMI) serve as our compass. For detailed information please refer to the *Non-financial Report*.

STRATEGIC FIELDS OF ACTION

One of the strengths of AT&S is that the company understands its customers’ challenges and develops customised interconnect solutions in full consultation and collaboration with them early on. This is a capability we will maintain and expand on in the future. In this context, AT&S is increasingly focusing on combining the possibilities of the core business with new technologies.

STRATEGIC GOALS



To achieve targeted growth, we drive our business based on the following four strategic fields of action:

1. Expansion of the core business

AT&S is strengthening its core competence in the area of high-end printed circuit boards and IC substrates and is continuing to develop its business in the existing market segments. Following a more volatile period, the market is now promising a return to growth in this area.

2. Diversification of the customer and application portfolios

AT&S uses proven technologies to implement innovative solutions for other (groups of) customers and applications, thus extending the life cycle of existing technologies and expanding its earnings base.

3. Proactive product development

AT&S intensifies its collaboration with customers during early development phases and develops innovative solutions for specific customer requirements by combining the core capabilities with new technologies.

4. Industrialising new technologies

AT&S drives the development of new technology platforms and broadens its positioning in the value chain, among other things, through new solutions for the packaging of semiconductors and semiconductor modules. AT&S thus generates additional revenue and increases its leading edge over competitors.

CORPORATE STRATEGY

COMBINING OUR CORE BUSINESS WITH NEW TECHNOLOGIES	
Expansion of core business	> in all market segments as well as geographical and customer diversification
Expansion of the portfolio	> to implement innovative solutions for other customers and applications
Proactive Solutions Development	> for specific customer requirements
Industrialisation	> of new technologies

STRATEGIC PRIORITIES BY PRODUCT FIELD

The key competencies of AT&S lie in high-end PCB and IC substrates technologies. These two fields remain the focus of our business. While we are leveraging scale effects and focusing on profitability in high-end PCBs, the IC substrates field is undergoing a long-term growth phase, in which we participate by implementing targeted investments. These are based on market and technology trends such as the application of artificial intelligence and digitalisation. AT&S addresses heterogeneous integration and modularisation with IC substrates and substrate-like PCBs for modules in various market segments.

AT&S continuously evaluates growth opportunities within attractive markets. In addition to our strategic focus on our two main product groups – high-end PCB mainboards and IC substrates –, we are gradually marketing the embedded die/ECP technology and evaluating the further strategic expansion of our technology portfolio in advanced electronics packaging. Though our market share is not yet substantial in this field, this segment is particularly promising, as the significance of packaging in the electronics segment overall will continue to increase. Due to the currently strained financial situation, we are focusing on a gradual organic development of our packaging business and the required expertise, technologies and partnerships. No significant investments in packaging are planned for the coming years.

Product/Offer field	Strategic priorities
Mainboards and substrate-like PCBs	<ul style="list-style-type: none"> Focus on profitability and high-end applications Technology leadership
IC substrates	<ul style="list-style-type: none"> Customer diversification Commissioning new capacities and competence expansion Utilising windows of opportunity and main market drivers
Advanced electronic packaging	<ul style="list-style-type: none"> Embedded die/ECP technology marketing Expansion of technology portfolio Positioning as a service provider

REPORT OF THE SUPERVISORY BOARD

DEAR SHAREHOLDERS,

The past financial year once again confronted AT&S with a variety of challenges. Especially as a result of the difficult market environment we were unable to repeat the record results of the previous financial year. Revenue amounted to €1,549.8 million (previous year: €1,791.3 million). Although comprehensive efficiency measures, which had been introduced in due time, partially balanced out negative effects such as price pressure and inflation, EBITDA, at €307.5 million, nevertheless was lower than in the previous year (€416.7 million).

Profit for the year declined from €136.6 million in the previous year to €-36.7 million due to the lower operating result.

Activities of the Supervisory Board

The Supervisory Board met four times during the financial year 2023/24.

In the financial year 2023/24 the Supervisory Board performed the tasks for which it is responsible in accordance with the law, the Articles of Association and Rules of Procedure. During the financial year from 1 April 2023 to 31 March 2024, the Supervisory Board was regularly informed by the Management Board about the market situation, strategy, operating and financial position of the Group and its investments, the staff situation and planned capital expenditures in plenary and committee meetings, as well as in comprehensive oral and written reports. The Supervisory Board made the respective decisions accordingly. At these meetings, there was a comprehensive exchange of information between the Management Board and the Supervisory Board about the business development and situation of the AT&S Group, including the financial performance. The Chairman of the Supervisory Board and his deputies, and subsequently also the full Supervisory Board, were regularly informed about relevant developments by the Management Board, also outside the framework of Supervisory Board meetings.

The activities of the Supervisory Board also focused on the budget for the financial year 2024/25 and on optimising group financing. The latter includes, among other things, financing options that were considered in order to support the company's further development. In the past financial year, the discussions and decisions of the Supervisory Board in particular dealt with personnel measures, geopolitical risks, the ongoing development of the capacity expansion for IC substrates, their adaptation to current market developments and the associated measures regarding customer diversification.

Supervisory Board Committees

Within the Supervisory Board, the Audit Committee, the Nomination and Remuneration Committee as well as the Finance Committee, as standing committees, exercise certain tasks assigned to them in accordance with the Rules of Procedure of the Supervisory Board. The respective committees carried out detailed analyses of certain matters where necessary and reported their findings to the Supervisory Board:

The Audit Committee, chaired by Regina Prehofer, focused primarily on the review of the annual and consolidated annual financial statements for the year ended 31 March 2023, and on planning and the preparation for the audit of the annual and consolidated financial statements for the financial year 2023/24. Through discussions with the auditor, inspection of relevant documents and discussions with the Management Board, it obtained a comprehensive view. The Audit Committee also monitored the effectiveness of the company-wide internal control system and the Group's internal audit and risk management systems and addressed the adaptation requirements for non-financial reporting based on the EU Taxonomy Regulation and the Corporate Sustainability Reporting Directive, as well as the compliance organisation. The Audit Committee reported to the full Supervisory Board with respect to this monitoring and found no deficiencies. The Audit Committee convened three times in the past financial year.



Hannes Androsch
Chairman of the
Supervisory Board

The Nomination and Remuneration Committee, chaired by Georg Riedl, held one meeting in the past financial year, which focused – most notably – on extending the appointment of Mr Schneider as a member of the Management Board.

The Finance Committee, chaired by Hannes Androsch, met four times in the financial year 2023/24 and focused in detail on matters relating to group financing in general as well as project financing.

Self-Evaluation of the Supervisory Board

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

Annual Financial Statements and Dividend

The Supervisory Board of AT&S proposed to the 29th Annual General Meeting that Deloitte Audit Wirtschaftsprüfungs GmbH, Vienna, be appointed Company and Group auditors for the financial year 2023/24. The proposal was adopted by the Annual General Meeting of 6 July 2023.

The annual financial statements of AT&S Austria Technologie & Systemtechnik Aktiengesellschaft and the consolidated financial statements for the year ended 31 March 2024 were audited by Deloitte Audit Wirtschaftsprüfungs GmbH, Vienna, and awarded an unqualified audit report. The Management Report and the Group Management Report for the financial year 2023/24 were consistent with the annual financial statements and the consolidated financial statements. Based on the prior discussion by the Audit Committee, and following its own detailed consideration and examination, the Supervisory Board approved the Company's annual financial statements for the year ended 31 March 2024 in accordance with Section 96 (4) of the Austrian Stock Corporation Act (AktG) at its meeting on 29 May 2024. With regard to the Non-financial Report the Management Board obtained a statement from the auditor prior to the audit, which was submitted to the Supervisory Board. Moreover, based on the prior discussions of the Audit Committee, and after its own detailed consideration and examination, the Supervisory Board approved the consolidated financial statements drawn up in accordance with IFRS pursuant to Section 245a of the Austrian

Commercial Code (UGB) as well as the Management Report, the Group Management Report, the Corporate Governance Report and the Non-financial Report. The Supervisory Board review, which included extensive discussions with the auditors, did not give rise to any objections. Pursuant to the recommendation of the Audit Committee, the Supervisory Board of AT&S will propose to the 30th Annual General Meeting that Deloitte Audit Wirtschaftsprüfungs GmbH, Vienna, be appointed Company and Group auditors as well as auditors of the Sustainability Report for the financial year 2024/25.

The Supervisory Board supports the following proposal of the Management Board:

Against the backdrop of the current challenging market environment and the ongoing investment programs, it will be proposed to the Annual General Meeting not to pay a dividend for the financial year 2023/24.

Our Thanks to the Management Board and all Employees

The past financial year was once again marked by enormous challenges. Our end markets showed high volatility while visibility was low. All this posed great challenges for the company and required maximum commitment from every single person. The Supervisory Board would therefore like to express sincere gratitude and appreciation to all employees and shareholders for their support in the past financial year. We are convinced that together we will continue to advance the AT&S Group and lead it to further success!

Leoben-Hinterberg, 29 May 2024

On behalf of the Supervisory Board

Hannes Androsch m.p.
Chairman of the Supervisory Board

CONSOLIDATED CORPORATE GOVERNANCE REPORT

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

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

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

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

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

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

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

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

Explanation of deviations (from C-Rules)

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

C-Rules 27 and 27a and all related provisions

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

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

C-Rule 43

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

C-Rule 62

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

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

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

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

Remuneration of the Management Board (and Supervisory Board)

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

SUPERVISORY BOARD

AT&S AG SUPERVISORY BOARD

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

¹ Supervisory Board positions held within the reporting period

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

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

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

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

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

Independence of Supervisory Board members

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

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

Related party transactions

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

Committees

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

COMPOSITION OF THE COMMITTEES OF THE SUPERVISORY BOARD

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

Audit Committee

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

Nomination and Remuneration Committee

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

Finance Committee

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

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

DIVERSITY OF THE MANAGEMENT AND SUPERVISORY BOARDS

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

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

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

MANAGERS' TRANSACTIONS

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

DIRECTORS AND OFFICERS (D&O) INSURANCE

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

RISK MANAGEMENT

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

Leoben-Hinterberg, 13 May 2024

The Management Board

DI (FH) Andreas Gerstenmayer m.p.

Dr. Peter Schneider m.p.

Dr. Peter Griehsnig m.p.

Mag. Petra Preining m.p.

DI Ingolf Schröder m.p.

AT&S SHARE

The AT&S share showed increased volatility and a downward trend in the financial year 2023/24.

At the end of the financial year on 31 March 2024, the share closed at €19.35, which corresponds to a loss of roughly 32%. While the price showed some positive momentum into the summer months, benefitting from the stabilisation of the operating development among other things, the subsequent trend was negative. The performance of the share price was unfavourably impacted, among other things, by a necessary notification of the capital market that AT&S was considering capital market measures and the fact that the forecast for the financial year 2023/24 had to be revised downwards as the market conditions once again became increasingly difficult.

A high of €35.02 was posted in early August 2023. The share marked its annual low of €16.11 in March 2024, i.e. towards the end of the financial year. Due to the development of the share price, AT&S's market capitalisation fell from €1.10 billion at 31 March 2023 to €752 million at the end of the financial year 2023/24.

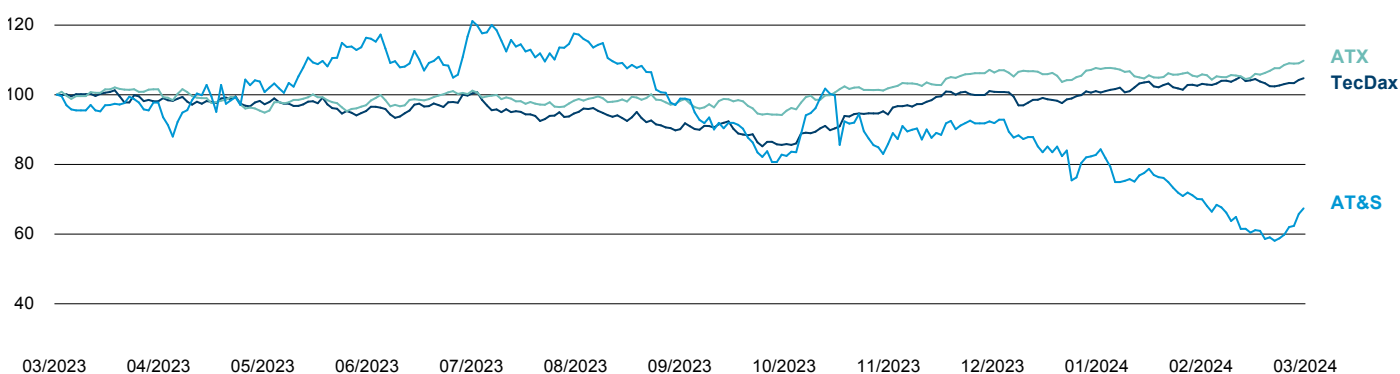
KEY SHARE FIGURES

	Unit	2023/24	2022/23
Closing price on 31 March	€	19.4	28.4
High	€	35.0	57.5
Low	€	16.1	25.9
Market capitalisation (end of reporting period)	€ in millions	752	1,101
Average share turnover per day	€ in thousands	2,117	4,495
Average number of shares traded per day	-	83,769	116,649
Dividend per share	€	0.00 ¹	0.40
Dividend yield (at the closing price)	%	-	1.4
Earnings per share	€	-1.39	3.03
Book value per share	€	24.9	29.8
Price-earnings ratio per share	-	n.a.	9.4

¹ 2023/24: proposal to the Annual General Meeting

SHARE PRICE DEVELOPMENT

AT&S compared to ATX and TecDAX (rebased to 100)

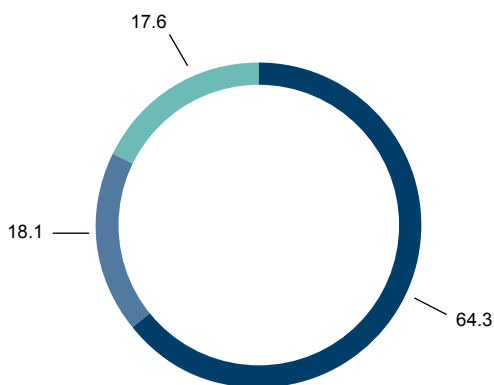


AT&S SHARE

Securities identification no./ISIN	922230/AT0000969985
Ticker symbols	Thomson Reuters: ATSV.VI Bloomberg: ATS:AV
Stock listing	Wien
Indices	ATX, ATX GP, WBI, VÖNIX
Number of ordinary shares	38,850,000

SHAREHOLDER STRUCTURE

in %



■ Free Float ■ Dörflinger Private Foundation¹ ■ Androsch Private Foundation¹

¹ Incl. direct and indirect holdings

AT&S FINANCIAL CALENDAR

24/06/24	Record Date Annual General Meeting
04/07/24	30th Annual General Meeting
22/07/24	Ex-Dividend Day
23/07/24	Record Date Dividend
25/07/24	Dividend Payment Day
01/08/24	Publication of the first quarter 2024/25
31/10/24	Publication of the first half-year 2024/25
04/02/25	Publication of the first three quarters 2024/25
15/05/25	Publication Preliminary Annual Results 2024/25

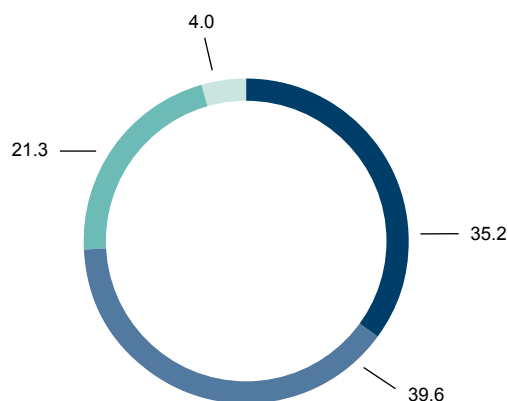
ANALYSES OF THE AT&S SHARE

	Analyst Recommendations ¹
Aletheia Capital	Buy
Bank Pekao	Buy
Berenberg Bank	Sell
Deutsche Bank	Buy
Erste Group	Buy
Jefferies	Buy
Kepler Cheuvreux	Hold
ODDO BHF	Sell
Raiffeisen Bank International	Buy
Stifel	Buy

¹ As on date of publication

SHAREHOLDER STRUCTURE BY REGION (INSTITUTIONAL INVESTORS)¹

in %



■ Austria ■ North America ■ Continental Europe ■ Rest of the world

¹ Only includes identified investors

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NON-FINANCIAL REPORT

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NON-FINANCIAL REPORT

STATEMENT OF THE MANAGEMENT BOARD

The financial year 2023/24 can be described as a highly challenging year. As in the previous year, we navigated through turbulent economic times. The geopolitical situation, inflation, rising prices and the challenges within the supply chain required intensive attention from us and will continue to do so. The current weakness of the market will stay with us for some time to come; however, it will not change anything about the future perspectives of our markets and our growth strategy.

Regarding ESG (short for Environmental, Social, Governance) topics, the year was paved with numerous new regulations. In June 2023, four additional environmental goals were published as part of the EU Taxonomy Regulation, and the intensive discussion of the Frequently Asked Questions (FAQs) published in December 2022 continued. Therefore, no EU Taxonomy reporting year is like another, since new requirements always call for adjusted, extended reporting each time.

In the final months of the past financial year in particular, a decision in favour of, or against, the EU Corporate Sustainability Due Diligence Directive (CSDDD) was imminent. The directive adopted was significantly toned down compared with the latest proposals regarding the companies affected, and risk assessment was also downgraded; three central aspects must be taken into account:

1. Risk-based approach: Companies do not have to address all risks identified at the same time but can concentrate on the most important ones.
2. "Duty of effort": Companies must show that they undertake reasonable efforts to meet their due diligence obligations in terms of human rights.
3. Risks for people and the company: With the establishment of a human rights risk management system, a company not only protects the rights of those potentially affected, but also itself against further business-related risks. It gets to know its supply chains and business partners better and becomes more resilient.

In terms of sustainable supply chain management, we focus on strong partnerships along the entire value chain in addition to our established processes and indicators. Nevertheless, the Corporate Sustainability Due Diligence Directive (CSDDD) will confront us with new challenges.

Since 1 April 2023, the new structure of AT&S Group has comprised the two new business segments Electronics Solutions and Microelectronics. At the same time, the "Corporate ESG" function was created, which is assigned to the newly established function of the Chief Technology Officer (CTO) as a member of the Management Board. ESG now covers all topics relevant to sustainability, for example decarbonisation, occupational safety, or the management of measures for a more sustainable supply chain.

In the past year, we were pleased to receive many awards again, including the B-Ranking in the CDP Score Report 2023, for both “Climate Change” and “Water Security”, so that we once again exceeded the average of the electrical and electronic equipment sector. In addition, we repeatedly defended our outstanding Gold status in the EcoVadis ranking (for details please visit our website).

We are committed to established global frameworks such as the Sustainable Development Goals of the United Nations (SDGs), the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the International Labour Organization (ILO), the UN Global Compact, the Responsible Business Alliance (RBA) and the Responsible Minerals Initiative (RMI).

With this non-financial report for the financial year 2023/24, we are also concluding the final sustainability report pursuant to the Austrian Sustainability and Diversity Improvement Act (NaDiVeG). Starting from 2024/25, this part of the management report will be prepared in accordance with the CSRD (Corporate Sustainability Reporting Directive). Under the motto “Let’s do it”, our roadmap features, in addition to our reporting activities, many new sustainability activities which we will report on in the coming year.

WHAT WE STAND FOR



RBA
(Responsible Business Alliance)



RMI
(Responsible Minerals Initiative)



ILO
(International Labour Organization)



SDGs
(Sustainable Development Goals)



OECD Guidelines
for multinational enterprises



UNGC
(United Nations Global Compact)

OUR GOALS

80%

Renewable energies

by 2025



Decarbonisation

Of all production sites by 2030
(Scope 1 emissions)



Life cycle assessment

at product level

38%

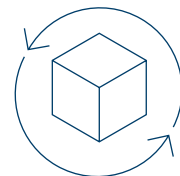
Scope 1 & 2

Absolute reduction
of Scope 1 & 2 emissions
by 38% by 2030/31

48%

Scope 3

Reduction of relevant Scope 3
emissions by 48% per EUR GVA
by 2030/31

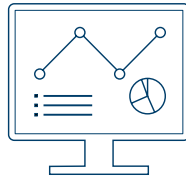


**100% RMI-compliant
supply chain**

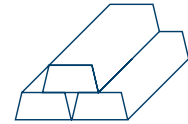
WHAT WE ARE PROUD OF

73.9%

**Renewable
energies**



**Science-based
emission targets**



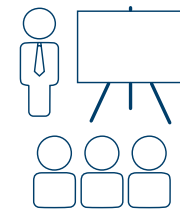
Recycling
of 200 kg of
in-house copper per day



Code of Conduct
signed by 100% of
key suppliers



ESG Policy
published



Cooperation
with educational institutions



10
Awards and prizes

B

B Rating
CDP "Climate Change" and
"Water Security"

72

Nationalities
in the workforce

SUSTAINABILITY MANAGEMENT

About this report

With this report, AT&S complies with the reporting obligation pursuant to the Austrian Sustainability and Diversity Improvement Act (NaDiVeG, section 243b and section 267a of the Austrian Commercial Code, UGB) for the Group as a whole and for Austria Technologie und Systemtechnik Aktiengesellschaft (in the following referred to as “the company”). This report has been prepared in partial compliance with the standards of the Global Reporting Initiative (GRI). Details are provided in the GRI content index at the end of the non-financial report. Our objective is to give all stakeholders of the AT&S Group transparent access to all ESG-relevant information and an overview of the main activities.

The introduction of a new Group-wide organisational structure in the financial year 2023/24 led to a change in the segment structure. With effect from 1 April 2023, the AT&S Group has structured its operating activities in three technology-based segments: Electronics Solutions, Microelectronics and Others. The Electronics Solutions segment comprises the areas of printed circuit boards and will also increasingly cover the modules and embedding business through the development of high-tech solutions. The Microelectronics segment focuses on the production of IC substrates for PCs and servers.

The corresponding comparative figures of the previous year were adjusted accordingly to ensure comparability and a transparent presentation of the development of the key figures.

Anchoring sustainability

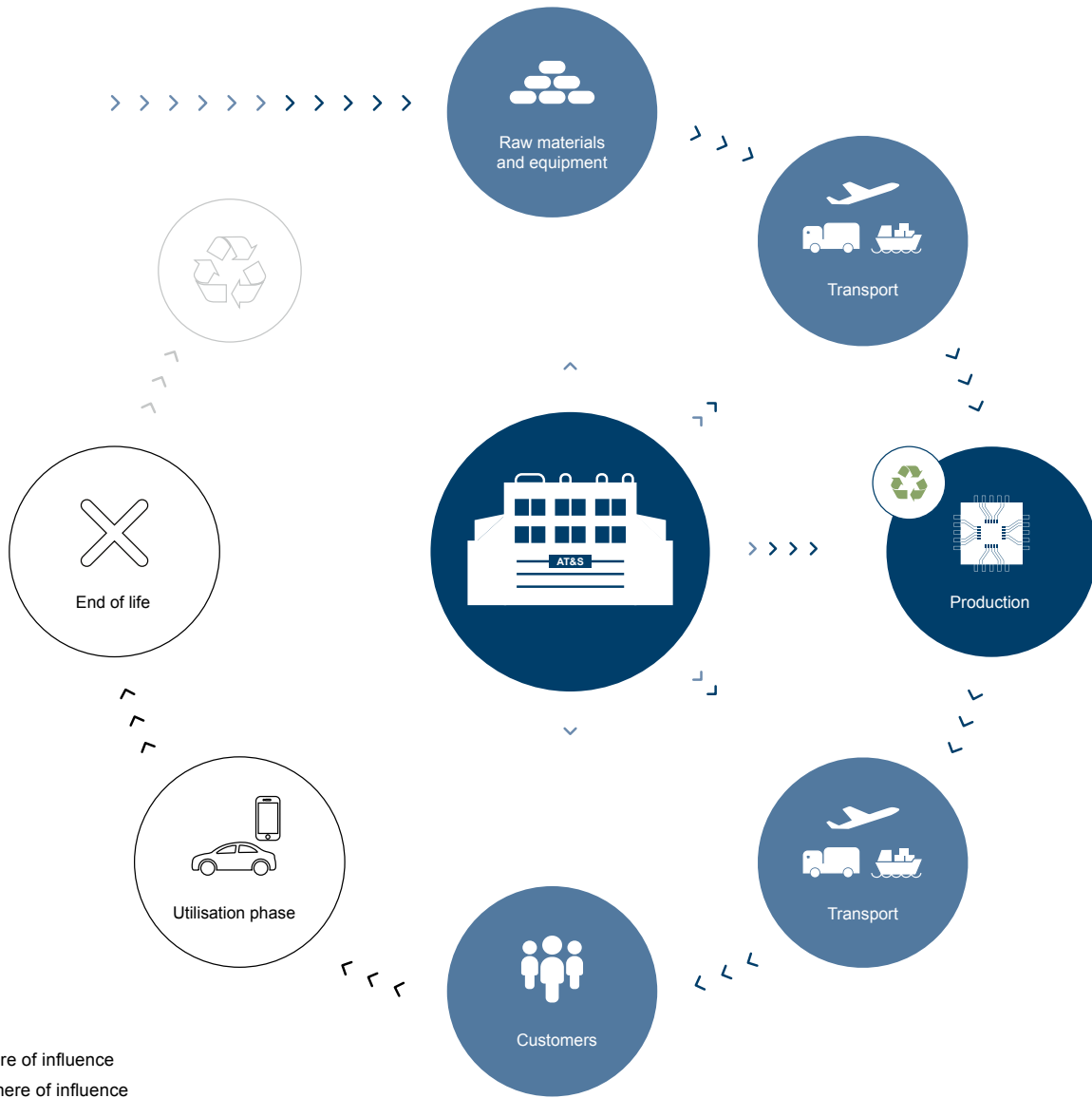
The Corporate ESG function was created in the financial year 2023/24 as part of the new Group-wide organisational structure. As digitalisation, technology and innovation are key factors for a more sustainable future, the ESG department has been assigned to the CTO. ESG now combines all environmental topics such as energy and decarbonisation, circular economy, water and waste as well as occupational health and safety, employees and the management of measures for a more sustainable supply chain under one umbrella. The core responsibilities of the ESG team include the (further) development of the AT&S sustainability strategy, the coordination of the sustainability agenda as well as internal and external communication. These are coordinated with the Management Board several times during the year as needed, and on a quarterly basis with representatives of the Management Board as well as the segments and relevant corporate functions as part of the ESG Steering Committee.

In addition, global networks within the AT&S Group were established on environmental matters, occupational health and safety as well as product responsibility. Others will follow.

Responsible value creation

AT&S advocates responsible manufacturing of products along the entire value chain. To this end, we engage in intensive collaboration and strong partnerships with suppliers and customers. Together, we drive technological developments.

VALUE CREATION PROCESS



Purchasing in the AT&S Group is centralised or decentralised, depending on strategic importance. In addition to on-time procurement of basic materials such as gold, copper, laminates or process chemicals which meet our quality and sustainability standards, this also includes energy and the required infrastructure.

Proper storage of all materials ensures quality, durability and properties. The production of both high-tech printed circuit boards and IC substrates comprises multiple wet chemical processes that require great amounts of energy and water. We continuously work on minimising the quantities of all raw materials based on efficiency measures, process improvements and technology innovations.

The aim is to avoid waste to the greatest extent possible through efficient processes, trained personnel, the right mindset and by closing cycles. Depending on the type of waste and its classification, waste material is transferred to waste disposal companies and recycled or incinerated, and a small residual share is disposed of. Packaged appropriately, AT&S products are shipped to customers. Unfortunately, AT&S























































has little influence on the disposal of its products at the end of their life cycle. However, we call upon the responsibility of end users to dispose of devices properly. Even though our possibilities to exercise influence on upstream and downstream processes are limited, we consider it our duty to extend the AT&S standards as far as possible in all ESG areas.

AT&S focuses on intensive cooperation and joint innovation activities with all partners along the supply chain. As a result, smart products, which are made observing human rights and in compliance with social standards as well as using and processing all raw material efficiently, create added value for all customers.

High standards in all areas

High standards in all areas are a fundamental requirement for sustainability management to work. The following table lists certifications and standards in the areas of quality, environment, occupational health and safety and data security. They reflect the general orientation of AT&S as well as the needs of our customers.

STANDARDS AND CERTIFICATES

Certification	Description	Leoben	Fehring	Nanjangud	Ansan	Shanghai	Chongqing
ISO 14001:2015	Global standard for environmental management systems to optimise processes, reduce costs and minimise risks						
ISO 45001:2018	Standard for the management of occupational health and safety to minimise risks and increase productivity						
ISO 9001:2015	Certification of quality management systems to prove high quality standards of products						
IATF 16949:2016	Globally recognised standard in automotive industry						
ISO/IEC 27001:2017	International standard for information security						
DIN EN ISO 50001:2018	International standard for energy management to increase energy efficiency						
DS/EN ISO 13485:2016	International quality standard for the design and production of medical devices						
EN 9100:2018	European quality standard for the aerospace industry						
UL Listing	Standard to ensure electrical and mechanical safety of electronic components						
Sony Green Partner Certificate	"Green Partner Environmental Quality Approval System" for cross-company cooperation for the manufacturing of sustainable products						
AEO Certificate	Authorised Economic Operator of the European Union						
IECQ QC 080000:2017	International Technical Specification for Process Management of Hazardous Substances						
NADCAP Accreditation	Accreditation for a uniform quality standard in the aerospace industry to harmonise production and audit processes of aircraft components						
ANSI/ESD S2 0.20-2014	Electrostatic discharge standard						
IPC-QL-653 Standard	Certification of Facilities that Inspect/Test Printed Boards, Components and Materials						

Continued above-average ratings for ESG performance

The ratings by ESG rating agencies for the most part continue to exceed the industry average. For current details, please visit the AT&S website.

In addition, the ESG performance of AT&S was recognised by customers and in countries and regions where AT&S produces in the financial year 2023/24. Overall, AT&S received ten awards and recognitions. We scored above all with our copper recycling project for our activities in the areas of circular economy and innovation.

SUSTAINABILITY STRATEGY

About mission and purpose

It is our mission to reduce the environmental footprint. Our ESG purpose statement is: We support the business segments through responsible and resilient growth in the four strategic fields of action.

The strategic fields of action have been slightly changed: “Decarbonisation” is now “Decarbonisation, energy security and efficiency”, “Decent work” is now “Decent and safe work”. “Circular economy” and “Sustainable supply chain & business ethics” remain unchanged.

RATED BY



BBB-Rating

within the industry for electronic devices, parts and components¹



Prime-Rating

Regarding social, environmental and governance topics



Low Risk (17.3)

The ESG risk rating places AT&S among top 15% in the electronic components subindustry¹



Gold Status

With this result, AT&S ranks among the top 5% of the companies ranked by EcoVadis



B-Rating

“Climate Change” and “Water Security”

¹ See disclaimer in the imprint. Usage of the logo is limited to the purpose of reporting on ESG risk assessments and is not used for any other purpose; it also does not represent an endorsement or advertisement for the brands/logos.

Negative effects of AT&S business activities on the NaDiVeG issues can be minimised with the help of ambitious goals, concrete key indicators and the implementation of appropriate measures. This report has been structured according to E (Environmental), S (Social) and G (Governance), and the material topics have been allocated. Details on the qualitative and quantitative targets, management concepts, due diligence processes and key indicators are presented in the respective chapters.

Influencing factors: from the corporate strategy through risks and trends to legislation

As our purpose statement indicates, our sustainability strategy is closely linked to the corporate strategy. Despite a weak market, AT&S adheres to its strategic positioning and the sustainability strategy. It supports the AT&S business model.

We began to renew our materiality analysis in the financial year 2023/24, equally considering the impact on the environment (inside-out) and the opportunities and risks for the business activities of AT&S (outside-in). Stakeholders were included through an online survey in order to validate the result. The preparation of the new material topics was being finalised when this report was compiled. Therefore, they will be published in the financial year 2024/25.

Hence the materiality analysis of the financial year 2018/19, whose process is described in the figure *“Process description of the materiality analysis 2018/19”* still applies to the present report.

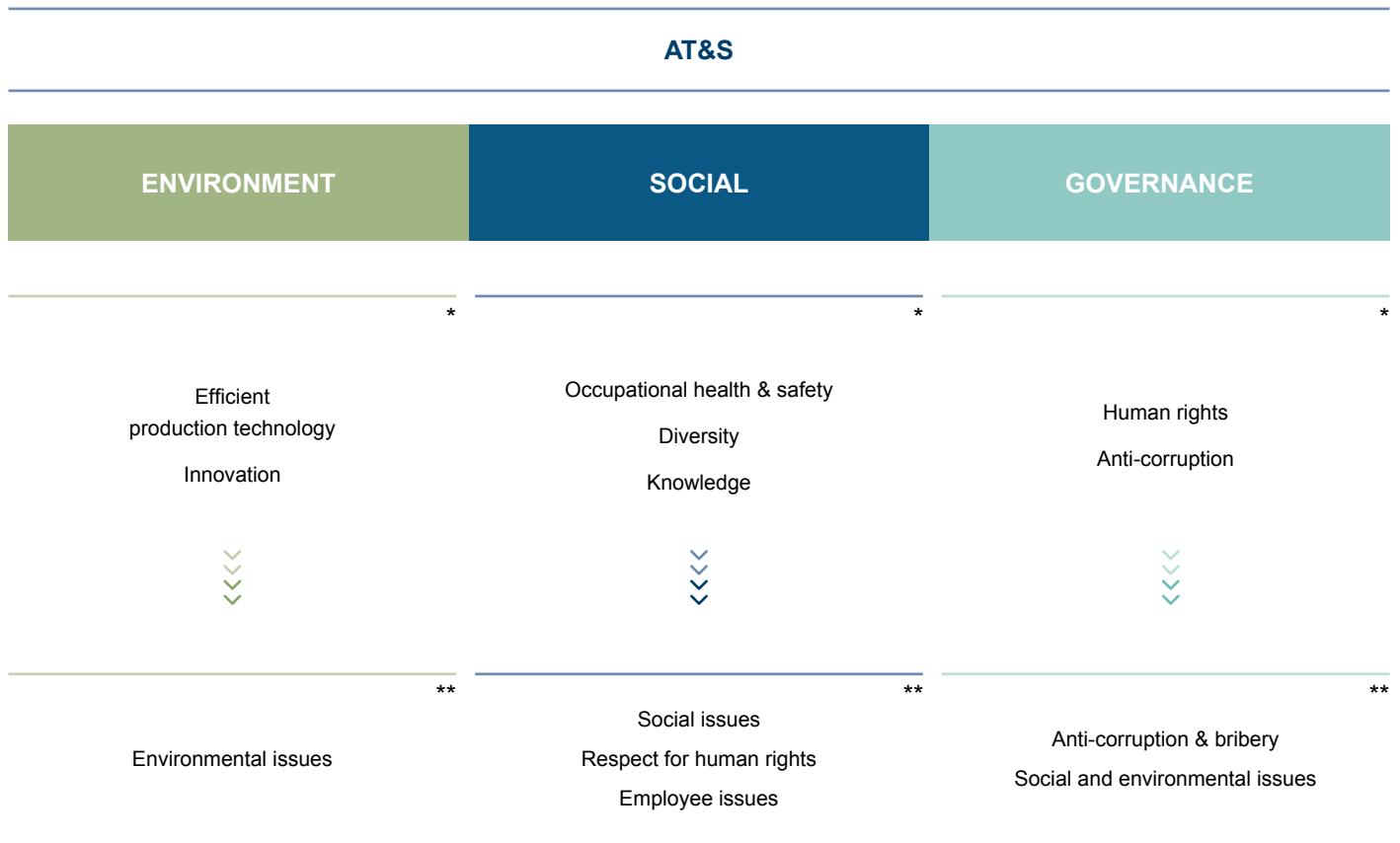
The ESG opportunities and risk management constitutes another fundamental element of the ESG strategy. With a view to the European Sustainability Reporting Standards (ESRS), opportunities and risks were reviewed for currency, adjusted and complemented. Details are described in section *“ESG opportunities and risk management”*.

Global megatrends also influence the AT&S ESG strategy. They have essentially remained unchanged: zero waste and circular economy, green technologies and innovation, longer lifetimes of end products, new working cultures, occupational safety, and diversity. We come across artificial intelligence more frequently; it is associated with a lot of computing and, consequently, with high energy consumption. In this context, AT&S is both part of the problem and part of the solution with its products. Manufacturing AT&S products requires great amounts of energy, water and other raw materials. At the same time our products also have the potential to create the transition to a sustainable, efficient and intelligent energy future.

The UN Sustainable Development Goals (SDGs) are another influencing factor. The illustration *“Our contribution to the SDGs”* shows a summary of AT&S’s activities regarding the most relevant SDGs.

The legal requirements and frameworks not only include the Corporate Sustainability Reporting Directive (CSRD), which requires us to apply the European Sustainability Reporting Standards (ESRS) from the financial year 2024/25. A new compromise for the EU supply chain act found a majority in the European Parliament. We continue to monitor the developments around the Corporate Sustainability Due Diligence Directive (CSDDD) very closely and work on a robust risk management system. In contrast, the Dodd-Frank Act, the REACH Regulation (Registration, Evaluation, Authorisation and Restriction of Chemicals) and the RoHS Regulation (Restriction of Hazardous Substances) are laws with which AT&S has complied for many years. Since 2022, AT&S has been subject to reporting in accordance with the EU Taxonomy Regulation. For details regarding reporting pursuant to Art. 8 of the EU Taxonomy Regulation please refer to the *EU Taxonomy section* of this report.

ALLOCATION OF TOPICS



* Material topics
 ** NaDiVeG issues

PROCESS DESCRIPTION OF THE MATERIALITY ANALYSIS 2018/19

Determination of social, ecological and economic topics potentially relevant to the business activities of AT&S based on:

- global trends
- customer requirements
- legal developments

MATERIALITY DIMENSION

Impact assessment

The topics identified were allocated along the value chain and assessed in an impact workshop. Internal experts, department heads from Quality, R&D and HR, as well as the Management Board were involved in this process, and the connection to the corporate strategy was taken into account.

Consideration of stakeholder interests

The four stakeholders most important for AT&S – employees, customers, suppliers and shareholders – were involved by conducting an international survey. The survey was offered in English, German and Mandarin. As the survey was published on the website, NGOs or neighbours were also able to participate and were assessed as a group (“Others”). All five stakeholder groups were equally weighted in the evaluation.

Boundaries of the material topics
After combining the two materiality dimensions, the material topics were prioritised and approved by the Management Board.

ENVIRONMENTAL	SOCIAL	GOVERNANCE
Efficient production technology	Occupational health and safety	Anti-corruption
Innovation	Diversity	Human rights
	Knowledge	

PROCESS DESCRIPTION RISK MANAGEMENT



ESG opportunities and risk management

In preparation for the CSRD and the ESRs, we reviewed our ESG opportunities and risks for their currency, added to them and assessed them in cooperation with experts.

Climate-related risks were renamed and defined more clearly. A distinction is now made between acute and chronic climate change and the associated risks. Transition risks, like water risks, are treated and assessed as separate risks. In contrast, inefficient use of resources is no longer listed as a separate risk. This is because, on the one hand, we have a strong focus on the implementation of efficiency measures anyway and, on the other hand, because all these measures save resources and thus counter all environmental risks. Rather, the risk identified is a lacking waste strategy and a lack of recycling. Other risks have been added due to their topicality: in addition to air, water and soil pollution, these risks include violations of human rights and data breaches as well as the loss of biodiversity.

The 23 risks now identified have been allocated to the existing risk categories of the Group-wide risk management. The risk assessment for AT&S as well as for the business environment for a five-year horizon was carried out in cooperation with experts.

The relationship between qualitative and quantitative risk assessment was established via an impact matrix. The risk level can range between one and six and requires appropriate mitigation measures depending on the level. Material risks are risks that have been classified at a risk level of four or more in the next five years before further mitigation measures and which are caused directly by the business activities of AT&S, its supply chain or its products. Other relevant risks include those risks that were classified at a risk level below four due to working management and mitigation measures that have already been implemented. They are nevertheless highly relevant for AT&S and its business environment and are therefore listed additionally. The risk management process is illustrated in Figure “Process description risk management” and conforms to the requirements of the Austrian Sustainability and Diversity Improvement Act (NaDiVeG) as well as the principle of double materiality. The most important opportunities and risks for the business environment, mitigation measures and their allocation to issues are shown in the following table. For further details on Group risk management please refer to the Group Management Report, section “*Opportunities and Risks*”.

NON-FINANCIAL OPPORTUNITIES AND RISKS FOR THE BUSINESS ENVIRONMENT

Material risks	Mitigation	Opportunities	NaDiVeG issues
Lack of waste strategy and recycling	Recycling projects (such as copper and water recycling), planning a waste strategy, employee sensitisation and training	Cost reduction, climate-resilient business model, industry benchmark, image improvement, increase independence from suppliers, lower usage of rare raw materials	Environmental issues
Lack of employee retention, discrimination	Training on anti-discrimination, unconscious bias and AT&S Code of Conduct, inclusive recruiting process, targeted employer branding measures, evaluation and adaptation of remuneration strategy, employee survey, Young Wilds development program	Strong cohesion, loyalty of staff, diversity, increase in employee motivation, low attrition and prevention of "brain drain", higher creativity and innovative strength, integrated approach to employee engagement	Employee issues, social issues, respect for human rights
Non-compliance with ESG-relevant requirements of suppliers	AT&S Supplier Code of Conduct, clear processes for careful selection of suppliers, supplier audits, commitment to RBA & RMI, reporting on CMRT	Protection of human rights, avoidance of support of armed conflicts, image improvement, increased attractiveness of the company for sustainable financing	Social issues, employee issues, environmental issues, respect for human rights
Other relevant risks	Mitigation	Opportunities	NaDiVeG issues
Acute and chronic climate change	Energy strategy, business continuity management, ISO 50001, employee sensitisation and training	Climate-resilient business model, strong cohesion and loyalty of staff, stronger adaptability, cost reduction	Environmental issues, social issues
Occupational accidents	ISO 45001, protective clothing, handling of dangerous goods, training	Increased employee motivation, low fluctuation	Employee issues
Corruption	AT&S (Supplier) Code of Conduct, anti-corruption guideline, capital market compliance, training, whistleblowing platform	Image improvement, trustful partnerships, competitive advantage	Employee issues, combating corruption and bribery

OUR CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS

SDGs	Sub-goals	Measures	SDGs	Sub-goals	Measures
	4.4 4.5 4.7	In-person training and e-learning offers leadership and specialist training performance management zero tolerance of any form of discrimination collaboration with international training providers and educational institutions AT&S Transformation Tuesday digital business coaching platform Young Wilds Development Program AT&S Leadership Principles		10.2 10.3	Engagement for the Diversity Charter diversity and intercultural training AT&S (Supplier) Code of Conduct intercultural workshops for respect, tolerance and integration at the Leoben site inclusive wording global onboarding programme for new employees AT&S e-learning courses on unconscious bias and content of the AT&S Code of Conduct
	6.1 6.2 6.3 6.4	Water strategy and sustainable water management water recycling rate in water-scarce areas wastewater treatment at all sites new wastewater treatment plant at the Nanjagud site certification according to ISO 14001 at all production sites REACH, RoHS and EU POP compliance AT&S Product Stewardship Network clean drinking water and sanitation for all AT&S employees		12.2 12.4 12.5 12.6 12.7	ISO 14001 certification at all production sites and ISO 50001 certification at selected production sites energy strategy incl. energy efficiency projects copper recycling project LCA project water strategy and waste management REACH, RoHS and EU POP compliance AT&S (Supplier) Code of Conduct supplier audits commitment to RMI
	7.2 7.3	Energy efficiency at the facility and process levels on-site and regional renewable energy production purchase green energy ISO 50001 energy reduction targets in accordance with the latest findings of climate science AT&S Environmental Network energy efficiency projects		16.2 16.5	Compliance with the Austrian Code of Corporate Governance AT&S (Supplier) Code of Conduct AT&S anti-corruption guideline anonymous whistleblowing platform capital market compliance and anti-corruption training Governance, Risk and Compliance Committee
	8.2 8.4 8.5 8.7 8.8	Energy strategy with energy efficiency projects engineering and R&D departments strongly involved in sustainable innovation and industrialisation strengthen innovative power with the new R&D centre in Leoben AT&S Innovation Award, AT&S Innworld Platform, AT&S DATA-THON ISO 45001 certification at all production sites AT&S Health & Safety Network AT&S (Supplier) Code of Conduct for compliance with all ethical and labour-related aspects including human rights, working conditions, diversity and fighting child labour and forced labour supplier audits		17.16 17.17	ESG collaboration with suppliers, customers and universities global partnerships with NGOs and local authorities promotion of sustainable industrialisation and efficient use of resources within the supply chain AT&S Talent Network international cooperation with educational facilities AT&S (Supplier) Code of Conduct
	9.1 9.2 9.4	Modern & resilient infrastructure for expansion projects high resource efficiency and eco-friendly technologies engineering and R&D departments strongly involved in sustainable innovation and industrialisation strengthen innovative power with the new R&D centre in Leoben cooperation with suppliers efficiency and effectiveness project of copper recycling			

REPORTING PURSUANT TO ART. 8 OF THE EU TAXONOMY

The EU has published requirements regarding sustainable economic activities based on the EU Taxonomy Regulation (EU Taxonomy), which entered into force in 2020. In the financial year 2021/22, the proportion of taxonomy-eligible economic activities of turnover as well as capital and operating expenditures were reported for the first time with regard to the first two environmental goals. After taxonomy alignment was analysed for the first two environmental goals regarding climate and 0% alignment was reported in the financial year 2022/23, taxonomy eligibility for the other four environmental goals is now disclosed for the reporting period of 2023/24.

Taxonomy-eligible and taxonomy-aligned turnover

AT&S reviewed the requirements of the Delegated Acts (EU) 2021/2139 and (EU) 2023/2486 in detail in a comprehensive process. While the company's business activities and products were only covered to a minor extent by the first two environmental goals "climate change mitigation" (CCM) and "climate change adaptation" (CCA), the new environmental goal "transition to a circular economy" (CE) now covers the core business of AT&S.

The production of printed circuit boards and IC substrates is covered by the new activity 1.2. "Manufacture of electrical and electronic equipment" of the environmental goal "transition to a circular economy", so that all revenues of AT&S are now included in the EU Taxonomy reporting. The description of the activity explicitly references NACE Codes 26 and 27, which also include the production of printed circuit boards and IC substrates as part of 26.12 "Manufacture of loaded electronic boards". In addition to the activity description and the NACE Code, the criteria for a substantial contribution are at least in part applicable to printed circuit boards; therefore, AT&S's taxonomy eligibility was identified for this activity. For these reasons, revenues from printed circuit boards for photovoltaic systems and wind turbines are recorded under activity 1.2. "Manufacture of electrical and electronic equipment", which were recorded and reported under economic activity 3.1. "Manufacture of renewable energy technologies" (environmental goal "climate change mitigation").

At present, no economic activities applicable to the revenue of AT&S exist under the environmental goals "climate change adaptation", "sustainable use and protection of water and marine resources", "pollution prevention and control" and "protection and restoration of biodiversity and ecosystems".

AT&S currently recognises a proportion of taxonomy-eligible turnover of 100% of total consolidated revenue for the financial year 2023/24. In the previous year, this figure was only 0.4%, but was related to activity CCM 3.1. The proportion of taxonomy-aligned turnover was 0% in the previous year due to a lack of climate risk and vulnerability assessments and full compliance with minimum social safeguards due to insufficient due diligence processes in connection with human rights topics in the supply chain. The denominator of the key indicator corresponds to revenue according to the consolidated statement of profit or loss (see consolidated financial statements).

For the turnover allocated to economic activity 1.2. of the new environmental goal "transition to a circular economy", only eligibility, but not yet alignment, must be determined in the financial year 2023/24. For details on the key indicators please refer to the KPI table at the end on the non-financial report.

Capital and operating expenditures (CapEx and OpEx)

The numerator of the two performance indicators capital and operating expenditures can be divided into categories A, B and C pursuant to sections 1.1.2.2 and 1.1.3.2 of the Delegated Act (EU) 2021/2178 to Article 8. While no capital and operating expenditures of category A were recognised in the previous year, these are now reported for activity CE 1.2 in the financial year 2023/24.

When allocating capital expenditures to economic activities, AT&S pursues the approach of reviewing acquired assets themselves for applicability of the technical screening criteria. Property, plant and equipment as such must be covered by the criteria. In this context, it is less important whether the item generally contributes to revenue-generating activities, but rather if the assets acquired meet the description of the activity.

Therefore, only assets used directly in the production process are considered to be capital expenditures of category A for activity CE 1.2. These primarily include machinery and equipment for the production of printed circuit boards and IC substrates. Since this is an activity under the four new environmental goals, only taxonomy eligibility must initially be reported this year.

A CapEx plan which meets the definition of category B was not drawn up under any of the six environmental goals in the financial year 2023/24.

With respect to category C, the reporting of capital and operating expenditures in accordance with Delegated Act (EU) 2021/2178 includes the acquisition of products from taxonomy-aligned economic activities and individual measures based on which the target activities are performed with low carbon emissions or the emission of greenhouse gases is reduced. While the individual measures only apply to the environmental goal "climate change mitigation" in accordance with the current interpretation by AT&S, the acquisition of taxonomy-eligible and taxonomy-aligned output can occur in all environmental goals. However, for the taxonomy-eligible amounts reported, there is no supplier evidence that the output purchased is taxonomy-aligned. As a result, only capital and operating expenditures of taxonomy-eligible outputs and individual measures with a substantial contribution to the environmental goal "climate change mitigation" were reported under category C.

With regard to capital and operating expenditures of category C, AT&S pursues the approach to disclose all taxonomy-eligible expenditures for all environmental goals. As a result, taxonomy-eligible CapEx and OpEx of both category A and category C are allocated to activity CE 1.2.

In the review of the activities of the newly published environmental goals, activity 2.1. "Collection and transport of hazardous waste" under the environmental goal "Pollution prevention and control" was identified as another applicable economic activity for category C. Another change was made in the financial year 2023/24 pursuant to FAQ of 19 December 2022, in which question 147 confirms that the new construction of a building for own use can count towards the activity CCM 7.1. "Construction of new buildings" or CCM 7.7. "Acquisition and ownership of buildings". Consequently, the activity reported under economic activity 7.1. "Construction of new buildings" was allocated to 7.7. "Acquisition and ownership of buildings". The presentation of the previous year was also adjusted.

With regard to CapEx and OpEx, the following business activities of AT&S can be allocated to the individual economic activities:

ALLOCATION OF THE AT&S BUSINESS ACTIVITIES TO THE ECONOMIC ACTIVITIES OF THE EU TAXONOMY

Economic activity for CapEx and OpEx category C	Description	Examples of activities of AT&S
CE 1.2 Manufacture of electrical and electronic equipment	Manufacturing of electrical and electronic equipment for industrial, professional and consumer use.	Office equipment, e.g. notebooks, monitors and printers
CCM 5.1. Construction, extension and operation of water collection, treatment and supply systems	Construction, extension and operation of water collection, treatment and supply systems.	Construction of process water plants, pipeline networks, water recycling facilities and the necessary infrastructure
CCM 5.2. Renewal of water collection, treatment and supply systems	Renewal of water collection, treatment and supply systems including renewals to water collection, treatment and distribution infrastructures for domestic and industrial needs.	Renewal of process water treatment plants
CCM 5.3. Construction, extension and operation of waste water collection and treatment	Construction, extension and operation of centralised waste water systems, including waste water collection (sewer network) and treatment.	Construction of wastewater treatment plants and the necessary infrastructure
CCM 5.4. Renewal of waste water collection and treatment	Renewal of centralised waste water systems including collection (sewer network) and treatment.	Upgrade of water treatment systems, exchange of old tanks and pipes
CCM 5.5. Collection and transport of non-hazardous waste in source segregated fractions	Separate collection and transport of non-hazardous waste in single or comingled fractions aimed at preparing for reuse or recycling.	Transport of non-hazardous waste, maintenance of necessary infrastructure
PPC 2.1. Collection and transport of hazardous waste	Separate collection and transport of hazardous waste prior to treatment, material recovery or disposal, including the construction, operation and upgrade of facilities.	Transport and collection of hazardous waste
CCM 6.5. Transport by motorbikes, passenger cars and light commercial vehicles	Purchase, financing, renting, leasing and operation of vehicles designated as category M1, N1, both falling under the scope of Regulation (EC) No 715/2007 of the European Parliament and of the Council, or L (2- and 3-wheel vehicles and quadricycles).	Leasing of company cars
CCM 7.2. Renovation of existing buildings	Construction and civil engineering works or preparation thereof.	Renovation of production buildings
CCM 7.3. Installation, maintenance and repair of energy efficient equipment	Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment.	Installation and maintenance of cooling units, cooling towers, roof insulation, ventilation equipment
CCM 7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings.	Expansion of e-charging infrastructure
CCM 7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings.	Installation of building energy management systems
CCM 7.6. Installation, maintenance and repair of renewable energy technologies	Installation, maintenance and repair of renewable energy technologies, on-site.	Solar lighting, heat exchangers
CCM 7.7. Acquisition and ownership of buildings	Buying real estate and exercising ownership of that real estate.	Construction of new buildings at the locations in Malaysia and Leoben; purchase or rental of office and production buildings as well as accommodation for employees

The taxonomy-eligible capital and operating expenditures were recognised at the local companies based on the entries in the respective asset and expense accounts using CapEx and OpEx lists and assigned to the above-mentioned economic activities based on the descriptions.

As capital and operating expenditures in category C can only be recognised as taxonomy-aligned if the suppliers' taxonomy alignment can be confirmed, the taxonomy-aligned proportion of AT&S's capital and operating expenditures currently amounts to 0% due a lack of relevant confirmations by the respective suppliers.

Capital expenditures (CapEx) are disclosed as a part of the taxonomy-eligible or taxonomy-aligned capital expenditures (numerator) of the total capital expenditures (denominator). The denominator consists of the total capital expenditures pursuant to the requirements of section 1.1.2.1 of the Delegated Act (EU) 2021/2178 and corresponds to the additions to property, plant and equipment, right-of use assets and intangible assets of AT&S disclosed in the consolidated financial statements for the financial year 2023/24, which can be found in notes 7 and 8 of the notes to the consolidated statement of financial position in the notes to the consolidated financial statements. The taxonomy-eligible numerator in the respective economic activities corresponds to the total amounts consolidated at Group level of the above-mentioned CapEx lists. In the financial year 2023/24, 83.0% of CapEx was classified as taxonomy-eligible compared to 45.1% in the previous year. The increase results from higher capital expenditures for buildings related to the establishment of the new plant in Leoben and capital expenditures under the new activity CE 1.2. "Manufacture of electrical and electronic equipment".

As defined in section 1.1.3.1 of the Delegated Act (EU) 2021/2178, the denominator of the operating expenditures covers all direct non-capitalised costs that relate to research and development, building renovation measures, short-term leases, maintenance and repair (see "Types of expenses" and "Research and development costs" in the notes to the consolidated statement of profit or loss, and "Property, plant and equipment" in the notes to the consolidated statement of financial position, in the notes to the consolidated financial statements). The numerator of the taxonomy-eligible operating expenses in the respective economic activities was recognised based on expense accounts and allocated to the economic activities. 30.5% of OpEx was classified as taxonomy-eligible in the financial year 2023/24, compared with 2.8% in the previous year. The year-on-year increase is attributable to the added activity CE 1.2. "Manufacture of electrical and electronic equipment".

Details on the CapEx and OpEx indicators are provided at the end of the non-financial report.

Pursuant to Delegated Act (EU) 2021/2178, non-financial undertakings must disclose additional background information on the indicators such as a quantitative breakdown of the CapEx and OpEx numerator. As AT&S does not report taxonomy-aligned turnover or capital and operating expenditures, no such additional information is reported.

ENVIRONMENTAL



Never before have industries, markets and the economic environment changed as quickly as today. Hardly any company can evade the rapid development driven by digitalisation and globalisation. Our climate is also changing and turning into the greatest challenge of our time. It is above all the slow changes that will transform our lives in the long run. Climate-changing gases, which are released into the atmosphere or have already accumulated there, will have a lasting influence on our climate for a long time to come. This is why decarbonisation is a central component of the AT&S sustainability strategy and constitutes one of the four strategic fields of action.

With the European Green Deal, the European Commission aims to put the EU on a path towards a climate-neutral and fair society, which integrates a modern, resource-efficient and competitive economy. The transition to a circular economy plays a central role in achieving these goals. In order to decouple economic growth from material resource input, AT&S focuses on using resources efficiently and avoiding waste along the entire value chain. In doing so, AT&S covers measures in the areas of water, waste prevention and recycling which support resource efficiency and innovation through technological innovation and know-how. The company summarises all activities aiming for the efficient use and recycling of water and materials as well as lifecycle assessment and waste reduction under the concept of circular economy. Like decarbonisation, circular economy also represents one of the four fields of action of the AT&S sustainability strategy. The material topics “efficient production technology” and “innovation” are assigned to the section “Environmental”.

AT&S energy strategy supports climate and energy transition

There is no question that climate change represents a threat to the health of the planet; in addition, rising temperatures can change production conditions, and extreme weather events can disrupt supply chains and damage infrastructure. The company has set ambitious energy and emission reduction targets in order to combat the climate crisis. These targets include generating at least 80% of the Group’s energy requirements from renewable energy sources (including large hydroelectric power plants) by 2025. In addition, our goal is to replace all fossil fuels at our own production sites (Scope 1 emissions) worldwide by 2030.

Together with the Science Based Targets initiative (SBTi), AT&S supports the goals of the Paris Agreement. Consisting of the United Nations Global Compact (UNGC), the CDP, the World Resources Institute (WRI) and the WWF, the Science Based

Targets initiative is an international climate protection alliance which drives ambitious climate protection measures in private business. It enables organisations to define emission reduction goals based on scientific findings. Heeding this call, AT&S made a commitment to the SBTi in the financial year 2021/22.

In the financial year 2022/23, the newly set goals were confirmed by the SBTi. AT&S undertakes to reduce absolute Scope 1 & 2 emissions by 38% by the financial year 2030/31 compared to the 2021/22 baseline. Furthermore, the Scope 3 emissions from purchased goods and services as well as capital goods are to be reduced by 48% per euro of value added within the same time frame. These ambitious goals are now officially in accordance with the 1.5-degree target and therefore an important step towards a future worth living for future generations.

Our path towards decarbonisation

Both the challenging energy and emission reduction targets and established management systems at different AT&S locations support us on our path towards decarbonisation. All production sites have quality management certification according to the international standard ISO 9001 and environmental management certification according to the international standard ISO 14001. In addition, selected production sites are certified according to the international energy management certification ISO 50001, which was extended at an AT&S location in China in 2023/24. Currently the Austrian locations Leoben and Fehring, the location in Nanjangud, India, and now also the AT&S location Chongqing are certified according to ISO 50001. A timeline for the integration of the remaining locations is currently being developed.

Decarbonisation covers all measures that support AT&S in achieving the ambitious targets set for the transition to a low-carbon economy. AT&S continuously reviews possibilities to ensure the highest energy efficiency at the process and plant levels and to gradually increase the share of renewable energy. Reducing the energy consumption of selected machinery is an integral part of the energy strategy. In this way, resources can be used sparingly while total energy consumption and carbon emissions can be reduced at the same time.

In order to ensure coordination of diverse environmental topics efficiently and sustainably, and to improve the coordination of implementation of requirements in processes in the Environmental area across plants in the business segments, the AT&S Environmental Network was established in the financial year 2023/24. This network connects internal stakeholders who

work on environmentally relevant topics such as energy, water and waste, thus ensuring that all those involved are informed about current developments in the environmental segment. At the same time, the platform provides a space for best-practice sharing and an intensified exchange across locations regarding the latest regulatory developments, compliance requirements and projects in the above-mentioned areas.

Companies play a decisive role in the transition towards a low-carbon economy and the reduction of CO₂ emissions. However, the availability of electricity from regenerative energy sources cannot be taken for granted, in particular in the Asian region. Achieving our energy goals has therefore been, and still is, a challenge. The efforts undertaken by AT&S in this regard can be seen in the share of renewable energy. AT&S achieved a share of 73.9% in the financial year 2023/24, thus again exceeding the prior-year value of 61.6%. 111 MWh of the renewable energy used was generated directly at the AT&S locations, predominantly through photovoltaic systems.

SHARE OF RENEWABLE ENERGIES



Savings resulting from energy efficiency measures amounted to an additional 6.3 GWh or 4.2 kt CO₂ across the Group in the financial year 2023/24. In the previous year, savings totalled 30.6 GWh or 13.7 kt CO₂. Overall, annual savings of 96.9 GWh resulting from the measures implemented since the financial year 2017/18 can be reported.

ADDITIONAL ENERGY SAVINGS

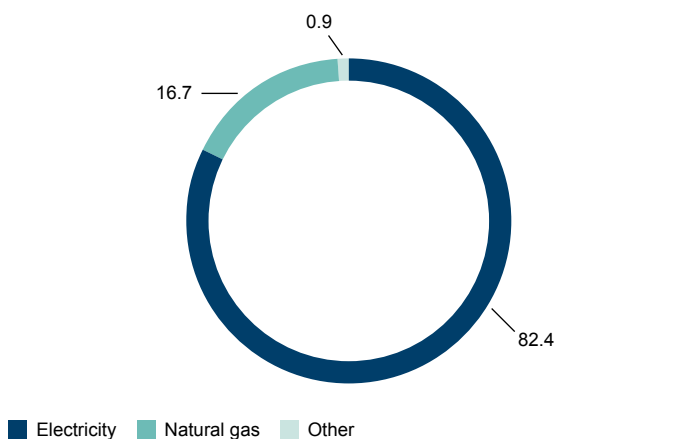
6.3 GWh

(Previous year: 30.6 GWh)

Despite the energy savings, energy consumption in 2023/24 could not be reduced in comparison with the previous year. While absolute energy consumption rose by 7.2%, relative energy consumption recorded an increase by 29.7%. This is because gross value added was low due to the challenging market environment. In addition, due to the growth strategy of AT&S, resources are required for the expansion and qualification of product lines – for example at our new location in Malaysia – without being able to generate direct value added yet.

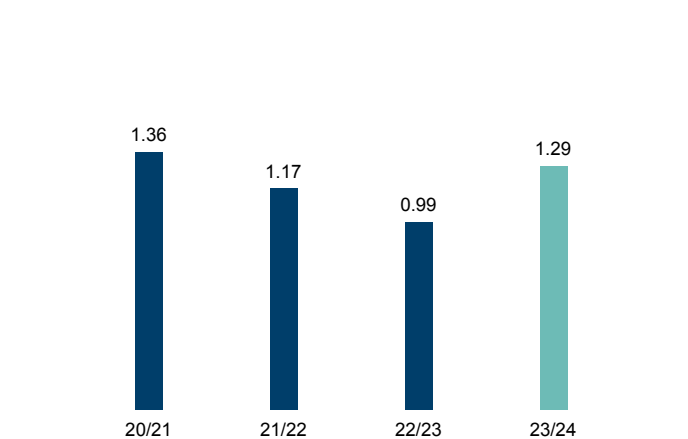
ENERGY CONSUMPTION BY ENERGY SOURCE

in %



RELATIVE ENERGY CONSUMPTION

in kWh per € GVA



ENERGY CONSUMPTION

	Absolute energy consumption (in GWh)			Relative energy consumption (in kWh per € GVA)		
	2023/24	2022/23	Change	2023/24	2022/23	Change
Microelectronics segment & Others	362.2	287.2	26.1%	1.07	0.80	33.7%
Electronics Solutions segment	584.9	596.0	(1.9%)	1.48	1.13	31.3%
Total Group	947.1	883.2	7.2%	1.29	0.99	29.7%
thereof attributable to parent company	89.2	79.9	11.6%	0.70	0.65	6.5%

Despite the increase in absolute energy consumption, energy expenses decreased by 1.5% year-on-year due to the decline in prices. Energy costs are contained in cost of sales, distribution costs, general and administrative costs, research and development costs as well as in start-up costs in the notes to the consolidated statement of profit or loss in the notes to the consolidated financial statements.

The relative key indicators refer to the gross value added (GVA). The sales support companies are not considered in the reporting of environmental, health and safety indicators (except Scope 3 emissions), as they are negligible in comparison with the production sites.

Strong partnerships and sustainable expansion as a concept for success

The AT&S energy strategy 2.0 pursues a holistic approach; in addition to decarbonisation, it focuses on security of supply and energy efficiency. The strategy also supports the customers in achieving their emission reduction goals. AT&S also relies on strong partnerships in the supply chain and focuses on the collaboration with its suppliers, who support the company on its path towards a climate-resilient economy and in reducing the emissions in the supply chain.

The collaboration with an important machine supplier launched in 2021/22 was continued in the financial year 2023/24. The joint cooperation project focuses on reducing the energy consumption of a pilot plant. By developing and implementing measures, energy savings of 15% of the pilot line's total energy consumption were already achieved in the financial year 2022/23. Further efficiency measures were tested and evaluated over the course of the financial year 2023/24.

While reducing the energy consumption of selected machinery is an integral part of the energy strategy, it is not limited to that. The company relies on a highly efficient energy concept to reduce energy consumption, in particular in the construction of the new research and development centre in Leoben and at the new production site in in Kulim, Malaysia.

The plants were built according to the highest quality and sustainability standards and equipped with state-of-the-art machinery and recycling systems. These include optimised controls for heating and cooling, highly efficient motors and humidification systems, heat insulation, frequency-controlled drives as well as sustainable heating and cooling systems. The new office building in Leoben is heated through heat recovery systems, which reduces natural gas consumption while pre-fabricated concrete components act as heat accumulators.

Our emissions in detail

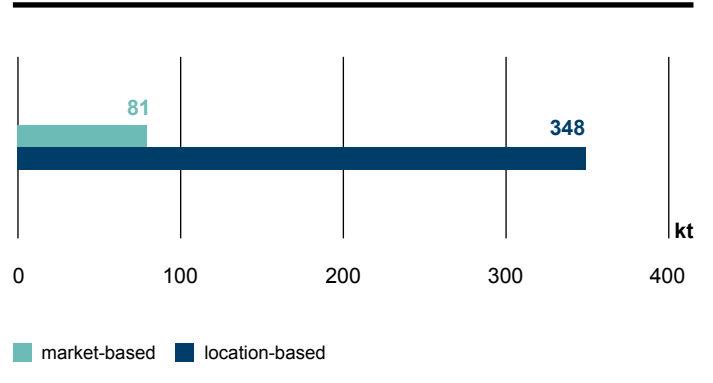
Emissions are reported in accordance with the Greenhouse Gas (GHG) Protocol, which distinguishes between three categories: Scope 1, Scope 2 and Scope 3. Scope 1 comprises direct emissions of climate-damaging gases in the company, which are, for example, generated in the combustion of natural gas at the AT&S locations. Scope 2 refers to indirect emissions, which are released by energy suppliers. At AT&S, this is mainly related to emissions from purchasing electricity. In addition, all indirect emissions created along a company's value chain are summarised under Scope 3.

The GHG Protocol provides for two calculation methods for Scope 2 emissions. Location-based emissions reflect the average emission intensity of the local grids in which electricity is used. These amounted to 348 kt CO₂ at AT&S in the financial year 2023/24.

Since the financial year 2021/22, market-based Scope 2 emissions have also been reported. They include emissions of electricity purchased based on a conscious decision by AT&S and amounted to 81 kt CO₂ in the financial year 2023/24. The immense difference compared to location-based emissions clearly shows the impact that the high share of purchased renewable electricity has on actual CO₂ emissions. The achievement of the science-based targets is measured using market-based emissions. Compared to the 2021/22 baseline, the absolute Scope 1 and Scope 2 emissions were reduced by 56.3%. Since this target is strongly influenced by the share of renewable energy, the importance of the availability of green electricity at all AT&S locations must be mentioned. It will take great efforts to maintain the previously achieved reduction in the coming years. Compared to the previous year, the relative market-based Scope 1 & 2 emissions were reduced by 38.6%.

In addition to information from suppliers, the calculation of emissions is based on the conversion factors of the Environment Agency Austria, the ecoinvent database version 3 and EXIOBASE 3. All CO₂-related figures are CO₂ equivalents.

MARKET-BASED VS. LOCATION-BASED SCOPE 2 EMISSIONS



GREENHOUSE GAS EMISSIONS 2023/24

Total greenhouse gas emissions >>>> **1,453 kt**

Scope 1

Direct emissions



Diesel



Natural gas



Oil

Scope 2

Indirect emissions through
purchased energy



Purchased electricity
(market-based)



Purchased steam
(market-based)

Scope 3

Indirect emissions within
the value chain



Air travel
of employees



Commuting practices
of employees



Purchased goods
and services



Capital goods



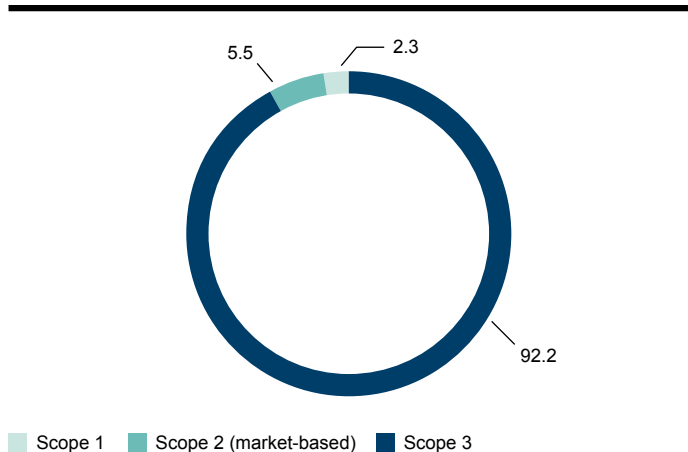
Shipping of products
to customers



Fuel and energy-related
emissions

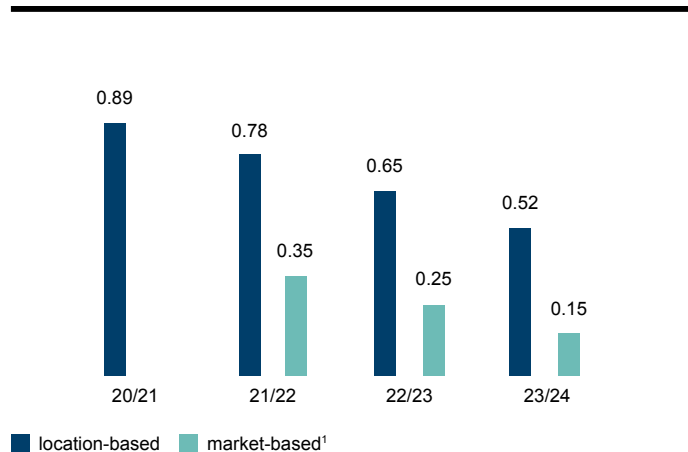
SPLIT OF CARBON FOOTPRINT BY SCOPE

in %



RELATIVE CARBON FOOTPRINT (SCOPE 1 & 2)

in kg CO₂ per € GVA



¹ Market-based Scope 2 emissions have been reported since the financial year 2021/22.

Since electricity is the main energy source of AT&S, the greenhouse gas balance shows a significantly higher share of Scope 2 emissions than Scope 1 emissions. Nevertheless, Scope 3 emissions account for the largest share of emissions, in total 92.2%. Within these emissions along the value chain, which can be divided into 15 categories, category 1, "Purchased goods and services", and category 2, "Capital goods", have the greatest influence at AT&S. This is why they are the basis for the science-based target set in the financial year 2022/23. At present, no primary data of our suppliers are available for these emissions; therefore, they are calculated using appropriate methods. However, it is essential for AT&S that suppliers are also aware of the importance of greenhouse gas accounting. Consequently, AT&S aims to cooperate more intensively on greenhouse gas reporting with its suppliers in the future.

In addition to the above-mentioned categories 1 and 2, the total of the reported Scope 3 emissions, which can be seen in the following table, takes into account the shipping of products to customers, fuel- and energy-related emissions, air travel by AT&S employees as well as CO₂ emissions resulting from the commuting practices of employees. The reduction of Scope 3 emissions compared to the previous year is primarily due to the decline in investments for the expansion of the plant in Chongqing. As the gross value added also declined in the reporting year, the relative Scope 3 emissions only decreased slightly by 1.4%. Since categories 1 and 2 are responsible for the majority of Scope 3 emissions, the relative Scope 3 footprint of these two categories barely changed compared with the previous year. However, in comparison with 2021/22, the base year of the Science Based Target, they have already decreased by 14.9%.

CARBON FOOTPRINT (SCOPE 1 & 2, MARKET-BASED)

	Absolute carbon footprint (Scope 1 & 2) (in kt CO ₂)			Relative carbon footprint (Scope 1 & 2) (in kg CO ₂ per € GVA)		
	2023/24	2022/23	Change	2023/24	2022/23	Change
Microelectronics segment & Others	47.8	129.1	(63.0%)	0.14	0.36	(60.8%)
Electronics Solutions segment	65.6	94.4	(30.5%)	0.17	0.18	(7.0%)
Total Group	113.4	223.5	(49.3%)	0.15	0.25	(38.6%)
thereof attributable to parent company	3.3	2.1	58.8%	0.03	0.02	51.4%

CARBON FOOTPRINT (SCOPE 3)

	Absolute carbon footprint (Scope 3) (in kt CO ₂)			Relative carbon footprint (Scope 3) (in kg CO ₂ per € GVA)		
	2023/24	2022/23	Change	2023/24	2022/23	Change
Microelectronics segment & Others	822.3	1,036.4	(20.7%)	2.43	2.89	(15.9%)
Electronics Solutions segment	517.3	562.8	(8.1%)	1.31	1.06	23.0%
Total Group	1,339.6	1,599.2	(16.2%)	1.83	1.80	1.4%
thereof attributable to parent company	193.6	90.7	> 100%	1.51	0.74	> 100%

Our production needs water

Water is an indispensable component for many industrial sectors, whether it is for hydroelectric power generation, as part of wastewater disposal or water utilisation. Countless industries are dependent on water as a valuable resource for manufacturing products and providing services. Involving a large number of wet chemicals and in part resource-intensive processes, this also includes the electronics industry, and therefore AT&S.

It is essential to use water carefully and sparingly, since both climate protection and adaptation to climate change are inextricably linked to the topic of water. Because of that, and in order to keep an eye on the conflicting goals of minimising water consumption while at the same time saving energy, the AT&S water strategy was initiated. This strategy aims to reduce water consumption and to keep withdrawn water in circulation in the best possible way. With its sustainable water policy, the company pursues resource-saving and effective water management at all production sites.

The AT&S water strategy was newly developed in the financial year 2023/24 and includes water risk management, a standardised water monitoring system as well as water efficiency measures. AT&S systematically recycles used water, aiming to optimise water consumption this way. This includes multiple use in the production area, in biofilter systems and in cooling towers. Measures to ensure sustainable use of water include recycling and treatment in biological as well as chemical-physical wastewater treatment facilities.

Relative water consumption increased to 11.67 litres per euro of gross value added in the financial year 2023/24, up 30.4% on the previous year, while absolute water consumption only rose by 7.8%. Similar to energy consumption, this development is due to the challenging market environment and the AT&S growth strategy. (Water consumption for the research and development centre in Leoben, which is included here, was estimated, since the centre is still under construction and the meters have not been fully installed yet.)

As water scarcity is steadily increasing, intelligent water management is more important than ever

Climate change and the resulting extreme weather events have a major influence on the availability and quality of the resource water, in particular in areas which are situated in high-risk regions due to their geographic location. According to the Aqueduct Water Risk Tool of the World Resources Institute (WRI), the AT&S locations in Nanjangud and Shanghai fall under areas that are exposed to increased water risk. Therefore, AT&S pursues effective and sustainable water management. In the financial year 2023/24, the water recycling and reuse rates amounted to 53% at the Nanjangud site, 24% at the Shanghai plant and 6% in Chongqing. AT&S strives to use water sparingly in the high-risk regions and aims to continuously increase water recycling rates.

WATER CONSUMPTION

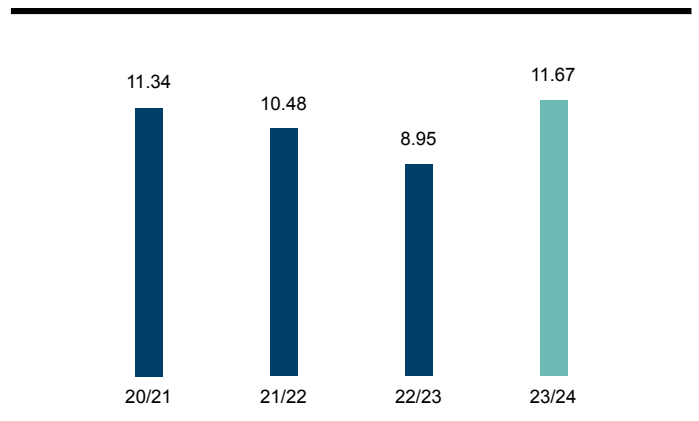
	Absolute water consumption (in m³ million)			Relative water consumption (in litres per € GVA)		
	2023/24	2022/23	Change	2023/24	2022/23	Change
Microelectronics segment & Others	4.22	3.38	24.8%	12.47	9.43	32.2%
Electronics Solutions segment	4.35	4.57	(4.8%)	10.99	8.63	27.4%
Total Group	8.56	7.95	7.8%	11.67	8.95	30.4%
thereof attributable to parent company	0.15	0.21	(28.0%)	1.16	1.70	(31.4%)

Impacts on the entire water cycle threaten not only the sustainable development and biodiversity but also the availability of water. With a view to the expansion projects in Malaysia and Leoben, AT&S therefore puts a focus on water efficiency planning for the new production sites. The planned efficiency projects, which are intended to reduce the water consumption of the new R&D centre in Leoben by 20-30% in the future, are currently undergoing qualification.

The installation of the new wastewater treatment plant at the Nanjangud site was also completed in the financial year 2023/24. The recycling system, which limits thiourea levels in wastewater and reduces fresh water withdrawal, is scheduled to be commissioned in the financial year 2024/25. In addition, AT&S India partnered with a university of applied sciences in Bengaluru and signed a declaration of intent for a period of five years. The objective of the new collaboration is to develop further processes for better recycling and neutralisation methods.

RELATIVE WATER CONSUMPTION

in litres per € GVA



AT&S sets new standards for sustainable resource management and recycling practices in the electronics industry

Copper is indispensable for the production of AT&S's high-end products and is one of the key components in the production of printed circuit boards and substrates. This is also reflected in the copper purchasing volume, which totalled 2,994 tonnes for the Group as a whole in the financial year 2023/24. Given the growing scarcity of resources and dependence on supply chains, AT&S has focused on optimising raw material efficiency and circular economy for years.

With the efficiency and effectiveness project of copper recycling, waste is turned into a resource again at AT&S. Back in the financial year 2022/23, a recycling system to recover pure copper and chemicals from wastewater was set up at the Leoben site. And it brings plenty of benefits: reduced chemicals and copper purchasing, less waste, fewer CO₂ emissions and more efficient reuse of resources. Cycle-oriented production allows a drastic reduction in purchasing copper, hydrochloric acid and chemicals for water treatment while at the same time avoiding several tonnes of industrial sludge. Currently up to 200 kg of copper can be recovered per day and a considerable amount of chemicals can be recycled due to this project, which was launched in the financial year 2019/20. The copper recovered in the process has a purity level of 99.98%.

The copper recycling system helps reduce the company's carbon footprint compared with standard primary utilisation of copper, as the production and shipping of valuable resources can be minimised thanks to the system. Four patents have already been granted as part of the project.

Several improvements were made to the facility in the financial year 2023/24 in order to steadily optimise copper recycling. Copper streams that had previously not been covered were incorporated, and chemical recycling was expanded. To this end, a facility to recover sulphuric acid was installed in order to reuse the sulphuric acid in the wastewater treatment plant.

The implementation of the copper recycling process is a milestone in the AT&S sustainability strategy and demonstrates how resource conservation can be achieved by using state-of-the-art technology and circular economy. As soon as the fine-tuning of the recycling system in Leoben has been completed, AT&S will start to evaluate the introduction of similar systems at other production sites worldwide from the financial year 2024/25. In the financial year 2023/24, possibilities to apply parts of the copper recycling concept at the AT&S locations in Shanghai and Fehring were evaluated.

COPPER RECYCLING

ACIDS

Sulphuric acid 50%,
hydrochloric acid 30%, ferric chloride



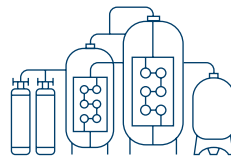
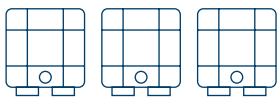
COPPER SHEETS



SEPARATION AND COLLECTION

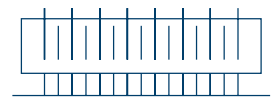
of wastewater fractions rich
in heavy metals

CHEMICAL RECOVERY



RECOVERY OF COPPER

using electrolysis



TREATED WASTEWATER

with discharged quality

Newly developed system at the Nanjangud site allows recovery of copper and hydrochloric acid from used etchant

AT&S India proactively takes measures to make internal processes even more environmentally friendly and cleaner. A recycling system for etchants was installed and successfully commissioned at the Nanjangud site in the financial year 2023/24.

The facility for recycling acidic etchants and the associated recovery of copper provide a triple benefit of added value for the product, cost savings due to the recovered copper, and environmentally friendly and therefore sustainable processes. Compared to the conventional process, the project enables the replacement of 100% of hydrogen peroxide by oxygen from compressed air, saving up to 95% of hydrochloric acid and stabilising etching lines through a better mixed, more consistent etching solution after oxidation.

The method, which was developed by a supplier and adapted by AT&S engineers, is used especially for copper chloride. The recycling of the etchant for reuse in the etching line in a closed loop and the recovery of the etched copper underline the company's efforts to make a contribution to the sustainable development of processes and products.

AT&S LCA project: assessment of environmental impacts at the product level

AT&S has voluntarily prepared life cycle assessments (LCAs) for its products for years. In this way, the company discloses the continuous progress towards a circular economy in a transparent and comparable manner and meets the requirements of business partners and legislators to record the environmental impact of purchased products and to prepare comprehensive life cycle assessments. Over the years, great interest has been displayed, above all by customers, regarding the provision of data on the impact of printed circuit boards on the environment. The focus is on hot spot analyses of the products in order to derive optimisation measures for the ecological footprint.

Assessing the environmental effects that arise from the production of goods along the entire supply chain requires appropriate documentation, transparency and evaluation. The ecological footprint of specific printed circuit boards can be calculated by analysing all ecological impacts on people and the environment and by determining the data of all materials, substances and processing methods across AT&S's entire scope of influence.

In doing so, the focus is on the efficient use of resources and the identification and deduction of optimisation possibilities within our own processes.

An essential part of conducting life cycle assessment projects is the availability of data, which is often very limited. Therefore, the AT&S LCA project focuses, among other things, on the procurement of primary data and the exchange of information with suppliers in order to improve data quality with regard to Scope 3 emissions.

In the financial year 2023/24, the LCA project focused on collecting data for the AT&S plant in Leoben and on developing a front-end SAP module. This way, essential production processes as well as material and support processes are recorded and meaningful LCA analyses for the AT&S location in Leoben are subsequently performed. Moreover, the basis was laid for a gradual automation of data collection in the AT&S data backbone during the financial year 2023/24. The concept was tested with a dataset of the electroplating plant as part of the AT&S DATATHON, an idea challenge addressing data-driven solutions for all areas of AT&S. The data collected are also used for internal studies. The data showed transparently that a newly implemented process at the Leoben site makes a significant contribution to reducing emissions of the overall process by substituting wet chemical processes.

The requirements of the LCA process are continuously evaluated and adapted if necessary. In parallel with the installation and implementation at the Leoben site, the roll-out and application of first processes from the AT&S plant in Fehring began in the financial year 2023/24.

Since the financial year 2023/24, AT&S has been part of the European EU Chips JU project EECONE (European Ecosystem for Green Electronics), which aims to make electronic systems along the entire supply chain sustainable, reduce the amount of e-waste and minimise the environmental footprint of electronic systems. This gives AT&S the opportunity to further intensify its LCA activities and to specify the requirements for the LCA process in order to make a contribution for the entire electronics industry.

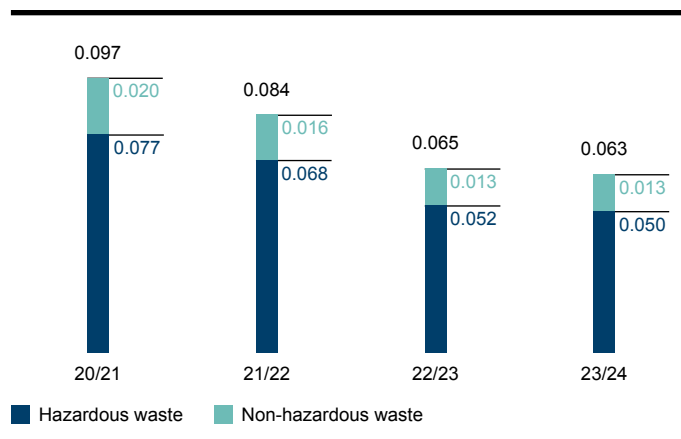
Our goal: manage waste streams sustainably and prevent them in advance wherever possible

AT&S supports the European Green Deal and the transformation from linear production patterns to closed cycles. In addition to the efficient use of energy and water, this also includes the gradual reduction of waste, in particular hazardous waste.

As the production volume decreased in the financial year 2023/24, the absolute volume of waste also declined by 19.4%. As a result, the amount of waste in relation to gross value added was reduced slightly by 2.5% in comparison with the previous year. The share of hazardous waste declined slightly. The objective is to further reduce this share in the future by focusing on the copper recycling project and evaluating additional options for metal recycling.

RELATIVE WASTE AMOUNT

in kg per € GVA



Material compliance as an essential component of sustainable products

In addition to electricity and water, the manufacture of AT&S products also requires valuable raw materials and other materials. These include gold, palladium, copper, laminates and chemicals. While the purchasing volume of copper and laminates was lower than in the previous year in line with the lower production volumes, an increase was recorded for gold and palladium due to the change in product mix. The chemicals purchased are additionally broken down transparently using the GHS classification (Globally Harmonized System of Classification and Labelling of Chemicals).

WASTE AMOUNT

	Absolute waste amount (in kt)			Relative waste amount (in kg per € GVA)		
	2023/24	2022/23	Change	2023/24	2022/23	Change
Hazardous waste	36.5	46.2	(21.0%)	0.050	0.052	(4.4%)
Non-hazardous waste	9.7	11.2	(12.8%)	0.013	0.013	5.5%
Total waste amount	46.3	57.4	(19.4%)	0.063	0.065	(2.5%)
Microelectronics segment & Others	9.1	10.1	(10.4%)	0.027	0.028	(5.1%)
Electronics Solutions segment	37.2	47.3	(21.3%)	0.094	0.089	5.3%
Total Group	46.3	57.4	(19.4%)	0.063	0.065	(2.5%)
thereof attributable to parent company	3.9	5.2	(26.0%)	0.030	0.043	(29.4%)

PURCHASE OF SIGNIFICANT MATERIALS

Total Group	Unit	2023/24	2022/23	Change
Gold	kg	486	437	11.2%
Palladium	kg	344	268	28.4%
Copper	t	2,994	3,470	(13.7%)
Laminate	million m ²	9.8	10.9	(10.0%)
Chemicals	thousand t	173.2	167.9	3.2%

PURCHASE OF SIGNIFICANT MATERIALS

attributable to parent company	Unit	2023/24	2022/23	Change
Gold	kg	42	55	(24.4%)
Palladium	kg	19	14	40.5%
Copper	t	226	331	(31.8%)
Laminate	million m ²	0.6	0.8	(18.4%)
Chemicals	thousand t	17.9	11.0	61.6%

CLASSIFICATION OF CHEMICALS PURCHASED

in %		2023/24 ¹	2022/23 ¹	Change
Explosive	GHS01	–	–	n. a.
Flammable	GHS02	0.19	0.22	(0.03)
Oxidising	GHS03	5.60	7.17	(1.58)
Compressed gas	GHS04	6.15	1.84	4.32
Corrosive	GHS05	67.59	73.41	(5.82)
Toxic	GHS06	0.62	0.58	0.03
Irritant	GHS07	26.69	29.28	(2.59)
Health hazard	GHS08	5.35	4.78	0.57
Environmental hazard	GHS09	2.46	2.01	0.46
Non-hazardous	–	21.26	19.49	1.77

¹ Since one chemical can be included in several hazardous substance categories, the total of all categories is greater than 100%.

In addition to quality, safety and functionality, compliance with the applicable law is a key feature of products. Companies must be accountable for ensuring that their products are manufactured free of hazardous substances. As a supplier of central electronic components, AT&S observes all aspects of using resources responsibly and follows different requirements in the area of material compliance. These include, for example, compliance with EU Regulation 1907/2006 REACH for all products, as well as with the RoHS Regulation of the EU, which governs putting hazardous materials in electronic devices and electronic components on the market.

The list of substances for the regulation of environmentally harmful substances in accordance with the REACH Regulation can be viewed on our website along with our general terms and conditions and the AT&S Supplier Code of Conduct. In addition to compliance with the REACH and RoHS Regulations, the company also avoids the use of ozone depleting substances in accordance with the Montreal Protocol and meets the requirements of EU Regulation 2019/1021 on Persistent Organic Pollutants (EU POP Regulation).

Per- and polyfluoroalkyl substances (PFAS) have properties that have a negative impact on the environment and are toxic for humans; a general restriction proposal for use in the EU was made by ECHA, the European Chemicals agency. Together with other stakeholders along the supply chain, AT&S was actively involved in the ongoing discussion about regulating PFAS and submitted an official statement as part of the EU consultation process which outlines the challenges of a short-term ban of these substances for industry. AT&S is engaging in an intensive dialogue with the supply chain in order to sensitise our global partners.

As part of the AT&S sustainability strategy, the company has processes in place which ensure the implementation of material compliance requirements as well as compliance with all legal requirements of lists of substances not only in the EU, but also in Asia and in all regions in which AT&S operates. In order to ensure adherence to the material compliance requirements in an efficient and sustainable manner and to improve the coordination of the implementation of material compliance requirements in processes in the individual business segments across plants, the AT&S Product Stewardship Network was introduced in the financial year 2023/24. This network connects internal stakeholders who operate in the global AT&S supply chain. This ensures that all those involved are informed about the current developments with respect to substance regulations, and awareness is raised and deepened in the area of material compliance. The most recent regulatory developments are presented and discussed at monthly meetings and their impacts are assessed. The network incorporates all material compliance requirements into existing company processes and acts as an integral part of the process to monitor regulations.

Innovation and sustainability go hand in hand

For the implementation and achievement of the climate and energy goals, including waste reduction, efficient use of resources or recycling of materials, it is not sufficient to focus solely on effectiveness and efficiency. Here, innovative approaches are needed to achieve these goals in the long term and make them part of the processes.

The share of employees in the research and development departments and engineering teams amounted to an average of 14.2% in the financial year 2023/24 and has thus remained relatively constant compared to the previous year (14.3%).

AT&S Innovation Award – green projects win

For eight years, AT&S has presented the Innovation Award, recognising creative projects that help the company grow sustainably, which can be submitted by employees from all locations. The number of projects entered keeps growing every year and reached a new record again this year with 48 entries. An AT&S expert jury, which rates all eligible projects according to their strategic suitability, their level of innovation, their ESG benefits and their economic impact, determines the winners. Projects can be submitted in three categories: “Today”, “Tomorrow” and “Future”. “Today” covers projects that have been fully introduced on the market, while “Tomorrow” is the category for innovations that will be commercially implemented in the near future. Projects that promise benefits in the long term fall under the “Future” category.

In the financial year 2023/24, the focus of the entries was on implemented projects in the “Today” category and feasibility studies of the “Tomorrow” category. The winners of both categories were chosen by an expert jury. The fact that both of these projects have a green focus this year demonstrates that our corporate culture no longer concentrates only on products but also on processes that enable holistic solutions. The AT&S team behind the recycling plant installed in Hinterberg is this year’s winner of the category “Tomorrow”, and was also chosen as the most sustainable project in 2023/24. For further information please read the section *“AT&S sets new standards for sustainable resource management and recycling practices in the electronics industry”*.

In the “Today” category, the project “Acid Etchant Regeneration and Copper Recovery” was chosen as the winner. A newly developed system at our location in Nanjangud allows the recovery of copper and hydrochloric acid from used etchant. The special characteristic of this project is that the hydrochloric acid is recovered completely without hydrogen peroxide, which makes the process significantly more environmentally compatible. Details on the project are explained in section *“Newly developed system at the Nanjangud site allows recovery of copper and hydrochloric acid from used etchants”*.

The winners and the associated project teams are rewarded with both individual and team bonuses. In 2023/24, projects were submitted at plants in China, India and Austria; in addition, there were cross-country projects with an international orientation.

AT&S InnoWorld – open innovation platform for all AT&S employees worldwide

InnoWorld is a platform that invites all employees across the world to contribute new ideas and help shape the company. The platform provides space for ideas and enables the communication between idea owners and other specialists within AT&S.

The role system of InnoWorld supports efficient communication and supports the development of ideas: idea owners share ideas on the platform, while moderators facilitate idea generation and communication on the platform. Finally, a jury determines the winners based on rating criteria and community voting at special idea challenges.

In the financial year 2023/24 the InnoWorld Challenge revolved around ideas for the implementation of a machine for automatically counting PCB cards, which should improve working conditions and ultimately the quality of the products delivered. The winner of the idea challenge “automated PCB counting” for production in Nanjangud received an additional day off to let her creativity unfold.

AT&S DATATHON23 goes into the next round

The first AT&S data analysis competition to improve efficiency and decision-making in the financial year 2022/23 was a great success: teams from different AT&S locations around the globe participated and worked on a dataset to gain new insights for AT&S project managers. In 2023/24, the DATATHON23 established itself as an important pacemaker and educational resource for our data strategy.

In the financial year 2023/24, teams of participants worldwide competed in an online event in search of new ideas to improve resource and cost efficiency, aiming to identify the correlations between energy consumption and production procedures in critical production processes based on production data, and to develop ideas to improve production. The winners of this exciting competition were rewarded with access to a whole host of e-learning courses by LinkedIn Learning, which they can use to further develop their skills in areas of their choice.

SOCIAL



At AT&S, bright minds, visionary decision-makers and solution-oriented doers meet in international teams. They all are the company's most valuable resource and a fundamental prerequisite for our economic success. One of the essential requirements for this success is a corporate culture that ensures fair, safe and inclusive collaboration. The three central values, "Be Innovative", "Be Responsible" and "Be Open-minded", are at the heart of our identity and form the basis for our collaboration with business partners, employees, investors and society. AT&S attaches great value to an appreciative leadership culture and offers its employees attractive career opportunities as well as training and education offers. To ensure that motivated and capable employees can fully develop their abilities, AT&S creates a safe working environment that is strengthened by a variety of measures to provide health and safety at work.

The section "Social" comprises all activities related to social sustainability, including the material topics of "diversity", "knowledge" and "occupational health & safety". The equally material topics "human rights" and "anti-corruption" and the related due diligence processes and indicators are covered in the section "Governance".

AT&S employed 13,696 persons at the end of the financial year 2023/24. This corresponds to a decrease by 6.7% compared to the previous year. The implementation of our growth strategy led to an increase in the number of employees at both the new location in Malaysia and at the R&D centre in Leoben, whereas other locations recorded a decline in the number of employees due to efficiency programmes and capacity adjustments to business developments. The number of contract workers amounted to 254 persons at the end of the financial year, which corresponds to 1.9% of the total headcount, compared with 396 persons or 2.7% in the previous year.

Employees are remunerated at market conditions and in accordance with the applicable laws. In addition, macroeconomic data and remuneration benchmarks are taken into account at all locations on a regular basis. 17% of the employees across the Group are covered by collective agreements. In Austria, the collective agreement for the electrical and electronics industry is applicable to 99% of the employees. Outside the European Economic Area, there is a collective agreement in India, which is applicable to 16% of the employees.

A bonus system, which governs the performance-based share of remuneration, is implemented throughout the Group. This component is linked to the economic performance of AT&S (EBIT, EBITDA), its innovative strength (Vitality Index), the employees' personal performance and, since the financial year 2021/22, the share of renewable energy.

The ratio of personnel costs to revenue was 24.0% in the financial year 2023/24, up 2.4% on the previous year. Details are provided in the notes to consolidated statement of profit or loss in the notes to the consolidated financial statements.

With an attrition rate of 17.4% in the financial year 2023/24, a decline by 0.3 percentage points was recorded in this area. In the Microelectronics segment, attrition is higher than in the other segments due to the dynamic markets. Since the attrition rate is also considered to be an indicator of employee satisfaction and motivation, AT&S strives to keep it as low as possible.

HEADCOUNT (AT YEAR-END)

in heads		2023/24			2022/23		
		Male	Female	Gesamt	Male	Female	Total
Category	White collar	3,484	1,313	4,797	4,129	1,437	5,566
	Blue collar	5,480	3,419	8,899	5,507	3,614	9,121
Region	Europe & USA	1,296	897	2,193	1,285	920	2,205
	Asia	7,668	3,835	11,503	8,351	4,131	12,482
Segment	Microelectronics	3,982	2,258	6,240	4,262	2,308	6,570
	Electronics Solutions	4,700	2,261	6,960	5,036	2,539	7,576
	Others	283	213	496	338	204	542
Type of employment ¹⁾	Full-time	8,911	4,510	13,421	9,572	4,831	14,403
	Part-time	43	184	227	56	190	246
	Non-guaranteed hours employees	0	0	0	0	0	0
Total Group		8,964	4,732	13,696	9,636	5,051	14,687
thereof attributable to parent company		1,266	871	2,137	1,257	893	2,150

¹ Excl. inactive employees, e.g. parental or educational leave; all employees in the "Asia" region are full-time employees.

ATTRITION RATE

in % ¹	2023/24	2022/23	Change
Microelectronics segment	24.6	23.5	1.1
Electronics Solutions segment	11.7	12.8	(1.1)
Others	11.2	8.4	2.9
Total Group	17.4	17.7	(0.3)
thereof attributable to parent company	11.1	10.8	0.3

¹ Terminations of contracts by employees compared to average headcount (incl. inactive employees, excl. internships, excl. employees of sales companies).

Are we all the same? No. Should we all be treated equally? Yes.

To remain competitive, AT&S needs specialists and skilled employees who contribute to the company's ambitious growth strategy with their commitment and know-how. As a globally operating enterprise, it is immensely important to AT&S to understand and embrace diversity and equal treatment, because the best performance can only be delivered in an inclusive corporate culture. Every single person is unique, and the more diverse teams are, the more innovative and creative the output will be. AT&S pursues a corporate culture which gives everyone the same opportunities and rights – regardless of gender, sexual orientation, age, origin, nationality, ideology, religion and physical or mental disability.

In today's labour market, companies compete for the best talents. AT&S actively contributes to offering all employees the same opportunities for further development, career and work-life balance and advocates the promotion of diversity and equal opportunities. In the financial year 2020/21, AT&S signed the Diversity Charter, thus underlining its policy of zero tolerance of any form of discrimination. In Leoben, AT&S has a long-standing partnership with Café Beniva, a seminar centre that aims to enable people with Down syndrome to lead a self-determined life.

As of 31 March 2024, AT&S employed 51 people with a disability worldwide, which corresponds to 0.37% of the total headcount. 86% of them are employed in Austria. In the previous year, 41 people with a disability (0.28% of the total headcount) were employed, 83% of them at locations in Austria.

Shaping the future together – for AT&S, that means being an attractive employer for underrepresented talents across the globe and promoting and embracing diversity in all areas of the company. All job advertisements in Europe use inclusive wording (m/f/d) and address all genders to ensure equal opportunities. Inclusion is already an important element during the recruiting process and, all qualifications being equal, the company gives preference to the underrepresented gender when positions are advertised.

Linguistic findings show that language shapes the way we think and our perception, which in turn influences our actions. Since the financial year 2021/22, AT&S has increased the use of inclusive language. In German texts, the style of using a colon is applied to increase the visibility of the female population as well as all people who feel more comfortable with non-binary identities.

Overall, the company employed people of 72 nationalities in the financial year 2023/24. In order to better understand and manage diversity within the company, intercultural training and language courses in German, English and Mandarin are offered. Various initiatives have been taken to overcome barriers of any form while at the same time addressing cultural differences.

In addition, the company offers its employees more than 100 different working hour models at its Austrian locations, enabling them to optimally reconcile their work, spare time and family.

The share of women at AT&S amounted to 34.6% at the end of the financial year 2023/24, a slight increase compared with 34.4% in the previous year. The appointment of women to management positions also increased from 22.7% to 23.2%. The share of women in the first two management levels under the Management Board of the AT&S Group amounted to 27.3% in the reporting year.

The average length of service was 6.6 years compared with 5.9 years in the previous year. The average age also rose from 34.3 to 35.3 years. The age spread between the youngest and the oldest employee was 56 years.

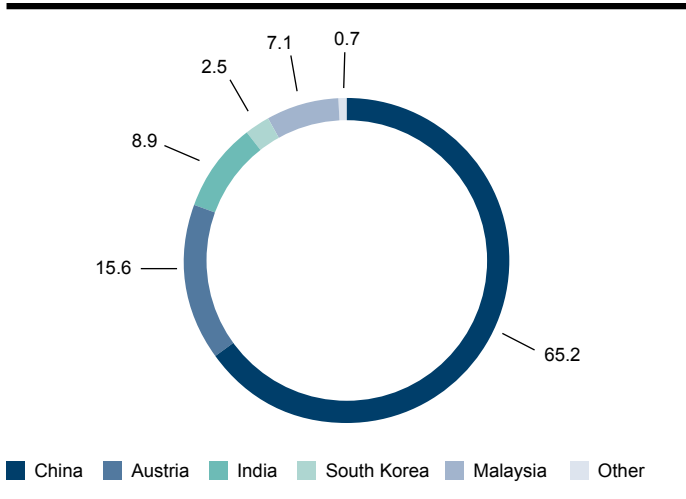
DIVERSITY OF EMPLOYEES (AT YEAR-END)

in %, total Group		2023/24		2022/23	
		White collar	Blue collar	White collar	Blue collar
Gender	Female	27.4	38.4	25.8	39.6
	Male	72.6	61.6	74.2	60.4
Age group	<30 years	24.1	31.8	31.1	36.7
	30–50 years	68.0	63.3	62.0	58.5
	>50 years	7.9	4.9	6.9	4.8

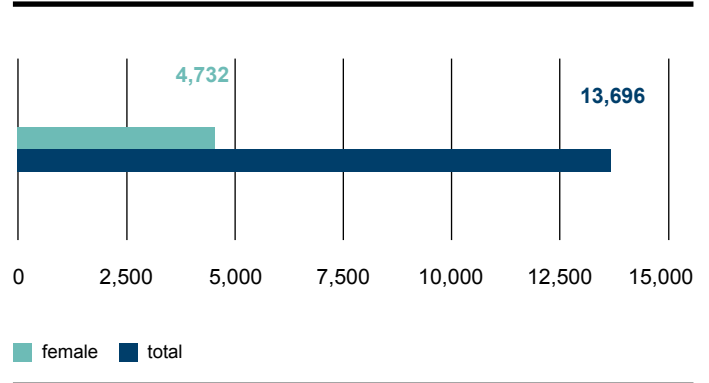
DIVERSITY OF EMPLOYEES (AT YEAR-END)

in %, parent company		2023/24		2022/23	
		White collar	Blue collar	White collar	Blue collar
Gender	Female	35.3	47.9	35.5	49.4
	Male	64.7	52.1	64.5	50.6
Age group	<30 years	23.5	28.2	25.8	27.7
	30–50 years	58.9	41.4	56.1	41.6
	>50 years	17.5	30.4	18.0	30.7

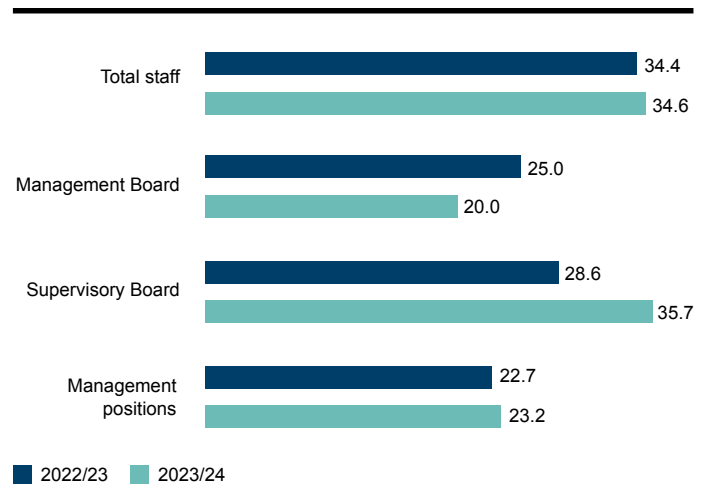
TOTAL EMPLOYEES PROPORTIONALLY REPRESENTED IN THE FOLLOWING COUNTRIES in %



TOTAL NUMBER OF EMPLOYEES



SHARE OF WOMEN IN STAFF AND IN THE GOVERNING BODIES in %



72

NATIONALITIES

in the workforce

Diversity in governing bodies

When filling Supervisory Board positions, the company aims to have at least 30% women and 30% men on the board in accordance with Section 86 para. 7 of the Austrian Stock Corporation Act (AktG). The age spread between the youngest and the oldest member should be at least 25 years. Experience in international companies is mandatory. Interdisciplinary expertise is equally important. The members' expert knowledge should comprise at least topics such as technology/research, electronics/semiconductor industry, law, business and human resource management as well as sustainable management.

At the end of the financial year 2023/24 the share of women on the Supervisory Board as a whole amounted to 36%, and to 33% of shareholder representatives, while the share of independent Supervisory Board members (shareholder representatives) pursuant to C-Rule 53 and to C-Rule 54 of the Austrian Code of Corporate Governance was 89% and 67%, respectively. Due to expansion of the Management Board to include CTO Peter Griehsnig as of 1 April 2023, the share of women on the Management Board amounted to 20% in the financial year 2023/24. For further information regarding age and gender of governing bodies, please refer to the *Corporate Governance Report*.

#PurpleLightUp: AT&S sets a signal for inclusion

To raise social awareness of inclusion topics and to draw attention to the benefits of an integrative society, AT&S participated in the #PurpleLightUp 2023 campaign. On the occasion of the International Day of Persons with Disabilities and in order to increase the visibility of these key issues in every sense of the word and to shine a light on them, the company illuminated the new high-tech façade of the headquarters in Leoben, which is modelled on a printed circuit board, in purple from 30 November to 4 December 2023.

New AT&S e-learning course to reflect on and adapt own behaviour patterns

Unconscious bias includes unconscious cognitive distortions such as automatic stereotypes and other unconscious, deeply rooted thinking patterns. The e-learning course "Unconscious Bias", which was developed in 2023/24, aims to contribute to a diverse, fair and inclusive working environment. The course is available to employees at all AT&S locations and raises awareness of unconscious bias within the company. The content helps develop a shared understanding of the different types of unconscious bias, prevent systematic wrong decisions and to make better entrepreneurial decisions. In this way, diversity within the company can be better understood and managed.

Intercultural workshops for respect, tolerance and integration go into the next round

"Interculturality and Diversity" workshops were already held in Leoben in the financial year 2022/23 in cooperation with the anti-discrimination office of Styria and the Austrian Integration Fund. In 2023/24, these workshops were continued, addressing employees of 66 nationalities at the location in Hinterberg.

These workshops offer new employees from all over the world a great service and the opportunity to share thoughts and views with colleagues. In the first two workshop units, the multi-faceted repertoire ranged from topics such as Austrian customs and practices to tax law, dealing with public authorities and discrimination in everyday life. Moreover, CINT, the Graz Club International, offers consultation hours free of charge as an additional service at the Leoben site.

Open and honest feedback is essential to create the best possible working environment

Together with its workforce, AT&S overcame great challenges in the financial year 2023/24 and underwent important change processes. In order to set priorities as “One AT&S” and to define new goals, a global employee survey was conducted to evaluate employee satisfaction. Participation in the survey was voluntary and anonymous, and the answers were treated strictly confidentially. More than 90% of all employees worldwide took part in this survey, delivering particularly meaningful data with this exceptionally high response rate.

Based on these results, a two-year programme was launched with the objective to develop and effectively implement measures for all areas of AT&S. The programme is designed in collaboration with all employees and tailored to the specific needs of the individual teams, units and departments. At the same time, this process is supported by activities at the company level in order to ensure efficiency, consistency and sustainability in all organisational areas.

Global onboarding programme for new AT&S employees

Onboarding is not just about integration at a location or in the corporate culture. Rather, it means becoming part of the AT&S business family. The global onboarding programme offers new employees the opportunity to participate in local onboarding events on-site and in a global online onboarding event, where they can make virtual contact or learn more about the AT&S locations, the different cultures and the AT&S values. New colleagues are assigned a “buddy” who supports them during the first six months. The onboarding process is accompanied by carefully prepared e-learning sessions, templates, control lists and support material for managers, buddies and new employees.

Every single person plays an important role in the development of the organisation and helps shape the company’s future

AT&S is on the way to a significant growth phase and continues to develop steadily. To be successful in the fast-paced high-tech industry, it is more important than ever to attach great importance to personal development and training. The only way for AT&S to keep growing sustainably and drive structured improvements in the future, is with experts who are able to fully exploit their professional and personal development.

Our Learning & Development departments at the AT&S locations promote personal development and training and provide support based on numerous programmes and offers. In line with the mission statement “We care about people”, we reflect on the expectations of current and future employees and adapt them on a regular basis. A modern offering of continuous training measures is provided, which includes a multifaceted mix of e-learning courses as well as in-person training with internal and external specialist instructors, teaching both professional skills in the production area and soft skills for leadership and communication. AT&S uses a uniform learning platform throughout the Group and cooperates with internationally renowned providers such as LinkedIn or Speexx.

As an individual development measure, a digital business coaching platform was added to the global offer in the financial year 2023/24. Via CoachHub, AT&S employees have access to a pool of more than 3,500 selected and certified coaches in more than 60 languages. Participants can find a coach on the platform, book sessions themselves and create a strength profile to discuss strengths and development potential. Roughly 50 managers completed their three-month coaching journey in the financial year 2023/24.

Steady change is an important principle for companies like AT&S. To foster this open-mindedness and flexibility within the company, the “AT&S Transformation Tuesday” events were continued in the financial year 2023/24. Internal and external experts periodically hold presentations and discussions at the newly established PioneerSpace in Leoben, with content ranging from technological breakthroughs to future-oriented business practices. All events held within this framework are globally livestreamed for all employees and made available as recordings at a later point.

One focus of lifelong learning is collecting international experience. The company uses collaboration across locations as shared company success and supports the knowledge transfer of specialists through exchange programmes between the individual locations, above all at the expanded production site in Hinterberg and the new production site in Kulim.

On average, every employee completed 10.2 training hours as part of online and in-person training in the financial year 2023/24. In addition to these units, introduction training for new employees as well as continuous training and qualification are conducted directly at the workplace. In addition to in-house training, €1.25 million was spent on external training and education measures in the financial year 2023/24. The decline in the number of training hours and in training costs is primarily due to the lower number of new employees in the reporting year. These costs are reported under the expense type “other” in the consolidated statement of profit or loss in the notes to the consolidated financial statements.

AVERAGE TRAINING HOURS

in hours per head	2023/24	2022/23	Change
Female	10.2	15.7	(34.9%)
Male	10.2	11.4	(10.5%)
Total	10.2	14.2	(28.1%)
White collar	11.2	24.7	(54.8%)
Blue collar	9.7	8.5	15.2%
Total	10.2	14.2	(28.1%)
thereof attributable to parent company	12.2	5.8	110.0%

EXPENDITURES ON EXTERNAL TRAINING

in thousand €	2023/24	2022/23	Change
Microelectronics segment	718	1,554	(53.8%)
Electronics Solutions segment	185	349	(46.9%)
Others	347	1,512	(77.0%)
Total Group	1,250	3,415	(63.4%)
thereof attributable to parent company	933	2,322	(59.8%)

AT&S appraisal and performance feedback interviews

Transparent communication, sharing knowledge and a culture of continuous improvement are essential for designing a professional career. The appraisal and performance feedback interviews, which take place annually and are supported by the performance management process at AT&S, aim to foster a continuous exchange between employees and managers in order to effectively achieve the corporate goals. These interviews are intended for all white-collar employees.

In the financial year 2023/24, appraisal interviews were conducted with 98% of the white-collar employees, with an equal share of female and male employees. In the previous year the completion rate was 93%. In addition, development interviews take place. Based on the results of these interviews, employees' development needs are derived and have a direct influence on the set-up of future training offers. In the financial year 2023/24, these interviews were conducted with 89% of the white-collar employees, with 95% of women and 87% of men taking these interviews. In the previous year the rate was 82%. 0.66 appraisal interviews and performance feedback interviews were held per employee during the reporting year (0.50 per female employee and 0.74 per male employee).

AT&S Leadership Principles lead the way

Especially in times marked by an uncertain market environment, employees and managers need guidance to adapt their actions to the circumstances. A relationship characterised by open-mindedness and responsibility is equally important as communication within the team, but also between the individual managers and employees. To ensure that continuous improvement can also be achieved in this area, leadership principles were formulated during the financial year 2023/24. Involving the most important stakeholders and identifying specific behaviours in line with the company's purpose, vision, mission and values, four leadership principles were developed for AT&S: Communication, Accountability, Relationship and Excellence, or "C.A.R.E", are intended to support leaders in achieving the goals together with their teams.

AT&S secures a new generation of young professionals by training young people and through cooperation with educational institutions

AT&S offers young people a broad range of future-proof training. With its apprentice training, the company supports talented and motivated young people and offers them an attractive range of training at the Austrian locations. The spectrum of future-proof training comprises a number of sought-after apprenticeships. The apprenticeship programme at the Leoben site comprises apprenticeships in test engineering for physics, laboratory technology, chemistry, mechatronics, electrical engineering, process technology, production metrology, IT systems and industrial administrators. At the second Austrian AT&S location in Fehring, apprenticeships are offered in test engineering for physics, laboratory technology for chemistry, mechatronics, electrical engineering, metal technology and production metrology.

Apprentice training was expanded in 2023/24 and supports committed and talented trainees in preparing for their future role within the company. At the end of the financial year 2023/24, 61 apprentices were trained at the Austrian locations. The apprenticeship model with a school-leaving exam ("Matura") has been well received and is already being used by 15 apprentices. AT&S enables a very efficient implementation of this model with on-site classes at the company.

The development of the young talents is also supported by joint group activities such as outdoor camps, excursions for apprentices and apprentice sports during working hours as well as gaining valuable professional experience in a highly competitive international working environment. The company rewards special academic success and supports the option to do an internship abroad (Erasmus+) as well as the participation in seminars for personal development.

Young Wilds Development Program

In the financial year 2023/24, the global initiative of the "Young Wilds Development Program" successfully started its implementation phase. The significance of the programme, for which all activities take place virtually, extends over several levels: the objectives are strengthening the corporate and feedback culture and offering young colleagues the opportunity to develop and to build networks.

An important component of the programme is the opportunity for young employees to make contact with managers through mentoring and reverse mentoring and to present their own approaches and views directly to managers. The company is convinced that promoting young employees will help generate new ideas and drive and secure innovation.

In the financial year 2023/24, a workshop where idea clusters were formed was held for the first time. These will serve as the basis for future projects. Moreover, the first reverse-mentoring meetings with the CEO and CTO took place to build bridges between generations, thus further strengthening endeavours to continue to grow together as “One AT&S”.

AT&S uses synergies with research institutions, connecting young talents with the company already during their training phase

New standards were set in employee training during 2023/24 in cooperation with several universities. The collaboration with Shanghai Open University, which has been running since 2014, was extended, adding the option of diplomas and university degrees a few years ago. As part of the programme, 55 AT&S employees obtained a university degree in key skills that are essential for AT&S, for example mechatronics, by the financial year 2023/24. Motivated and talented AT&S employees acquire an important theoretical basis in their specialist area while at the same time driving technological developments at AT&S.

Launched in 2022/23, the “Feel the Pulse ... of AT&S” event series was further expanded in 2023/24. At more than 20 events, basic knowledge about AT&S technologies was conveyed at elementary and secondary schools, secondary technical schools, universities of applied sciences and universities.

Another important step in the training programme for PCB and IC substrate technology focuses on the establishment and implementation of a new master’s degree programme at Universiti Sains Malaysia (USM) on the topic “IC Substrate Based Advanced Packaging”. In the financial year 2023/24, experts of USM and AT&S worked together on developing a curriculum and a train-the-trainer programme. Training material specific to substrates is being developed at the same time.

In research cooperation, the main focus was on expanding existing and recently concluded collaborations with different educational institutions. The successful cooperation with TU Graz in the area of high-frequency technology was continued in the financial year 2023/24, and the new phase in the area of materials started at the Polymer Competence Center Leoben with multiple projects in material application simulation.

Another success story in the international cooperation with Montanuniversität Leoben

AT&S further invested in educational collaboration with universities in the financial year 2023/24. In doing so, the company once again supported the joint bilingual degree programme of Montanuniversität Leoben (MUL) and the East China University of Science and Technology (ECUST) in the area of polymer sciences with successful internships for students. The bachelor programme of MUL and ECUST in Shanghai was introduced in 2018 and offers students the unique opportunity to study at both universities and gain experience at local companies.

Science and Technology Exploration Camp inspires young talents for training in science and technology

For the second consecutive time, the Science and Technology Exploration Camp (STEC) of the federal state of Kedah was successfully organised by AT&S Malaysia. With the support of the Kedah Ministry of Education, the camp was held as part of the ESG projects at AT&S Malaysia. The main goal of this ongoing initiative is to inspire young talents to train in the area of science or technology. In cooperation with the Kedah Ministry of Education, the Polytechnic Tuanku Sultanah Bahiyah (PTSB) and the Universiti Kuala Lumpur Malaysian Spanish Institute (UniKL-MSI), more than 240 young talents were introduced to technology and the related training programmes based on practical examples. Sparking pupils’ interest in natural sciences or technology this way, a new generation for the electrical and electronics industry in Malaysia in general and for AT&S in particular is promoted.

Our occupational health management goal: we want the entire AT&S workforce to have a long, self-determined life with physical and mental fitness

In line with the mission statement “We care about people”, responsibility towards all employees is the first priority for AT&S. One of the key tasks of corporate labour policy is to ensure occupational safety at the highest level for all employees. It is crucial – especially during periods of growth – that occupational health and safety keep pace with the speed of the expansion, ensuring that all employees are familiar with the existing high standards of the company. The AT&S occupational health and safety management aims to promote health, well-being, motivation and the workplace environment while at the same time reducing absences, lost days due to illness and the related costs.

The company applies the precautionary principle in order to steadily improve the monitoring, analysis and management of health and safety cases: Based on preventive measures, risks are mitigated and hazards are largely eliminated. In this effort, the company acts in line with the health and safety requirements of the RBA (Responsible Business Alliance). Accidents are examined based on a standardised data analysis at all locations, whereby the company applies the guidelines of the PDCA cycle (plan-do-check-act cycle). This approach ensures a thorough analysis of all incidents and allows deriving effective solutions for future hazard prevention. The scalable and flexible AT&S occupational health and safety management system is certified according to ISO 45001 for occupational health and safety. At present, 90% of all employees (incl. contract workers) are covered. The new plant in Kulim and the research and development centre in Leoben will be certified according to ISO 45001 as soon as production starts.

The effectiveness of the occupational health and safety management and the due diligence processes are continuously reviewed and evaluated, and corrective action is initiated where necessary. This is done in internal and external audits at different company levels and during the workplace inspections included in the audits. All areas of the company use the approach of preventive hazard identification and risk assessment. Based on a quantitative approach, a three-factor risk assessment is conducted, which delivers a complete picture of all risks in the area of health and safety at work. This allows for an effective identification and reduction of weak spots of the system in comparison to standard two-factor risk assessment.

News AT&S Health & Safety Network provides occupational health and safety at the highest level

Newly implemented in the financial year 2023/24, the AT&S Health & Safety Network aims to improve all matters related to health and safety at work by continuously identifying improvement potential. The Group-wide network plays a key role in creating a safe and healthy working environment for all AT&S employees. Communication across locations facilitates the exchange between H&S experts on proven practices, experiences and current safety information. In addition to sharing information about potential hazards, accidents that occurred and occupational health and safety standards, the network also serves for risk monitoring and training purposes. The network provides training programmes to strengthen employees' safety awareness and to enhance capabilities in the H&S area. With the global implementation of this initiative, the company supports employees' well-being and shares successful safety practices across locations.

Effective measures for hazard prevention

AT&S takes a variety of measures to minimise hazards and risks in advance. Chemical, thermal, electrical, mechanical and ergonomic factors may pose a risk of injury and involve occupational hazards. The company takes both technical and administrative measures to prevent such hazards.

All employees who are exposed to potential hazards in the workplace are provided with personal protective equipment (PPE). To increase the effectiveness of this measure, all persons are called upon to use the PPE correctly and consistently. In addition, regular medical check-ups are offered for all employees who are exposed to certain hazards as part of their job.

In the financial year 2023/24, machine safety was improved at the location in Korea and new sensors, protective devices and locking mechanisms were installed. In addition, anti-slip tape was installed in slippery outdoor areas and additional visual and technical devices to reduce the risk of injury in case of collision with fixed or mobile objects were put in place.

At the AT&S location in Shanghai, a noise-insulating cover was installed at a specific workplace, ensuring that employees working in this area are no longer exposed to a high noise level in the future. In order to increase the safety of forklift operations at the AT&S location in Fehring, older forklifts were taken out of service and replaced by more modern, safer models.

Regular inspections of machinery ensure proper functionality of machines and compliance with safety protocols. In Leoben, operating instructions and information on chemical substances can now be read directly on wet-chemical machines and is clearly marked. At the Nanjangud site, designated storage areas for materials were set up in certain areas in order to ensure proper organisation, labelling and identification of the chemicals stored there.

OCCUPATIONAL SAFETY

	Lost time injury rate ¹			Severity rate ²			Total recordable injury rate ³		
	2023/24	2022/23	Change	2023/24	2022/23	Change	2023/24	2022/23	Change
Microelectronics segment & Others	0.66	1.33	(0.66)	9.20	9.36	(0.16)	1.47	3.10	(1.62)
Electronics Solutions segment	1.46	1.10	0.36	53.28	43.15	10.13	3.37	2.98	0.39
Total Group	1.09	1.21	(0.12)	32.83	27.33	5.50	2.49	3.04	(0.55)
attributable to parent company	1.66	3.51	(1.85)	15.62	23.38	(7.76)	2.99	3.51	(0.52)

¹ Accidents with lost days per 1 million working hours

² Lost days per 1 million working hours

³ Recordable accidents per 1 million working hours

Due to the construction of the two new plants in Malaysia and Leoben, the company's responsibility for safe working conditions and health protection is increasing. In order to provide for a high safety level in every step of the construction phase, regular alignment meetings were held with contractors in order to share and coordinate safety requirements on site in the best possible way.

We have already adapted our key indicators to the definitions of the European Sustainability Reporting Standards (ESRS) to ensure that occupational safety developments can be measured better and are comparable. In addition to the total recordable injury rate, which includes all incidents subject to mandatory disclosure, the lost time injury rate and severity of accidents are reported. The lost time injury rate only considers accidents that result in lost days and is therefore always lower than the total recordable injury rate.

In absolute terms, 32 occupational accidents occurred in the financial year 2023/24, which resulted in 962 lost days. The lost time injury rate declined from 1.21 to 1.09. Nevertheless, the severity level rose from 27.33 to 32.83, as some accidents led to a higher number of lost days. All occupational accidents and minor incidents without lost days were reported, carefully analysed, and their causes were defined. Based on the results of the investigations, different corrective and preventive measures were implemented in line with the control hierarchy. The main reasons for work-related injuries were tripping, slipping and falling accidents, accidents caused by collision with movable objects or by contact with sharp edges as well as accidents involving chemicals.

In the financial year 2023/24, no accident involving severe consequences and no fatal accident occurred in the Group, proving that the measures to eliminate hazards posing a risk for severe injuries are effective. As in the current financial year, AT&S will also continue to focus on preventing minor accidents.

The rate of absences related to short-term illness amounted to 1.0% in the financial year 2023/24, slightly exceeding the rate of 0.9% in the previous year.

Contract workers are an integrated part of the occupational safety indicators at AT&S. Accidents on the way to and from work are not included in occupational accidents.

Training and sensitisation programmes for occupational health and safety promote a safety-conscious corporate culture

In the past financial year, AT&S employees were sensitised through preventive measures in order to continuously protect their health and prevent work-related stress and occupational accidents to the greatest possible extent. At some locations, special training was held and inspections in production were carried out by department heads and the management. At the location in Korea, a safety campaign featuring safety slogans and banners at the workplace was launched to strengthen the employees' safety awareness and sensitise them for a variety of work safety aspects. At the Chongqing site, a reanimation training course with a defibrillator, led by an external specialist, was carried out. In addition, LOTO training (lockout/tagout) was conducted to train employees in important safety measures protecting them from electrical and mechanical hazards. This ensures that machines and devices are switched off safely during necessary maintenance and repair work. At the Fehring site, an external seminar was conducted for safety officers of the company in cooperation with AUVA, an Austrian social insurance company.

In addition to the recurring offers of medical check-ups, AT&S Korea provides extensive health examinations as part of the “Fit for Work” initiative. They include comprehensive blood tests, anti-stress and cardiovascular advice as well as the provision of massage chairs, stretch bands and footrests to prevent musculoskeletal disorders. At the site in Chongqing, China, more than 3,500 employees participated in the annual health checks in the financial year 2023/24. Under the motto “Life in an injury-free environment (LIFE)”, AT&S organised a safety month in Chongqing, during which the health and safety culture in the company was promoted with a series of initiatives. Activities included a quiz on safety practices, interactive exercises for correct waste disposal, identifying and interpreting safety signs and gaining practical experience in the selection of the appropriate personal protective equipment in emergency situations. Overall, several thousand AT&S employees participated in the activities, gaining valuable knowledge in occupational health and safety. At the second Chinese AT&S location in Shanghai, training was held to promote safety awareness, and medical check-ups were carried out, in which roughly 2,100 employees participated.

Always on the move: AT&S supports sports, team spirit and creativity

Regular exercise improves the ability to concentrate and increases productivity. This is why AT&S promotes a healthy lifestyle by offering employees a variety of activities. After all, those who do less exercise are more susceptible to illness and are consequently absent from work. AT&S supports employees’ mental and physical well-being with joint field trips and sporting events including cycling, skiing, various team sports, hiking or participating in business runs.

In 2023/24, the AT&S participant record was broken both at the business run at the Red Bull Ring and at the Erzberg Dirt Run. AT&S and the Works Council take care of the enrolment, starter fees and food. After a three-year break, the popular family field trip took place again at the Fehring site.

At the AT&S location in Kulim, employees had the opportunity to showcase their artistic talent at the Merdeka Recycling Art Competition, where recycled objects and materials were collected and a work of art was designed on an artboard. The

recycled art pieces were subsequently rated by a jury, and the winners were rewarded with backpacks, cups and vouchers. The sports spirit is also important at the Kulim site. Participants showed off their skills in futsal (an indoor ball sport) and at the badminton tournament.

Not only physical health but also mental health is important. In cooperation with “Instahelp”, AT&S therefore offers an opportunity to access professional psychological online advice anonymously and free of charge. All employees at the AT&S locations in Austria can obtain information and register on the Instahelp website. With this service, the company wants to promote the mental health of its workforce and underline the importance of mental and physical well-being.

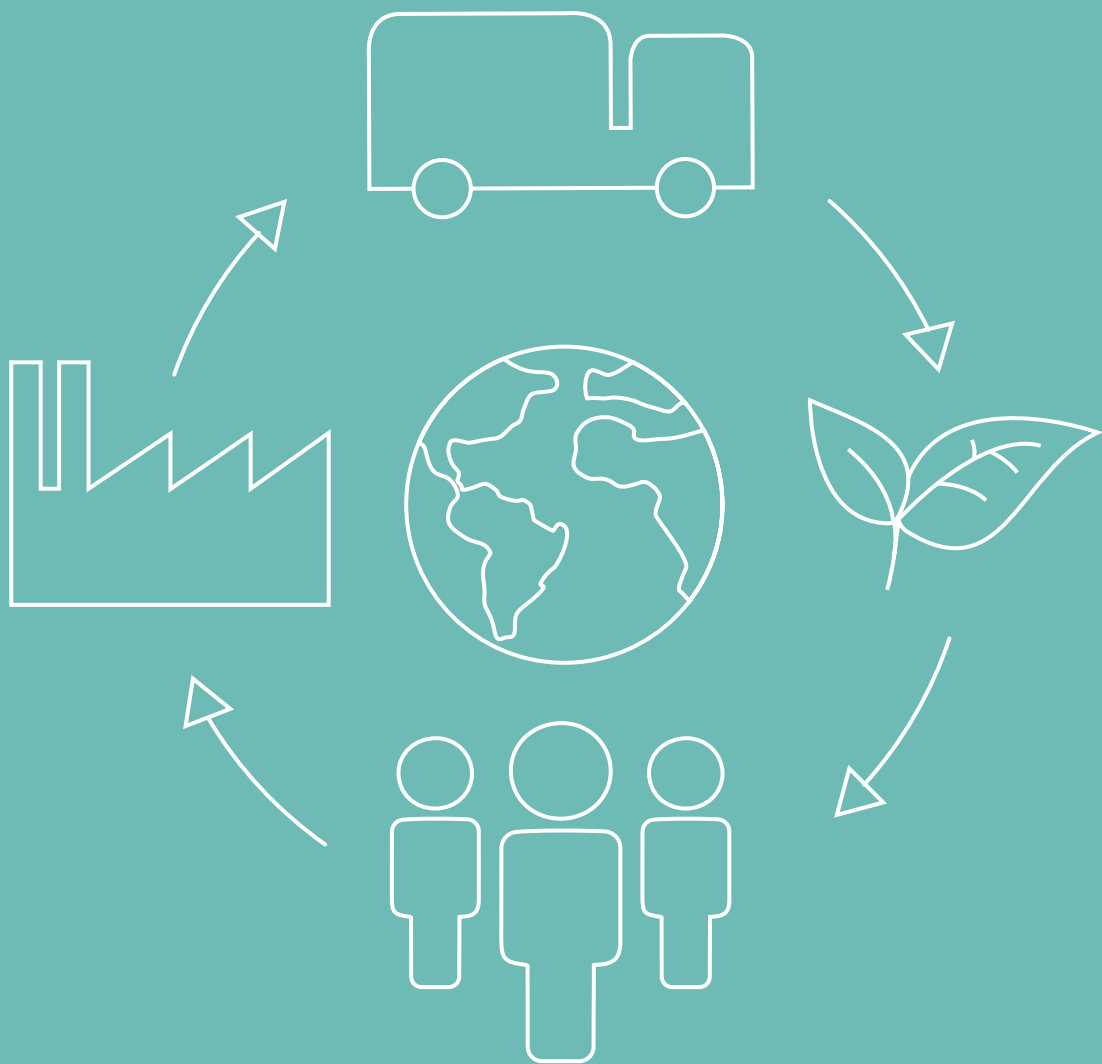
AT&S also takes care of young parents and helps employees to successfully reconcile everyday work and parenthood. In Nanjangud, a crèche has been set up to support employees. In China, rooms for mothers and nursing cabins are available.

AT&S supports socially disadvantaged people and people in need

For the third time already, AT&S supported the “Ö3 Weihnachtswunder” (“Ö3 Christmas Miracle”) charity and the emergency relief fund “Licht ins Dunkel” (“Light into the Dark”). With its donations the company thus helps people in need.

In its ninth year of cooperation with Changxin Primary School, AT&S Chongqing expanded its ESG activities in the financial year 2023/24. A large part of the pupils of this school in Tongnan Town, one of Chongqing’s poorest areas, are dependent on external support. AT&S sponsored blankets, cups and used laptops, and supports pupils in need with an education fund. In addition, AT&S Chongqing took part in an ESG activity of the Foreign Investment Association in Chongqing and donated two air conditioning systems to Wanzu Central Elementary School in the Pengshui district of Chongqing.

GOVERNANCE



AT&S focuses on responsibility, transparency and sustainability in all business relationships. Compliance with legal requirements and other relevant regulations forms the basis of fair competition, the fundamental components of which include anti-corruption and compliance. The company has several tools and processes to promote integrity, prevent irregularities and report potential misconduct. The commitment to acting socially, ecologically and with integrity is also expected from AT&S's suppliers. In line with a holistic approach to different sustainability aspects, suppliers are called upon to also make a contribution and to follow the high standards to which AT&S is committed.

We share values that clearly oppose human rights violations, corruption and discrimination. The material topics "Human rights" and "Anti-corruption" are allocated to the section "Governance".

The company adopted comprehensive sustainability statements in the financial year 2023/24, in which commitments to due diligence and continuous improvement are reconfirmed. The ESG policy comprises the focus areas sustainable governance, environment, product stewardship, occupational health and safety, supply chain as well as people and human rights. These binding guidelines set forth by the top management level are communicated to all employees and are publicly accessible.

Effective instruments for compliance and anti-corruption support our integrity

AT&S clearly distances itself from any form of bribery or corruption. Since 2021, a Compliance department has been in place, which ensures that the entire organisation is based on a solid foundation of ethics and accountability. Together with the management and involving all employees, the Compliance department helps protect the company and its assets as well as all employees and other stakeholders. To this end, requirements are translated into understandable policies and processes, training courses are conducted and employees from different areas of the company are given advice. The topics addressed are multifaceted and range from business and professional ethics to information security, data protection and privacy, fair competition, compliance with trade regulations and export controls, capital market regulations and measures to fight fraud and corruption. Audits are conducted on a regular basis to ensure the efficiency and effectiveness of the different business processes at all AT&S locations.

Potential compliance and governance risks are identified in the Group-wide risk management process and subsequently mitigated accordingly. In doing so, Enterprise Risk Management is supported by the Governance, Risk and Compliance Committee in monitoring the AT&S risk landscape. Both the Compliance department and the Risk & Continuity Management, Internal Audit, Legal and the Senior Management form part of the committee. The ESG department is consulted if necessary.

The internal AT&S Anti-corruption Policy, the Capital Market Compliance Policy, the AT&S Fair Business Practices Policy as well as other policies are instruments promoting responsible conduct and integrity within the company. These policies apply to all AT&S governance bodies and employees worldwide. The content of these guidelines is conveyed via multiple communication channels because a culture of openness and accountability is only possible if all employees know and follow these policies.

The AT&S Anti-Corruption Policy serves as a compass for all employees and specifies that exchanging gifts and invitations is not compatible with the company's values and the compliance standards. In the financial year 2023/24 the target group of training measures on this topic was significantly extended, and for the first time all white-collar employees were assigned an e-learning course. Therefore, 4,446 employees received training in the financial year 2023/24, i.e., 2,947 more than in the previous year. The training rate is 91%, underlining the determination to counter the acceptance or provision of inappropriate invitations or gifts as well as any form of bribery in all areas. In addition, in-person training was held in China and Malaysia in the financial year 2023/24 for persons who, due to their function, are exposed to a higher risk.

Capital market compliance training is mandatory for persons working in special areas of confidentiality. In the financial year 2023/24, 124 persons received training, which corresponds to a training rate of 98%. In 2022/23, 153 persons received training.

The fact that no official investigations, proceedings or convictions regarding corruption and bribery regulations were initiated against AT&S and its representatives in the financial year 2023/24, and therefore no fines were imposed for any such violations, shows that these measures are effective.

Political influence

AT&S does not make any direct or indirect payments to political parties or decision-makers. The strict rules of the internal Anti-corruption Policy also apply in this context. Therefore, no political financial donations or contributions in kind were incurred in the financial year 2023/24. AT&S is registered in the national Lobbying and Advocacy Group Register and, at the European level, in the EU Transparency Register.

We encourage everyone to report any observed misconduct

Integrity is one of the core values of AT&S. Conducting business lawfully is a top priority. Hence, we meet our obligation at AT&S by uncovering possible violations, investigating them and reacting in an appropriate manner. Back in 2017, AT&S set up a whistleblowing platform, where suspected violations of the AT&S Code of Conduct can be reported. The AT&S whistleblowing platform ensures both whistle-blower protection and data protection, and also allows anonymous reports. The Compliance Office reviews incoming whistle-blower reports as an independent body, investigates alleged misconduct and initiates appropriate countermeasures. The assignment of this important task to an impartial team ensures a corporate culture of integrity and trust.

In the financial year 2023/24, ten substantiated reports were filed, which stated indications of possible compliance violations and required detailed investigations. Two cases were related to discrimination or harassment, while the other reports were connected to fraud and corruption topics. Corrective action was taken as necessary, including improvements of the internal control system or disciplinary consequences. In the previous year 16 reports were submitted.

No major incidents occurred regarding human rights in connection with the company's workforce in the financial year 2023/24. Therefore, no fines, sanctions or payments of damages had to be made, as was also the case in the area of discrimination. In addition, AT&S was not involved in any case processed by the national contact point of the OECD.

The protection of and respect for every person and nature are part of the ethical principles of the company

Integrity is a cornerstone for all activities at AT&S. As a globally operating company in a technological growth industry, AT&S has an ethical obligation to assume economic, societal and social responsibility for its actions and for its environment together with customers, employees, shareholders and other stakeholders.

The AT&S Code of Conduct lays down all principles that define our actions with respect to business ethics, working conditions and occupational health and safety. It also covers environmental topics that have a direct or indirect influence on people or society. The purpose of the AT&S Code of Conduct and Business Ethics is to describe how the company can conduct its business in an ethically and socially responsible manner. These guidelines are applicable to all activities of AT&S around the globe and the code was prepared based on the requirements of the RBA.

Every AT&S employee must know how to behave ethically. Everyone has a duty to act respectfully and responsibly towards other people and the environment. To familiarise AT&S employees with the content of the AT&S Code of Conduct, an e-learning course which covers business ethics and management practices, health and safety at work, labour and human rights as well as environmental protection was developed in the financial year 2023/24. The course, which must be completed once a year as of 2023/24, has been rolled out via the AT&S Learning Management System and is available to employees in German, English, Chinese and Korean. In addition, the e-learning course is part of the global onboarding process to ensure that new white-collar employees complete the course promptly.

Together with our suppliers we require a collective understanding regarding respect for human rights, environmental protection and ethical responsibility

The essence of a strong partnership between AT&S and its suppliers lies in the shared values and goals which lead to success on both sides. These shared values include the applicable laws as well as ethical and environmental principles to which AT&S is committed. The requirements for suppliers are clear – for long-term business relationships, the company expects suppliers to comply with the same environmental and social standards that AT&S also adheres to.

All requirements are defined in the AT&S Supplier Code of Conduct and cover the areas of business ethics and management practices, health and safety at work, labour and human rights as well as environmental protection. Like the AT&S Code of Conduct, the code for suppliers is also based on the guidelines of the RBA. AT&S calls on its suppliers to comply with ethical, social and environmental standards, providing them with a framework in the form of the Supplier Code of Conduct to ensure fair and sustainable collaboration.

In the financial year 2023/24, approximately 140 suppliers were considered to be essential, as they accounted for about 80% of AT&S's purchasing volume. 100% of them had signed the Code of Conduct at the end of the financial year. As in previous years, the target was therefore met. In addition, the Code was signed by 99.6% of those suppliers who account for another 15% of AT&S's purchasing volume. The supplier who did not sign the Code of Conduct, however, committed to an equivalent code of conduct which is acceptable for AT&S.

PROPORTION OF CODE OF CONDUCT SIGNED (MATERIAL SUPPLIERS)

100%

(previous year: 100%)

Sustainable supply chain management drives value creation and success

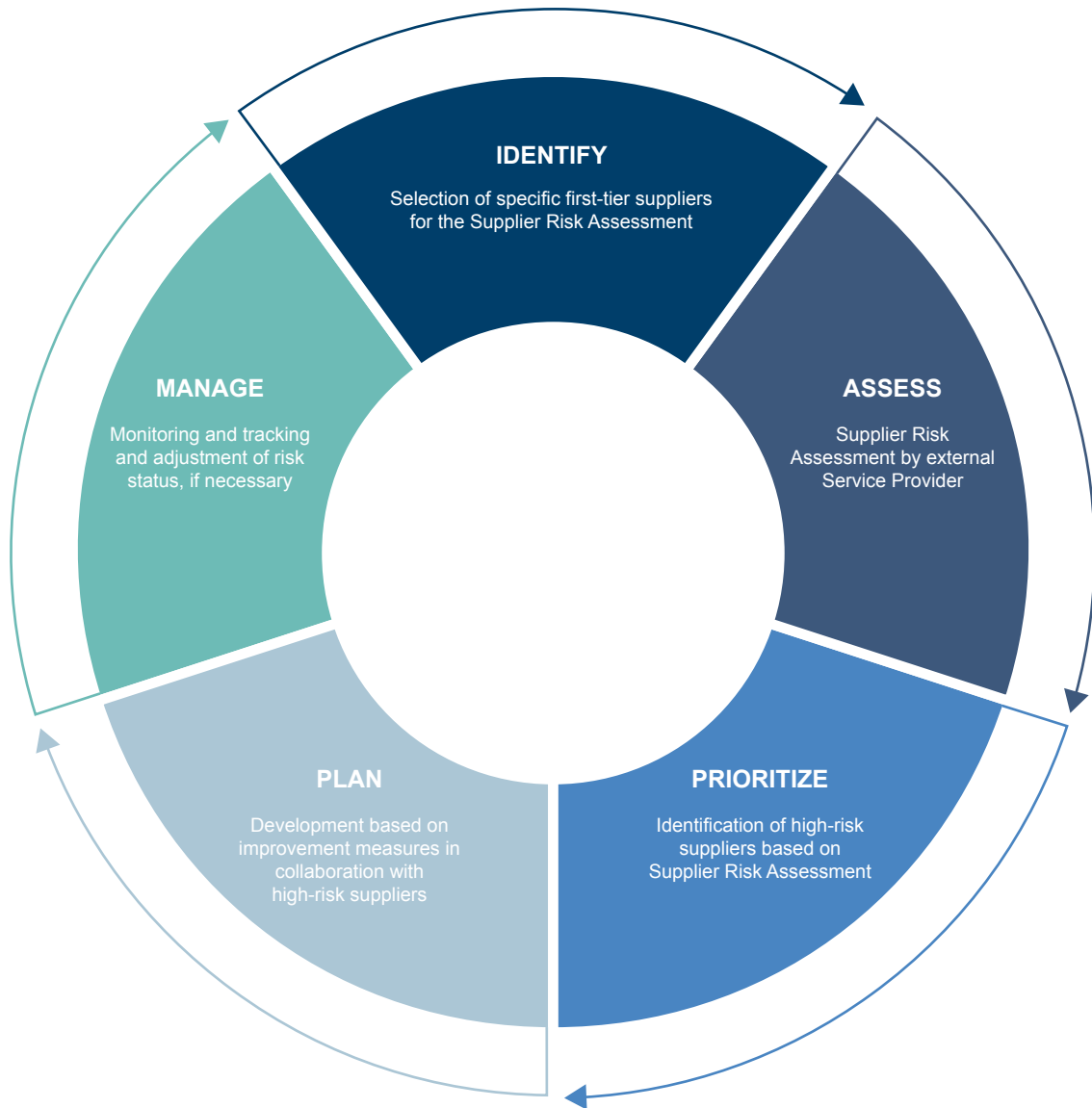
AT&S is committed to socially and ecologically responsible business operations and includes its business partners in its aspiration to act in an ethically correct and environmentally oriented way. The company does not tolerate any form of violence, abuse, exploitation of children or damaging the environment. This is also a requirement for suppliers, who are called upon to comply with quality and sustainability standards such as human rights and corruption prevention.

NUMBER OF SUPPLIER AUDITS

93 audits

(previous year: 52 audits)

SUPPLIER RISK ASSESSMENT



AT&S does not tolerate any working conditions within the Group or in the supply chain which do not conform to international and national laws and regulations. We communicate what we expect from our suppliers as part of our contracts and audits, including the AT&S Supplier Code of Conduct.

In addition to price, quality and delivery time, we also consider environmental and social aspects when making purchasing decisions. Suppliers are assessed beyond economic criteria.

The assessment criteria include environmental protection, fair remuneration, safety at work, a ban of child labour and observance of human rights. Overall, 93 supplier audits were conducted in the financial year 2023/24, of which 31 audits covered business ethics and observance of human rights in addition to general social and ecological topics. In these 31 audits, a total of 18 minor deviations were identified in the areas of business ethics, working conditions and human rights. To address these deficiencies, the company is working on

the implementation of appropriate measures with the relevant suppliers.

Another key component of supplier risk management is their risk assessment. A multiple choice survey which covers a number of risks, including ESG matters, is sent to selected suppliers via the AT&S supplier portal on an annual basis. The questions on sustainability-related topics were revised in the financial year 2023/24.

As a result of the supplier risk assessment, a risk report is prepared and can be used as a basis to derive and define required corrective action. The development and improvement of suppliers is reviewed on a regular basis, thus promoting sustainable procurement practices in the company.

In the financial year 2023/24, further options to anchor ESG-relevant risks including human rights and environmental aspects within the supply chain more strongly were evaluated. In a joint test run with external providers who offer solutions in the area of ESG risk assessment of suppliers, a selected group (eleven direct AT&S suppliers) was subjected to an abstract risk analysis. In this way, suppliers were assessed based on different factors, such as country-specific and industry risks, and the company was given an insight into the external solution. A higher risk level was identified for five suppliers. In the financial year 2024/25, the company will work on improvement measures with all suppliers identified as risk suppliers in the course of the test run. The following chart describes the process steps of the ESG supplier risk management process.

Conflict-free, ethical sourcing of minerals

As an internationally successful company, AT&S is aware of its responsibility to act as a reliable and valuable member of society. As a part of sustainable sourcing practices, the company is determined to exclusively use raw materials in its products that have no direct or indirect connection with any negative impact on human rights or the environment within the supply chain.

This also includes the ethically unobjectionable procurement of so-called conflict minerals such as tin, tantalum, tungsten and gold (in short: 3TG). As a part of the supply chain, the company undertakes to disclose and comply with the legal framework conditions regarding conflict minerals and meets the requirements of the Dodd-Frank Act, Section 1502 of the US Congress, and EU Regulation 2017/821, which is set forth in the general terms and conditions.

In order to make a substantial contribution to preventing the funding of conflicts from profits of raw material sourcing and trading and the associated severe human rights violations, AT&S adheres to the due diligence process of the RMI (Responsible Minerals Initiative). Using the Conflict Minerals Reporting Templates (CMRT) of the RMI, the company provides information on the country of origin of the minerals and on the smelteries and refineries used. At regular intervals or in case of acute suspicion, the company contacts those material suppliers whose product deliveries may contain gold, tantalum, tungsten and tin and demands transparent reporting using the standardised RMI templates.

AT&S strives to source minerals exclusively from compliant smelteries and mines which are audited by the RMI on a regular basis. In the financial year 2023/24, 100% of our suppliers committed to a compliant supply chain.

RMI COMPLIANCE OF OUR SUPPLY CHAIN

100%

(previous year: 94%)

KPIs EU TAXONOMY

The following tables show the taxonomy-eligible and taxonomy-aligned proportions of turnover, CapEx and OpEx per environmental goal:

	Proportion of turnover/Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM (Climate change mitigation)	0.0%	0.0%
CCA (Climate change adaptation)	0.0%	0.0%
WTR (Water and marine resources)	0.0%	0.0%
CE (Circular economy)	0.0%	100.0%
PPC (Pollution)	0.0%	0.0%
BIO (Biodiversity)	0.0%	0.0%

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM (Climate change mitigation)	0.0%	55.7%
CCA (Climate change adaptation)	0.0%	0.0%
WTR (Water and marine resources)	0.0%	0.0%
CE (Circular economy)	0.0%	27.3%
PPC (Pollution)	0.0%	0.0%
BIO (Biodiversity)	0.0%	0.0%

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM (Climate change mitigation)	0.0%	2.6%
CCA (Climate change adaptation)	0.0%	0.0%
WTR (Water and marine resources)	0.0%	0.0%
CE (Circular economy)	0.0%	27.9%
PPC (Pollution)	0.0%	0.0%
BIO (Biodiversity)	0.0%	0.0%

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering financial year 2023/24

Financial year 2023/24	Year		Substantial contribution criteria							DNSH criteria (Do No Significant Harm)							Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year 2022/23	Category (enabling activity)	Category (transitional activity)
	Code	Turnover	Proportion of Turnover, year 2023/24	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards			
Economic activities		T€	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned (A.1))		0	0.0%														0.0%		
Of which Enabling		0	0.0%														0.0%	E	
Of which Transitional		0	0.0%														0.0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of renewable energy technologies	CCM 3.1.	0	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.4%		
Manufacture of electrical and electronic equipment	CE 1.2.	1,549,779	100.0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.0%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1,549,779	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%								0.4%		
A. Turnover of Taxonomy eligible activities (A.1 + A.2)		1,549,779	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%								0.4%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		0	0.0%																
TOTAL		1,549,779	100.0%																

Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
 N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
 N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective
 EL – Eligible, Taxonomy-eligible activity for the relevant objective

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering financial year 2023/24

Financial year 2023/24	Year		Substantial contribution criteria							DNSH criteria (Do No Significant Harm)							Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year 2022/23	Category (enabling activity)	Category (transitional activity)
	Code	CapEx	Proportion of CapEx, year 2023/24	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards			
Economic activities		T€	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned (A.1))		0	0.0%														0.0%		
Of which Enabling		0	0.0%														0.0%	E	
Of which Transitional		0	0.0%														0.0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of electrical and electronic equipment	CE 1.2.	303,180	27.3%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								–		
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1.	24,204	2.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								3.6%		
Renewal of water collection, treatment and supply systems	CCM 5.2.	1,507	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								–		
Construction, extension and operation of waste water collection and treatment	CCM 5.3.	3,418	0.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.3%		
Renewal of waste water collection and treatment	CCM 5.4.	1,496	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								–		
Collection and transport of non-hazardous waste in source segregated fractions	CCM 5.5.	10	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Collection and transport of hazardous waste	PPC 2.1.	116	0.0%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								–		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5.	832	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%		
Construction of new buildings ¹	CCM 7.1.	0	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Renovation of existing buildings	CCM 7.2.	15,189	1.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								6.4%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3.	31,020	2.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								5.1%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4.	0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.2%		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5.	34,637	3.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.6%		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6.	0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Acquisition and ownership of buildings	CCM 7.7.	505,979	45.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								26.9%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		921,589	83.0%	55.7%	0.0%	0.0%	0.0%	27.3%	0.0%								45.1%		
A. CapEx of Taxonomy eligible activities (A.1 + A.2)		921,589	83.0%	55.7%	0.0%	0.0%	0.0%	27.3%	0.0%								45.1%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		188,900	17.0%																
TOTAL		1,110,489	100.0%																

¹ The activity 7.1. will be disclosed under activity 7.7. in the reporting year; previous year's figures were adjusted retroactively.

Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
 N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
 N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective
 EL – Eligible, Taxonomy-eligible activity for the relevant objective

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering financial year 2023/24

Financial year 2023/24	Year		Substantial contribution criteria							DNSH criteria (Do No Significant Harm)							Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year 2022/23	Category (enabling activity)	Category (transitional activity)
	Code	OpEx	Proportion of OpEx, year 2023/24	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards			
Economic activities		T€	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned (A.1))		0	0.0%														0.0%		
Of which Enabling		0	0.0%														0.0%	E	
Of which Transitional		0	0.0%														0.0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of electrical and electronic equipment	CE 1.2.	62,026	27.9%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								–		
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1.	653	0.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.3%		
Construction, extension and operation of waste water collection and treatment	CCM 5.3.	2,550	1.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.1%		
Renewal of waste water collection and treatment	CCM 5.4.	75	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								–		
Collection and transport of non-hazardous waste in source segregated fractions	CCM 5.5.	0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Collection and transport of hazardous waste	PPC 2.1.	1	0.0%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								–		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5.	114	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Renovation of existing buildings	CCM 7.2.	41	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3.	1,277	0.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.4%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4.	0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5.	34	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6.	5	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Acquisition and ownership of buildings	CCM 7.7.	967	0.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.8%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		67,745	30.5%	2.6%	0.0%	0.0%	0.0%	27.9%	0.0%								2.8%		
A. OpEx of Taxonomy eligible activities (A.1 + A.2)		67,745	30.5%	2.6%	0.0%	0.0%	0.0%	27.9%	0.0%								2.8%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		154,652	69.5%																
TOTAL		222,398	100.0%																

Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
 N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
 N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective
 EL – Eligible, Taxonomy-eligible activity for the relevant objective

GRI CONTENT INDEX

AT&S has reported the information cited in this GRI content index for the period from 1 April 2023 to 31 March 2024 with reference to the GRI Standards.

GRI standard	Disclosure	Page in the report, URL or reason for omission
GRI 1: Foundation (2021)		
GRI 2: General Disclosures (2021)		
1. The organization and its reporting practices		
	2-1 Organizational details	p. 115 and p. 209
	2-2 Entities included in the organization's sustainability reporting	p. 48 ff. and p. 115
	2-3 Reporting period, frequency and contact point	01/04/2023-31/03/2024; annual, contact annual report: Philipp Gebhardt, contact non-financial report: Marina Hornasek-Metzl, publication date: p. 209
	2-4 Restatements of information	None
	2-5 External assurance	p. 16
2. Activities and workers		
	2-6 Activities, value chain and other business relationships	p. 32 ff. and p. 138
	2-7 Employees	S. 63 ff.; uniform disclosure on fixed-term employment contracts not possible on an international basis
	2-8 Workers who are not employees	S. 63 ff.; uniform disclosure on fixed-term employment contracts not possible on an international basis
4. Strategy, policies and practices		
	2-22 Statement on sustainable development strategy	p. 28 f.
	2-28 Membership associations	p. 28 f.
5. Stakeholder engagement		
	2-29 Approach to stakeholder engagement	p. 37 ff.
	2-30 Collective bargaining agreements	p. 63 ff.
GRI 3: Material Topics (2021)		
	3-1 Process to determine material topics	p. 37 ff.
	3-2 List of material topics	p. 37 ff.
GRI 205: Anti-corruption (2016)		
	3-3 Management of material topics	p. 78 f.
	205-2 Communication and training about anti-corruption policies and procedures	p. 78 f.
	205-3 Confirmed incidents of corruption and actions taken	p. 78 f.

GRI standard	Disclosure	Page in the report, URL or reason for omission
GRI 301: Materials (2016)		
	3-3 Management of material topics	p. 59 ff.
	301-1 Materials used by weight or volume	p. 59 f.; distinction renewable/non-renewable not available
GRI 302: Energy (2016)		
	3-3 Management of material topics	p. 48 ff.
	302-1 Energy consumption within the organization	p. 50; for further information see CDP Climate Change Report (www.cdp.net)
	302-3 Energy intensity	p. 50; for further information see CDP Climate Change Report (www.cdp.net)
	302-4 Reduction of energy consumption	p. 49; for further information see CDP Climate Change Report (www.cdp.net)
GRI 303: Water and Effluents (2018)		
	3-3 Management of material topics	p. 54 f.
	303-3 Water withdrawal	see CDP Water Security Report (www.cdp.net)
	303-4 Water discharge	see CDP Water Security Report (www.cdp.net)
	303-5 Water consumption	p. 54 f. and CDP Water Security Report (www.cdp.net)
GRI 305: Emissions (2016)		
	3-3 Management of material topics	p. 51 ff.
	305-1 Direct (Scope 1) GHG emissions	p. 51 ff.; for further information see CDP Climate Change Report (www.cdp.net)
	305-2 Energy indirect (Scope 2) GHG emissions	p. 51 ff.; for further information see CDP Climate Change Report (www.cdp.net)
	305-3 Other indirect (Scope 3) GHG emissions	p. 51 ff.; for further information see CDP Climate Change Report (www.cdp.net)
	305-4 GHG emissions intensity	p. 51 ff.; for further information see CDP Climate Change Report (www.cdp.net)
	305-5 Reduction of GHG emissions	p. 49; for further information see CDP Climate Change Report (www.cdp.net)
GRI 306: Waste (2020)		
	3-3 Management of material topics	p. 59
	306-3 Waste generated	p. 59

GRI standard	Disclosure	Page in the report, URL or reason for omission
GRI 403: Occupational Health and Safety (2018)		
	3-3 Management of material topics	p. 73 ff.
	403-9 Work-related injuries	p. 74 f.
GRI 404: Training and Education (2016)		
	3-3 Management of material topics	p. 69 ff.
	404-1 Average hours of training per year per employee	p. 70
	404-2 Programs for upgrading employee skills and transition assistance programs	p. 69 ff.
	404-3 Percentage of employees receiving regular performance and career development reviews	p. 71
GRI 405: Diversity and Equal Opportunity (2016)		
	3-3 Management of material topics	p. 65 ff. and 17 ff.
	405-1 Diversity of governance bodies and employees	p. 65 ff. and 17 ff.
GRI 406: Non-discrimination (2016)		
	3-3 Management of material topics	p. 79
	406-1 Incidents of discrimination and corrective actions taken	p. 79
GRI 414: Supplier Social Assessment (2016)		
	3-3 Management of material topics	p. 80 ff.
	414-2 Negative social impacts in the supply chain and actions taken	p. 80 ff.

Leoben-Hinterberg, 13 May 2024

The Management Board

DI (FH) Andreas Gerstenmayer m.p.

Dr. Peter Schneider m.p.

Dr. Peter Griehsnig m.p.

Mag. Petra Preining m.p.

DI Ingolf Schröder m.p.



GROUP MANAGEMENT REPORT 2023/24

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115	3. Other Statutory Information
119	4. Research and Development
122	5. Opportunities and Risks
130	6. Outlook

1. MARKET AND INDUSTRY ENVIRONMENT

1.1. General economic environment

In 2023, the economy largely returned to pre-COVID-19 conditions. Supply chains and demand stabilized, while central banks tightened the monetary reins to curb inflation.

In most regions, headline inflation slowed from the peaks experienced in 2022. However, core inflation, which excludes volatile prices for food and energy, proved stickier. Consumer demand remained muted in most major economies, as inflation and high interest rates reduced purchasing power. Global output, measured by Gross Domestic Product (GDP), increased by an estimated 3.1% in 2023, with advanced economies experiencing slower growth than emerging market and developing economies. GDP grew by 0.5% in the euro area, by 5.2% in China, and by 2.5% in the United States. Projections for 2024 predict a global GDP growth of 3.1%.¹

Conflicts and geopolitics continued to play a significant role on the international stage. One of the most discussed topics was the continued effort of the United States, supported by European and Asian partners, to restrict Chinese access to advanced technologies via export restrictions and bans targeting an increasing number of Chinese companies. The ongoing war in eastern Ukraine and, since Autumn 2023, and the ongoing bombardment of the Gaza strip by the Israeli army following an attack by Hamas on 7 October 2023 have also contributed to the increase of tensions in the Middle East as well as internationally.

The war in Gaza has already spawned new tensions in the Red Sea, where Yemeni Houthis have begun targeting commercial ships in retaliation for Israel's actions in Gaza. The attacks have spurred major shipping companies to re-route shipping around Africa; the impact on logistics was mostly felt on Europe-Asia trade routes, and has so far amounted to longer delivery times and increased costs.

Climate has also contributed to headwinds for economic recovery; the Panama Canal has experienced significant disruptions due to low water levels; reduced capacity at the

canal is expected to continue to impact the trade route going forward.

1.2. Industry environment

Semiconductor

During most of 2023 the semiconductor industry followed normal historical seasonal patterns, gradually recovering, especially during the second half of the year, from the downturn started in late 2022. The challenging macroeconomic conditions present in advanced economies, including high inflation, high interest rates, and low consumer demand, significantly impacted the semiconductor industry: global semiconductor industry sales totaled US\$526.8 billion in 2023, a decrease of 8.2% compared to the 2022 total of US\$574.1 billion.²

A significant portion of the sales in 2023 was fueled by sell-through of inventories, which remained high throughout the year for most applications. Industrial and automotive, which initially showed resilient growth carrying over from 2022, also slowed down in the second half due to the excessive inventory build-up and weaker demand.

Client computing was the segment most impacted by low demand. Spending on infrastructure, particularly in the area of data centers, remained more resilient, albeit softer than in 2021 and 2022.

The build-up of the infrastructure required to support Artificial Intelligence (AI)-related services caused a significant shift in spending towards high average selling price (ASP) Graphics Processing Units (GPUs) and accelerator cards, creating a prominent pocket of growth. This trend mostly benefitted NVIDIA, but AMD was also able to further expand its market share. This shift in spending partly reduced expenditures for traditional servers. The growth of AI-related hardware is expected to continue throughout 2024 and in the mid-term.

Low demand and inventory effects hit back-end manufacturers such as substrate suppliers particularly hard, a fact reflected in the continued downgrading of estimates of the Advanced Substrate (including flip-chip, system-in-package, and embedded die) market for 2023. For example,

¹ IMF, "World Economic Outlook Update", January 2024

² Semiconductor Industry Association, Press release "Global Semiconductor Sales Decrease 8.2% in 2023; Market Rebounds Late in Year", February 2024

the estimate for the total Flip-Chip Ball Grid Array (FC-BGA) market in 2023 was reduced by 23% to US\$6.8 billion from March to November 2023.³ Forecasts for the FC-BGA market were also corrected to the downside: the FC-BGA market is now expected to amount to US\$10.6 billion in 2028 (previously US\$12 billion in 2027).⁴

Looking ahead, 2024 is expected to be a transition year, with the first half still affected by low demand, inventory corrections, and tight monetary policies; tailwinds are not expected before the second half of the calendar year. The ongoing geopolitical tensions provide additional risks that could lead to further headwinds for global growth. Divergent policies confronting these issues are poised to maintain high uncertainty and reduce visibility throughout 2024.

Consumer, computing, communication

The weakness in demand for the Consumer, Computing, and Communication (3C) segments carried over from 2022 to 2023, impacting shipment volumes of most consumer electronics devices such as smartphones, PCs, tablets, and some wearable products. Major challenges include inventory digestion across the entire supply chain, weak demand from major market such as China, and other macroeconomic and geopolitical headwinds. As a result, many major consumer applications recorded a year-over-year decline from negative impacts on both the supply and demand sides.

Global smartphone shipments declined 3.2% to 1.17 billion units in 2023, with the Chinese market declining 5.0%.^{5,6} While overall shipments declined, 5G smartphone still recorded a 10% rise.⁷ The fourth calendar quarter saw 8.5% growth compared to the corresponding period last year and 326.1 million shipments, indicating potential stabilisation or even the beginning of a slow recovery in 2024.⁵

In 2022, PC shipment volume had plummeted 16.5%, and there was an additional 13.9% contraction in 2023. This downturn continues to reflect the aftermath of the significant surge in PC purchases driven by the COVID-19 pandemic⁸. However, the total volume of 260 million units were

comparable to pre-pandemic PC volume shipments of 268 million units (5-year average, 2015-2019).⁹

The decline in end device sales coupled with increased price pressure is reflected in the PCB sales figures for 2023, which showed a decrease of 11.5% to US\$18.1 billion for Communication (including smartphones), fell 16.8% to US\$15.3 billion for Computing, and fell 14.4% to US\$7.2 billion for Consumer. The latest mid-term outlook for 2029 is US\$20.1 billion, US\$23.5 billion, and US\$9.1 billion for Computing, Communications, and Consumer respectively⁴.

Looking at 2024, slow demand recovery and continued destocking are expected to continue to impact the 3C market. Recovery is expected to center around AI-related applications such as AI servers (storage, accelerator), High-Performance Computing (HPC), and networking.

Consumer applications with AI enhanced features are also expected to benefit from the increasing AI trend – in addition to the 2.8% increase in smartphone shipment in 2024, 170 million next-gen AI smartphones are forecasted to ship in 2024, representing almost 15% of the total smartphone market.¹⁰ Shipments of AI PCs – personal computers with specific system-on-a-chip (SoC) capabilities designed to run generative AI tasks locally – is expected to reach 50 million units in 2024.¹¹

Automotive

Global automotive production reached 90.6 million vehicles in 2023, a 10% increase compared to the 82 million of 2022, thanks to fading supply side constraints and a better than expected economic and demand backdrop underpinned by a robust global Light Vehicle (LV) performance through 2023. While the near-term LV outlook has been revised upward, the mid-term estimate (2026-2030) has been cut by 1.2 million units annually. The bulk of this forecast adjustment reflects a more conservative view on the development of the market in China.¹²

³ Prismark Partners, "Application Forecasts", November 2023

⁴ Prismark Partners, "Application Forecasts", February 2024; The 2023-2028 CAGR was used to extrapolate the 2028 figures provided by the source to 2029

⁵ IDC, Press release "Apple Grabs the Top Spot in the Smartphone Market in 2023 along with Record High Market Share Despite the Overall Market Dropping 3.2%", According to IDC Tracker", January 2024

⁶ IDC, Press release "Apple Captures the Top Spot in the China Smartphone Market in 2023 for the First Time Ever, Despite the Overall Market Dropping 5.0%", According to IDC Tracker", January 2024

⁷ IDC, "Quarterly Mobile Phone Tracker", February 2024

⁸ IDC, Press release "Worldwide PC Shipments Declined 2.7% Year Over Year in the Fourth Quarter of 2023 but Visions of Growth Lie Ahead, According to IDC", January 2024

⁹ IDC, "Quarterly Personal Computing Device Tracker", February 2024

¹⁰ IDC, Press release "Worldwide Smartphone Recovery Is Happening as Shipments Are Forecast to Grow 2.8% in 2024, According to IDC", February 2024

¹¹ IDC, Press release "IDC Forecasts Artificial Intelligence PCs to Account for Nearly 60% of All PC Shipments by 2027", February 2024

¹² LMC Automotive, "Global Light Vehicle Forecast", January 2024

The Automotive PCB market decreased by 2.7% in 2023 to US\$8.7 billion, due to a combination of price pressure and high inventory, and is expected to reach US\$11.6 billion in 2029.⁴

The slowdown in global growth for Battery Electric Vehicle (BEV) sales persisted in the final months of 2023, despite a record number of BEVs delivered in November, which resulted in yearly sales of 10 million BEV cars in 2023, up 30%.¹³ Growth in electrified vehicles including hybrids (up 35%) outpaced that of BEVs, marking an unusual shift, as BEVs have usually been the fastest-growing vehicle type in recent years.

Semiconductor shortages faded in 2023, but concerns over the supply of lithium in the mid-term could undermine the pace of the transition to BEVs. A high-price policy of some Original Equipment Manufacturers (OEMs) could persist, but the reduction in the number of produced models could ease the situation thanks to a concurrent optimization of vehicle inventory.

The automotive industry continues to be propelled forward by the adoption of Electrification and the advancement of Advanced Driver Assistance Systems (ADAS) and Autonomous Driving (AD). A significant portion of this growth is attributed to China. The market for Battery Electric Vehicles in China accounted for 50% of global BEV growth. The share of Chinese BEVs in Europe grew from 5% in 2022 to almost 9% in 2023, and has put European OEMs under an increasing amount of competition. The BEV market in the United States grew by 47% in 2023, following a period where it seemed to lag behind developments in China and much of Europe.¹² This resurgence was driven by investments into new models by original equipment manufacturers, along with substantial government incentives and an expanding charging infrastructure.

Medical

After navigating the complex COVID-19 pandemic for about three years, medical device companies experienced a return to normalcy in 2023. Challenges such as low procedure volumes, hospital staffing shortages, and supply chain issues either subsided or were managed through strategic measures. Economic pressures eased, allowing some

companies in the medical technology sector to achieve more typical growth rates.

The PCB market for medical declined 7.3% to US\$1.4 billion in 2023, as a result of strong inventory corrections, but it is expected to grow 3.1% in 2024, and at a 2023-2029 CAGR of 3.7% to reach US\$1.7 billion.⁴ Industry trends in the upcoming year might be significantly influenced by the evolution of the current challenging macroeconomic conditions, including high interest rates and inflation.

In 2023, the US Food and Drug Administration (FDA) set a new record by approving the highest number of new medical technologies in a single year. This result was attributed to various factors, including a surge in approvals for AI and machine-learning-enabled medtech products, advancements in miniaturization, enhanced visualization driving approvals in cardiology and urology, and steady growth in neuromodulation and robotics. Additionally, waiting times for FDA reviews decreased by nearly 15% from 2020 to 2022. It is expected that the pace of innovation in 2024 will exceed 2020-2022 levels, with devices for cardiology, digital health, and neuromodulation continuing to gain momentum.¹⁴

Also on the regulatory side, the boundary between the consumer and medical device markets has been getting progressively blurrier. For example, since 2022 consumer device companies (such as Sony, HP, Bose) have been granted a growing number of applications for Over-The-Counter (OTC) hearing aids by the FDA, which allowed them to put hearing aid players in the US market (such as GN, Nuheara, Sonova) increasingly under pressure. The trend is also visible for Continuous Glucose Monitoring (CGM) devices, where large CGM players aim to enlarge their customer base by selling CGMs without prescription to consumers not yet subject to medical treatment, potentially creating a new market.¹⁵

Industrial & infrastructure

The Internet of Things (IoT) and data-driven networks, powered by an array of devices and sensors, have become relevant tools for optimizing operations and processes. Mainly since the COVID-19 pandemic, organizations have increasingly relied on IoT data to enhance the flexibility and resilience of their operations. As investment in IoT

¹³ Bank of America Global Research, "EV Tracker", February 2024

¹⁴ McKinsey, "What to expect from medtech in 2024", February 2024

¹⁵ MedTech Dive, "Why medtech firms are putting diabetes tech in consumer devices", August 2023

ecosystems surges, notably led by manufacturing sectors, the emphasis remains on the exponential growth of connected devices and the vast volume of data they generate across diverse categories. IoT investment is set to exceed US\$1 trillion by 2026, with a growth rate of 10.4% from 2022 to 2027. It is estimated a total of 56.9 billion connected devices were installed worldwide in 2023.¹⁶

An enabler of these connected devices is 5G technology. As the 5G capital expenditure cycle enters its fourth year, the pace of investment in mobile infrastructure is slowing down. Major vendors are witnessing significant drops in year-over-year spending on Radio Access Network (RAN) equipment, notably in regions like the United States and China. Although low-band 5G deployments are reaching maturity, there is still considerable room for investment in mid-band (e.g., 2.5GHz, 3–4GHz) and high-band (e.g., 24GHz, 28GHz, and 39GHz) builds. Telecom operators, however, have been investing in the mid-band and in 5G Standalone (SA) with caution, due to high interest rates and an overall uncertain macroeconomic outlook. In the mid-term, the on-going 5G Advanced releases from 3GPP that started in 2023 and the steady increase in data traffic are expected to eventually bring about the upgrade to 5G SA.¹⁷

6G technology is already being actively developed by big industry players and is on the agenda of regulators and standardization institutions, with commercialization predicted by 2030. 6G is expected to be the “AI native network”, supported by the use of recombinant technologies, such as cloud-native network functions, machine learning, AI, and network slicing.¹⁸ However, given the low penetration rate of 5G mmWave so far – less than 10%, estimated to be less than 30% by 2028 – it is currently not clear whether the market will demand upper mmWave/THz at 6G in high volume or only for specific use cases.

The consolidated PCB market for Communication, including infrastructure and end devices declined by 11.5% to US\$18.1 billion in 2023, and it is expected to grow by 3.5% in 2024, and at a 4.6% CAGR between 2023-2029 to US\$23.5 billion. Despite the positive perspective for connected devices in the medium term, it is estimated that the PCB market for industrial electronics declined 13.6% to US\$2.8 billion in 2023, due to high inventories and weaker

than expected manufacturing in China. The PCB market for the Industrial electronics segment is expected to grow by 3.7% in 2024, and at a 4.4% CAGR in the 2023-2029 timeframe to US\$3.6 billion.⁴

1.3. Industry and technology trends

Impact of AI on substrate demand

The rush to provide AI-powered services caused a surge in spending for the infrastructure needed to power them, that is servers with GPUs or accelerator cards. This surge has caused a delay in refresh cycles of traditional servers, as most capital expenditures were redirected towards high ASP AI-hardware.

Meanwhile, supply of the GPUs has largely been constrained by the limited capacity for one of the steps required in the manufacturing of those products, namely the assembly of the silicon interposer. This bottleneck has limited the growth experienced by back-end manufacturers, but should be partially resolved as additional capacity comes on-line in 2024/25.

From a more technical perspective, AI-systems have so far presented limited opportunities for substrate-makers beyond the additional volumes generated by the high-demand for these systems. GPUs and accelerator cards currently rely on the presence of a large quantity of high-speed memory on the package. The need for high-speed interconnects between memory and logic dies is mostly addressed with silicon interposers, which allows designers to avoid increasing the complexity of the underlying organic substrate.

On the other hand, the increasing package size and the rising power draw of GPUs and accelerators pose increasing technical challenges for the design of packages, potentially creating opportunities for solutions that address aspects such as thermal management and warpage as well as voltage drop and other signal integrity issues at the substrate level.

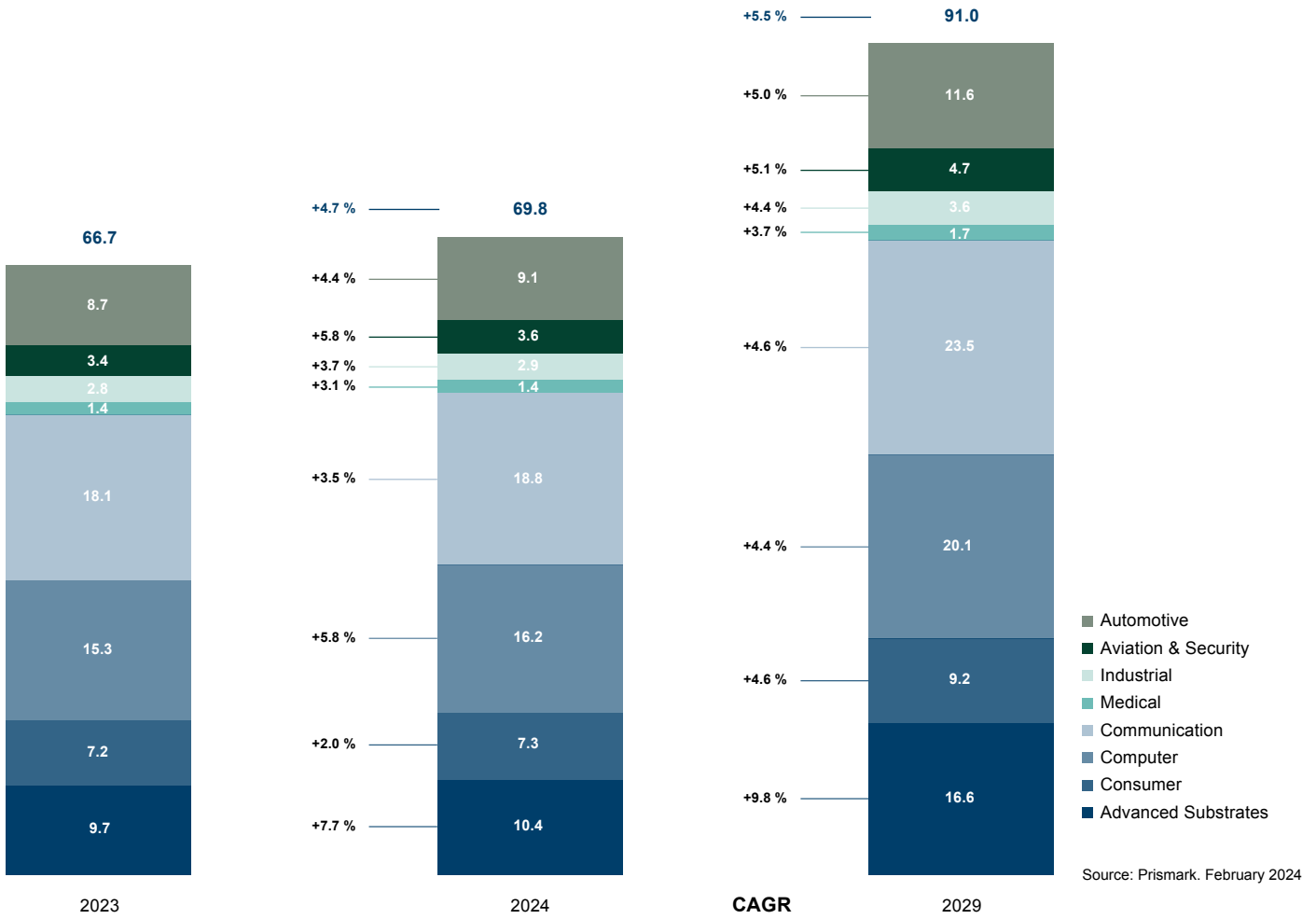
¹⁶ IDC Global DataSphere, “IoT Device Installed Base and Data Generated Forecast”, September 2023

¹⁷ IDC, “5G Network Infrastructure Forecast, 2023–2027”, December 2023

¹⁸ IDC, Brooklyn 6G Summit 2023, November 2023

SUBSTRATES AND PCB MARKET

US\$ in billions



2. ECONOMIC REPORT

2.1. Overall development of the Group

AT&S in a challenging environment

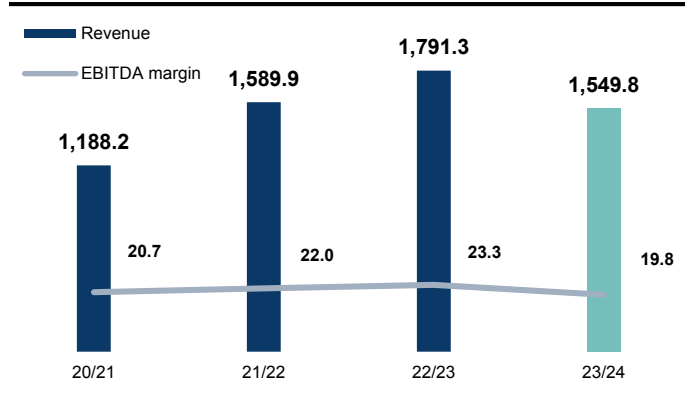
AT&S operated in a challenging market environment in the financial year 2023/24. After a strong second quarter, demand was relatively weak again in the some market segments in the third and fourth quarters. The markets for mobile devices and industrial applications weakened significantly. While notebooks and PCs saw a slight recovery, the market for servers slowed down further. In this environment, AT&S continued to push its efficiency programmes, which were intensified a year ago, to ensure a sustainable optimisation of the Company’s cost structure.

AT&S reorganised its “Mobile Devices & Substrates” and “Automotive, Industrial & Medical” segments with effect from 1 April 2023. The Company’s new structure comprises the business units “Electronics Solutions” and “Microelectronics”. Reporting has therefore been adapted accordingly. “Electronics Solutions” bundles the printed circuit board and module activities across the Group, while “Microelectronics” focuses on IC substrates.

Compared to the record level of the previous year, consolidated revenue declined by 13.5% to € 1,549.8 million in the financial year 2023/24 (previous year: € 1,791.3 million).

DEVELOPMENT OF REVENUE AND EBITDA MARGIN

€ in millions/in % of revenue



This development was primarily driven by the fundamental changes in the economic environment, which led to a decline in revenue, in particular in the Electronics Solutions segment.

A general market recovery is expected in the industries relevant for AT&S in the second half of 2024. It is consequently assumed that capacity utilisation at the Company’s existing plants will improve and AT&S is prepared for the rebound of the market with the go-live of the plant in Kulim, which is scheduled for the end of the financial year. AT&S therefore expects to have a good chance to participate in a market recovery with its improved cost structure.

2.2. Earnings development in the Group

Revenue down 13.5%

Revenue declined by 13.5% compared to the previous year and amounted to € 1,549.8 million, at € 1,791.3 million, the revenue of the previous year was the highest revenue ever generated in the history of AT&S.

Both segments recorded a decline in revenue in the financial year 2023/24. While revenue in the Electronics Solutions segment was down 19.4% on the strong prior-year figure, the decline in the Microelectronics segment amounted to 3.0%.

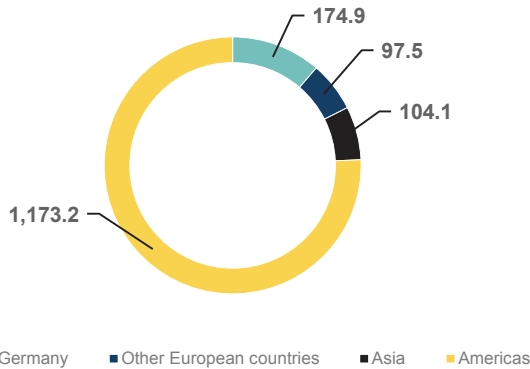
Foreign exchange effects had a negative impact of € 48.3 million or 3.1% on the development of revenue. 87.9% of revenue (previous year: 88.6%) was invoiced in foreign currencies (primarily US dollars).

Revenue in the first and second quarters of the financial year was significantly higher than in the last two quarters of the financial year 2022/23. Starting in the third quarter, the market climate in the two segments deteriorated, thus leading to a decline in demand.

The regional revenue structure based on customers’ headquarters shows a share of 75.7% for America, compared 76.8% in the previous year. The share of products manufactured in Asia declined slightly from 90.0% to 88.3%.

REVENUE BROKEN DOWN BY REGION, based on customers' headquarters

€ in millions

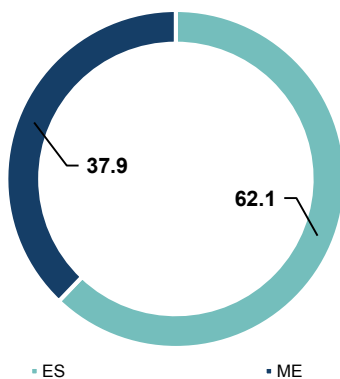


The effects of recognising revenue over time, which is required for a number of customers in accordance with IFRS 15, led to a decrease in revenue by € 12.1 million or 0.8% (effect in the previous year: decrease by € 34.8 million or 1.9%). For further information please refer to the notes to the consolidated financial statements.

Revenue split by segment shows the following picture:

REVENUE FROM EXTERNAL CUSTOMERS BY SEGMENT

in %



The share of the Electronics Solutions (ES) segment in third-party revenue declined to 37.9% (previous year: 33.3%) share of the Microelectronics (ME) segment increased to 62.1% (previous year: 66.7%).

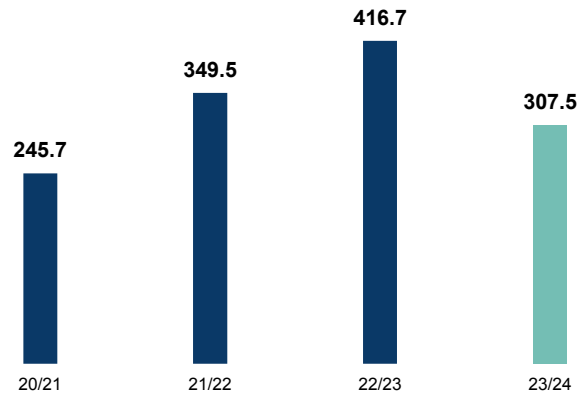
37.9% (previous year: 33.3%). Further information on the development of the segments is provided in Section 2.3 "Earnings development in the segments".

EBITDA € 307.5 million, EBITDA margin 19.8%

EBITDA, at € 307.5 million, was significantly lower than in the previous year (€ 416.7 million). The decline in revenue and a related decrease in gross profit had a negative influence on earnings, whereas lower selling and administrative costs supported the operating result. Other operating income was significantly lower than in the previous year and was negatively influenced in particular by higher start-up losses, lower grants, and higher negative currency effects from the measurement of receivables and liabilities in non-Group currencies. Currency effects which resulted primarily from the translation of international subsidiaries to the reporting currency had a positive effect of € 6.8 million on EBITDA.

DEVELOPMENT OF EBITDA

€ in millions



The EBITDA margin declined by 3.4 percentage points from 23.3% in the previous year to 19.8%.

The higher start-up costs of € 81.6 million (previous year: € 54.7 million) resulted primarily from the continuation and expansion of the construction activities in Hinterberg and Kulim.

Adjusted for start-up costs, EBITDA amounted to € 384.3 million (previous year: € 469.6 million), which corresponds to decline by 18.2%.

The EBITDA margin adjusted for start-up costs declined from 26.2% in the previous year to 24.8%.

Decrease in expense items

The decline in cost of sales by € 149.7 million to € 1,366.9 million results primarily from lower revenue coupled with lower personnel and material costs. Research & development expenses also declined, whereby AT&S also invested € 155.4 million in research and development in the financial year 2023/24 (previous year: € 183.4 million) in preparation for future technology generations and to pursue the modularisation strategy. These expenditures make the Company future-proof and significantly expand the earnings potential in the medium term.

Positive currency effects increased the reduction of cost of sales by € 66.9 million.

Administrative and distribution costs were € 10.9 million or 8.7% lower than in the previous year.

The other operating result declined from € -3.2 million to € -37.4 million. The deterioration was mainly due to higher start-up losses of € 81.6 million (previous year: € 54.7 million), which were caused, in particular, by the continued and expanded construction activities in Hinterberg and Kulim. However, a decline in grants by € 9.8 million to € 30.9 million (previous year: € 40.7 million) and the reduced exchange rate result from the measurement of receivables and liabilities of € 7.6 million (previous year: € 11.7 million) also had a negative impact.

Depreciation of property, plant and equipment and amortisation of intangible assets of € 276.4 million or 8.1% of non-current assets (previous year: € 270.5 million or 10.0% of non-current assets) reflect the high technical standard and the intensity of investment of AT&S. The increase by € 5.9 million compared with the previous year resulted from an increase in depreciation and amortisation by € 12.0 million in the Microelectronics (ME) segment and a decline by € 7.1 million in the Electronics Solutions segment (ES). While the higher depreciation and amortisation in the Microelectronics (ME) segment is primarily attributable to the plants in Hinterberg and Kulim, the decline in depreciation and amortisation in the Electronics Solutions (ES) segment is primarily related to the plant in Shanghai.

The operating result (EBIT) increased by € 115.1 million or 78.7% to € 31.1 million (previous year: € 146.2 million) due to the above-mentioned effects.

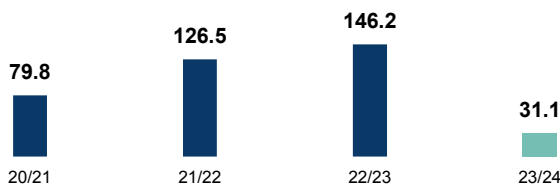
The EBIT margin declined by 6.2 percentage points to 2.0% (previous year: 8.2%).

RESULT KEY DATA

€ in millions (unless otherwise stated)	2023/24	2022/23	Change
Revenue	1,549.8	1,791.3	(13.5%)
Operating result before interest, tax, depreciation and amortisation (EBITDA)	307.5	416.7	(26.2%)
EBITDA margin (%)	19.8%	23.3%	
Operating result (EBIT)	31.1	146.2	(78.7%)
EBIT margin (%)	2.0%	8.2%	
Profit for the year	(36.7)	136.6	(>100%)
Earnings per share (€)	(1.39)	3.03	(>100%)
Additions to fixed assets	1,110.5	1,234.1	(10.0%)
Average number of staff (incl. leased personnel)	13,828	15,280	(9.5%)

DEVELOPMENT OF EBIT

€ in millions



Finance costs – net

Finance costs – net declined from € 21.6 million to € -50.4 million. Interest expense on bank borrowings and bonds amounted to € 65.1 million (previous year: € 23.9 million). This includes capitalised interest on borrowings related to the acquisition of qualifying assets, which rose by € 5.5 million to € 12.7 million (previous year: € 7.2 million) and reduced expenses.

Interest on social capital amounted to € 2.1 million and exceeded the prior-year level of € 0.4 million.

The hedging of the interest rate risk with hedging instruments (measurement and realised result) resulted in a gain of € 6.0 million (previous year: gain of € 7.7 million). The hedging instruments swap variable for fixed interest payments.

The disposition of available liquidity in the money market resulted in an investment result of € 25.6 million (previous year: € 12.3 million).

Finance costs – net are influenced by currency effects because investments are in part denominated in foreign currency. In the financial year 2023/24, lower positive exchange rate differences had a negative impact on finance costs – net Exchange rate differences of € 4.8 million were recognised as income (previous year: income of € 37.5 million). The exchange rate differences resulted

predominantly from the measurement liquid foreign currency funds and realised exchange rate gains from Group financing.

The main intragroup loans are long-term in nature and their repayment is neither scheduled nor probable in the foreseeable future. These loans are therefore recorded directly in equity through the statement of comprehensive income.

Profit for the year declined

Profit for the year decreased from € 136.6 million in the previous year by € 173.3 million to € -36.7 million. The Group's tax expense amounts to € 17.4 million (previous year: € 31.2 million).

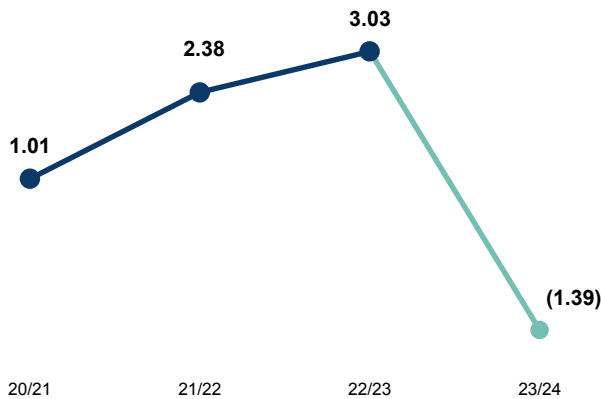
Current income taxes declined to € 24.6 million (previous year: € 26.1 million). In contrast to the previous year, deferred taxes resulted in income of € 7.2 million (previous year: € -5.1 million).

AT&S China already obtained the favourable tax status as a "high-tech company" over the past years. The tax status has now been granted as of 1 January 2023, is valid for three years and is dependent on achieving certain criteria each year. AT&S Chongqing has also been granted this tax status for the calendar years 2022 to 2024.

Earnings per share decreased from € 3.03 to € -1.39, with the number of shares outstanding remaining unchanged. In the calculation of earnings per share, interest on hybrid capital of € 17.5 million (previous year: € 18.8 million) was deducted from the profit for the year.

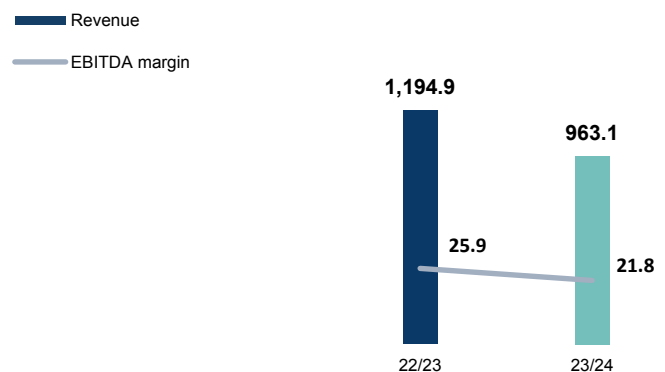
EARNINGS PER SHARE

in €



ELECTRONICS SOLUTIONS – DEVELOPMENT OF REVENUE, EBITDA MARGIN

€ in millions/in % of revenue



2.3. Earnings development in the segments

Electronics Solutions segment

The Electronics Solutions segment was faced with a changed market environment in the financial year 2023/24, which led to a significant decline in revenue.

With a revenue share of 62.1 % (previous year: 66.7 %, the Electronics Solutions segment is still the largest segment of the AT&S Group.

Revenue, at € 963.1 million, was down € 231.9 million or 19.4% on the prior-year figure of € 1,194.9 million, this was due in particular to lower demand and, consequently, a decline in volume produced, as well as to price discounts. Revenue was also negatively influenced by the foreign exchange development, so overall revenue growth was € 26.7 million lower. In terms of geography, revenue from American customers declined.

SEGMENT ES (ELECTRONICS SOLUTIONS) – OVERVIEW

€ in millions (unless otherwise stated)	2023/24	2022/23	Change
Segment revenue	963.1	1,194.9	(19.4%)
Revenue from external customers	962.9	1,194.9	(19.4%)
Operating result before depreciation and amortisation (EBITDA)	210.2	310.0	(32.2%)
EBITDA adjusted ¹	210.2	310.0	(32.2%)
EBITDA margin (%)	21.8%	25.9%	
EBITDA margin adjusted (%) ¹	21.8%	25.9%	
Operating result (EBIT)	102.5	195.1	(47.5%)
EBIT adjusted ¹	102.5	195.1	(47.5%)
EBIT margin (%)	10.6%	16.3%	
EBIT margin adjusted (%) ¹	10.6%	16.3%	
Additions to property, plant and equipment and intangible assets	85.8	120.8	(29.0%)
Employees (incl. leased personnel), average	7,274	7,784	(6.5%)

¹ Adjustment start-up costs.

The segment's **EBITDA** amounted to € 210.2 million, down € 99.7 million or 32.2% on the prior-year figure of € 310.0 million. Positive effects from currency translation supported earnings in the amount of € 8.9 million.

The **EBITDA margin** of the Electronics Solutions segment amounted to 21.8%, down 4.1 percentage points on the prior-year margin of 25.9%.

The segment's **depreciation and amortisation** declined by € 7.1 million or 6.2% from € 114.8 million to € 107.7 million. The decline was primarily attributable to lower depreciation and amortisation at the Shanghai site.

The operating result (**EBIT**) decreased by € 92.6 million to € 102.5 million (previous year: € 195.1 million). The EBIT margin dropped by 5.7 percentage points to 10.6% (previous year: 16.3%) due to the decline in EBIT.

Additions to assets declined by € 35.0 million or 29.0% to € 85.8 million (previous year: € 120.8 million). The additions related in particular to ongoing replacement investments and technology upgrades at the sites in Chongqing and Shanghai.

Microelectronics segment

The challenging market environment also caused a year-on-year decline in revenue in the Microelectronics segment. The successful ramp-up of production at plant III in Chongqing led to increased capacity. AT&S is prepared for a rebound in the market with the go-live of the plant in Kulim, Malaysia, which is scheduled for the end of the financial year. AT&S currently

expects to have a good chance to benefit from a market recovery.

Negative currency effects reduced earnings by € 2.4 million.

The segment's revenue, at € 655.0 million fell short of the prior-year level of € 675.3 million.

EBITDA fell by € 19.6 million or 16.9% to € 96.1 million (previous year: € 115.7 million). Gross profit was not increased, primarily due to lower revenue. The increase in start-up costs and lower grants for research expenditures also had a negative impact on earnings. Start-up costs from the continued construction activities in Kulim and Hinterberg amounted to € 77.6 million, exceeding the prior-year value of € 53.2 million by € 24.4 million.

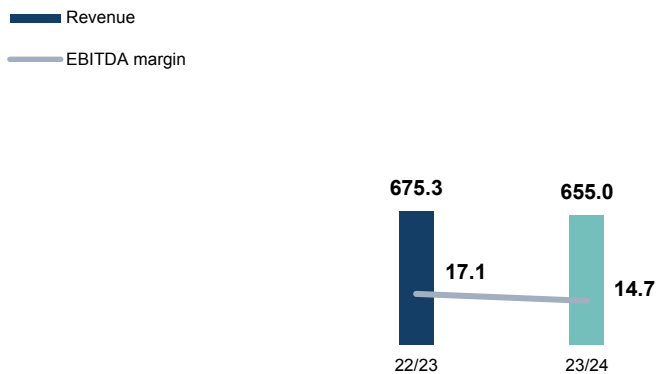
SEGMENT ME (MICROELECTRONICS) – OVERVIEW

€ in millions (unless otherwise stated)	2023/24	2022/23	Change
Segment revenue	655.0	675.3	(3.0%)
Revenue from external customers	586.9	596.4	(1.6%)
Operating result before depreciation and amortisation (EBITDA)	96.1	115.7	(16.9%)
EBITDA adjusted ¹	168.9	167.1	1.1%
EBITDA margin (%)	14.7%	17.1%	
EBITDA margin adjusted (%) ¹	25.8%	24.7%	
Operating result (EBIT)	(65.1)	(33.5)	(94.1%)
EBIT adjusted ¹	12.5	19.7	(36.4%)
EBIT margin (%)	(9.9%)	(5.0%)	
EBIT margin adjusted (%) ¹	1.9%	2.9%	
Additions to property, plant and equipment and intangible assets	996.1	1,056.9	(5.8%)
Employees (incl. leased personnel), average	6,106	7,081	(13.8%)

¹ Adjustment start-up costs.

MICROELECTRONICS – DEVELOPMENT OF REVENUE, EBITDA MARGIN

€ in millions/in % of revenue



The **EBITDA margin** declined by 2.4 percentage points to 14.7% (previous year: 17.1%).

The operating result (**EBIT**) changed by € -31.6 million to € -65.1 million (previous year: € -33.5 million).

The **EBIT margin** of the Microelectronics segment at -9.9%, was 4.9 percentage points lower than the prior-year-value of -5.0% due to lower revenue, increased price pressure, a less favourable product mix, higher start-up costs as well as higher depreciation and amortisation.

Additions to assets declined by € 60.9 million to € 996.1 million (previous year: € 1,056.9 million). The additions were primarily related to construction activities at the plants in Kulim and Hinterberg.

Others segment

The result of the general holding activities included in the Others segment was € 10.2 million higher than in the previous year, with EBITDA amounting to € 1.2 million (previous year: € -9.0 million). The main reasons for the positive deviation were increased charging from holding and corporate activities to the operating segments, an increase in grants received as well as lower expenses for legal, IT, and consulting services.

OTHERS SEGMENT – OVERVIEW

€ in millions (unless otherwise stated)	2023/24	2022/23	Change
Segment revenue	0.0	–	n.a.
Operating result before depreciation and amortisation (EBITDA)	1.2	(9.0)	>100%
EBITDA adjusted ¹	5.1	–	n.a.
EBITDA margin (%)	–	–	–
EBITDA margin adjusted (%) ¹	0.3%	–	–
Operating result (EBIT)	(6.3)	(15.4)	58.9%
EBIT adjusted ¹	(2.3)	–	n.a.
EBIT margin (%)	–	–	–
EBIT margin adjusted (%) ¹	(0.1%)	–	–
Additions to property, plant and equipment and intangible assets	28.7	56.3	(49.1%)
Employees (incl. leased personnel), average	448	415	8.1%

¹ Adjustment start-up costs.

2.4.Assets and financial position

2.4.1. ASSETS

Increase in non-current assets

Total assets increased by 12.3% to € 4,674.9 million in the financial year 2023/24.

Non-current assets rose by € 676.0 million to € 3,476.2 million. While property, plant and equipment increased by € 715.6 million to € 3,394.9 million, intangible assets declined by € 4.7 million to € 20.1 million. In property, plant and equipment, additions to assets and technology upgrades of € 1,106.4 million were offset by depreciation totalling € 268.2 million. Property, plant and equipment as reported in the statement of financial position also includes right-of-use assets of € 440.4 million resulting from the application of IFRS 16.

The net change in non-current assets amounted to € 710.9 million or 26.3% to € 3,415.0 million (previous year: € 2,704.1 million).

Current assets decreased by € 163.0 million to € 1,198.7 million. Cash and cash equivalents declined to € 676.5 million (previous year: € 791.7 million). Financial assets increased by € 1.8 million to € 26.9 million. Overall, AT&S thus has cash and current financial assets totalling € 703.4 million (previous year: € 816.8 million). The increase

of inventories by € 15.4 million to € 160.8 million primarily results from an increase in unfinished products and raw material inventories. Trade receivables, other receivables and contract assets decreased by € 66.2 million to € 328.1 million. Trade receivables declined by € 12.7 million, contract assets by € 16.4 million and other receivables by € 17.2 million. The reduction was additionally supported by higher factoring activities (change: € 18.7 million).

Trade payables fell by € 27.3 million or 6.0% from € 457.9 million to € 430.6 million, including an increase in liabilities from investments by € 118.1 million to € 195.9 million (previous year: € 314.0 million).

Net gearing increased

Equity declined by 16.5% from € 1,157.5 million to € 966.6 million. Negative effects were related to the negative result for the year of € -36.7 million, currency differences from the translation of net asset positions of subsidiaries and the translation of long-term loans to subsidiaries of € -114.2 million.

In addition, the coupon payment of € 17.5 million for the hybrid bonds as well as the dividend payment of € 15.5 million caused a decline in equity.

Actuarial losses of € -1.0 million (previous year: gains of € 3.0 million) resulting from the parameters used for the calculation of personnel expenses reduced equity.

NET WORKING CAPITAL

€ in millions (unless otherwise stated)	31 Mar 2024	31 Mar 2023	Change
Inventories	160.8	145.4	10.6%
Trade receivables and contract assets	227.8	275.7	(17.4%)
Trade payables	(430.6)	(457.9)	6.0%
Liabilities from investments	195.9	314.0	(37.6%)
Working capital trade	153.9	277.1	(44.5%)
Other current assets, payables, provisions	(10.3)	1.6	(>100%)
Net working capital	143.6	278.7	(48.5%)
Net working capital in % of total revenue	9.3%	15.6%	
Days outstanding (in days):¹			
Inventories	75	95	(21.1%)
Receivables	69	65	6.2%
Payables	83	74	12.2%

¹ Calculation logic changed in the 2022/23 business year.

The measurement of hedging instruments to hedge cash flows reduced equity by € 6.1 million (previous year: gain of € 4.6 million).

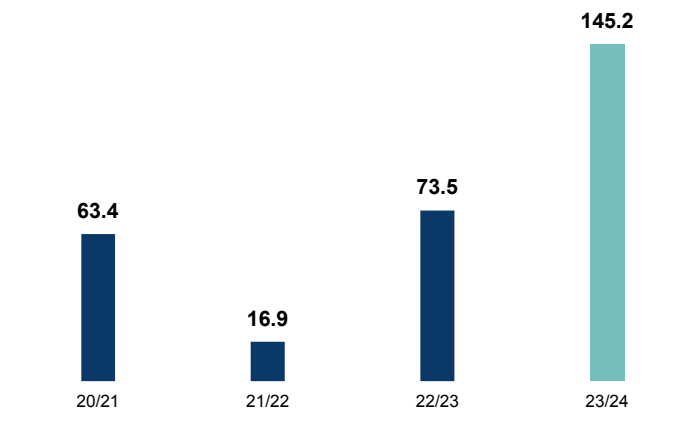
Non-current financial **liabilities** increased by € 571.7 million or 55.3% to € 1,605.0 million. In the past financial year, a promissory note loan totalling € 275 million was placed on the market and term loans of € 145 million were concluded.

Current financial liabilities declined from € 662.4 million to € 518.2 million.

Net debt rose by € 551.8 million or 64.8% to € 1,403.0 million (previous year: € 851.2 million). The increase was primarily due to a decline in cash and cash equivalents resulting from AT&S's investing activities and a simultaneous increase in financial liabilities to finance the planned construction activities and the procurement of machinery. The payments related to bilateral agreements, which are contained in the contract liabilities, rose by € 304.3 million to € 911.5 million.

NET GEARING

in %



Net gearing increased to 145.2% and is therefore above the level of the previous year of 73.5%.

NET DEBT

€ in millions (unless otherwise stated)	31 Mar 2024	31 Mar 2023	Change
Financial liabilities, current	518.2	662.4	(21.8%)
Financial liabilities, non-current	1,605.0	1,033.4	55.3%
Gross debt	2,123.2	1,695.8	25.2%
Cash and cash equivalents	(676.5)	(791.7)	14.6%
Financial assets	(43.7)	(52.8)	17.2%
Net debt	1,403.0	851.2	64.8%
Operating result before interest, tax, depreciation and amortisation (EBITDA)	307.5	416.7	(26.2%)
Net debt/EBITDA ratio	4.6	2.0	
Equity	966.6	1,157.5	(16.5%)
Total consolidated statement of financial position	4,674.9	4,161.9	12.3%
Equity ratio (%)	20.7%	27.8%	
Net gearing (net debt/equity) (%)	145.2%	73.5%	

2.4.2. FINANCING

The focus of the financial year 2023/24 was on ensuring continued financial flexibility and providing sufficient liquidity for operating activities and the planned investments. To this end, a promissory note loan totalling € 275 million was placed on the market and term loans of € 145 million were concluded. Focus on diversification of financing instruments.

Focus on diversification of financial instruments

The financing of AT&S is based on a broad spread of both financing instruments and maturities. Based on the prevailing financial market conditions, a stronger focus may be placed on individual instruments or, as the case may be, they may not be used at times.

Loans which include **guarantees by governmental and supranational organisations** are a major component of the refinancing portfolio: their advantages lie in the fact that these organisations share part of the credit risk, as well as in favourable terms and conditions intended to provide incentives for investments in specific regions, for innovation and to promote the export sector. AT&S currently uses financing with guarantees by Oesterreichische Kontrollbank (OeKB) and a direct engagement with the European Investment Bank and KfW IPEX-Bank.

The importance of **promissory note loans** as a key financing pillar did not change in the financial year 2023/24. The advantages of promissory note loans are their high level of predictability and their comparatively low issue costs. Due to these advantages, AT&S intends to also use this form of financing in the future.

At 31 March 2024, promissory note loans totalling € 631.6 million (previous year: € 696.1 million) were placed

with national and international investors. The remaining terms range between seven month and roughly six years.

Furthermore, financing in the form of bank loans, lease agreements, and third-party financing is used (category “**bank loans**”). As at 31 March 2024, € 1,476.6 million were taken out with national and international banks (previous year: € 984.7 million). They have remaining terms ranging from a few months up to ten years.

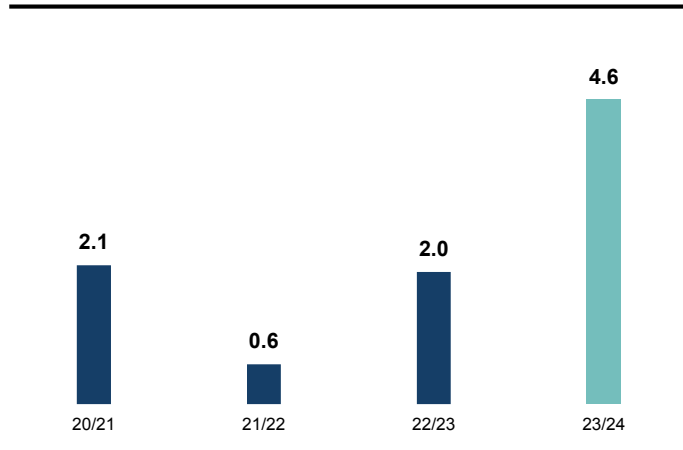
Credit lines serve to cover liquidity fluctuations, as a financing reserve and as financing provisions. At the balance sheet date, AT&S had unused credit lines of € 581.5 million (previous year: € 725.6 million) in the form of contracted loan commitments from banks. As at 31 March 2024, AT&S had used 78.5% (previous year: 65.8%) of its contracted financing potential and still possesses sufficient financial reserves in addition to cash and cash equivalents.

The theoretical repayment period for debts, defined as net debt/EBITDA, of 4.6 years was significantly above the previous year's figure (2.0 years).

INSTRUMENTS

€ in millions	31 Mar 2024	in %	31 Mar 2023	in %
Registered bond	15.0	0.6%	15.0	0.6%
Promissory note loans	631.6	23.4%	696.1	28.7%
Bank borrowings	1,476.6	54.6%	984.7	40.7%
Gross debt	2,123.2	78.5%	1,695.8	70.0%
Credit lines	581.5	21.5%	725.6	30.0%
Committed credit lines	2,704.7	100.0%	2,421.4	100.0%

NET DEBT/EBITDA

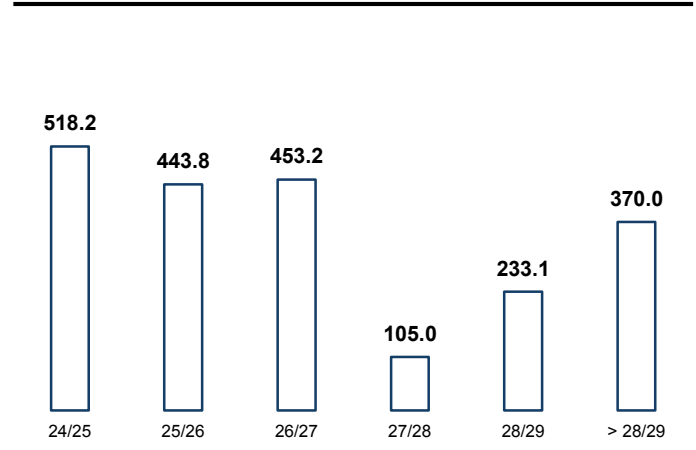


The equity ratio decreased from 27.8% in the previous year to 20.7% in the reporting year and thus remained below the medium-term target of more than 30.0%. This is due in particular to the increase in total assets as a result of investments and securing the financing of the future investment programme. For further information regarding capital risk management, please refer to Note 20 “Additional disclosures on financial instruments” – subsection Capital Risk Management – in the notes to the consolidated financial statements.

AT&S pursues a balanced structure in terms of maturity. The repayment structure shows a high amount totalling € 518.2 million in the year 2023/24 due to the repayment of parts of the promissory note loans, bank loans, and lease liabilities. AT&S strives to finance capital requirements early and has liquidity reserves of € 1,276.8 million (previous year: € 1,542.5 million), which consist of financial resources and unused credit facilities.

MATURITY

€ in millions



Effective interest and currency management

Minimising interest rate risk is another important treasury objective, with an adequate ratio of variable to fixed interest rates. 36.0% (previous year: 44.0%) of financing is conducted at, or was swapped to, fixed interest rates and 64.0% (previous year: 56.0%) is based on variable interest rates.

Strategies for hedging interest rates are regularly evaluated and adapted as necessary. Compared with the previous year, the share of variable interest rates rose due to the maturing of liability items carrying fixed interest. Overall, AT&S is in a position to turn the interest exposure in the desired direction at any time by using appropriate hedging instruments.

AT&S also intends to invest available liquid funds **profitably but risk-sensitively**. As at 31 March 2024, AT&S had financial resources totalling € 703.4 million (previous year: € 816.8 million). The aim is to achieve the highest possible yields with the liquid funds available in the short term by optimising the investment period through the early conversion

CARRYING AMOUNT OF FINANCIAL LIABILITIES BY MATURITY

€ in millions	31 Mar 2024	in %	31 Mar 2023	in %
Remaining maturity				
Less than 1 year	518.2	24.4	662.4	39.1%
Between 1 and 5 years	1,235.0	58.2	926.4	54.6%
More than 5 years	370.0	17.4	107.0	6.3%
Total financial liabilities	2,123.2	100.0	1,695.8	100.0%

of liquid funds into currencies that have higher interest rates than the euro.

Early conversion into foreign currencies also serves as a natural currency hedge and a reduction of exposure to foreign currencies. The objective of AT&S is to keep the US dollar net risk position to a minimum. As at 31 March 2024, assets denominated in US dollars (trade receivables, financial assets and cash denominated in US dollars) amounting to € 755.8 million (previous year: € 714.2 million) were offset by liabilities denominated in US dollars (trade payables and financial liabilities denominated in US dollars) amounting to € 289.1 million (previous year: € 291.1 million). The resulting net risk position – at 31 March 2024 this was an active balance of € 466.7 million (previous year: € 423.1 million) – thus amounted to 10.0% (previous year: 10.2%) of the Group's total assets and liabilities.

In addition to this natural hedging and the above-mentioned instruments for interest rate hedging, AT&S occasionally hedges foreign currency transaction risks in the short term (up to one year).

Further development of the financing network

Another treasury objective consists of optimised relationship management with financing partners. For AT&S, this means the selection of banks for cooperation at the national and international level as well as setting up and maintaining the communication necessary for both sides. The aim is to create a high level of transparency regarding the opportunities and risks of AT&S to strengthen a long-term partnership with the financing institutions which is successful for both sides. The annual and quarterly reports serve as the basis for this. In addition to the development of the financing network, AT&S

continuously monitors the money and capital markets regarding possible transactions and transaction partners. This is not limited to debt financing but also extends to all forms of equity and M&A financing.

2.4.3. CASH FLOW

Earnings situation boosts liquidity

Cash flow from operating activities before changes in working capital rose by € 24.2 million from € 472.0 million to € 496.2 million. This increase is primarily due to an increase by € 136.9 million in payments received as part of bilateral agreements to € 273.8 million (previous year: € 136.9 million). The year-on-year decrease in EBITDA by € 109.2 million to € 307.5 million (previous year: € 416.7 million) had a negative effect.

Interest payments were up € 36.1 million to € 59.1 million (previous year: € 23.0 million). Interest received increased by € 13.2 million to € 25.5 million (previous year: € 12.3 million). Income taxes paid declined by € 11.3 million to € 24.2 million (previous year: € 35.5 million).

Cash flow from operating activities, at € 653.4 million (previous year: € 476.4 million), is higher than in the previous year, which is primarily attributable to the positive changes in working capital. Cash flow from operating activities decreased by € 20.0 million due to an increase in inventories (previous year: increase of € 41.1 million) and due to a reduction in trade receivables, other receivables, and contract assets increased by € 88.0 million (previous year: increase of € 4.5 million). The positive change in trade payables and other liabilities increased cash flow by € 89.3 million (previous year: cash flow decreasing effect of € 51.8 million).

CASH FLOW STATEMENT (SHORT VERSION)

€ in millions	2023/24	2022/23	Change
Cash flow from operating activities before changes in working capital	496.2	472.0	5.1%
Cash flow from operating activities	653.4	476.4	37.2%
Cash flow from investing activities	(826.0)	(1,044.9)	20.9%
Operating free cash flow	(202.0)	(519.8)	61.1%
Free cash flow	(172.6)	(568.5)	69.6%
Cash flow from financing activities	51.8	211.0	(75.5%)
Change in cash and cash equivalents	(120.9)	(357.5)	66.2%
Currency effects on cash and cash equivalents	5.6	29.3	(80.9%)
Cash and cash equivalents at the end of the year	676.5	791.7	(14.6%)

Capital expenditures for property, plant and equipment, and intangible assets of € -858.8 million were lower than in the previous year (€ -1,101.0 million). Capital expenditures in Chongqing declined significantly, while outflows from investments in Hinterberg and Kulim increased.

While capital expenditures for property, plant and equipment, and intangible assets decreased by € 242.2 million in the financial year 2023/24, inflows from the sale of property, plant and equipment of € 3.4 million also dropped sharply compared to the previous year (previous year: € 104.8 million). The significantly higher inflows of the previous year primarily resulted from the change in financing method (leasing) in the previous year for the construction activities in Hinterberg. However, overall, **cash flow from investing activities**, at € -826.0 million, was significantly lower than in the previous year (€ -1,044.9 million).

Free cash flow from operating activities, i.e., cash flow from operating activities less net investments in property, plant and equipment and intangible assets, amounted to € -202.0 million in the financial year 2023/24 (previous year: € -519.8 million).

Free cash flow, i.e. cash flow from operating activities less cash flow from investing activities, amounted to € -172.6 million (previous year: € -568.5 million), which was primarily attributable to the positive change in working capital (change € 152.8 million), reduced investment activities (change in net capex € 140.8 million) and the higher payments received from customers (change € 136.9 million).

Cash flow from financing activities of € 51.8 million was € 159.2 million lower than in the previous year (€ 211.0 million). The most significant deviation resulted from other liabilities to financing partners, which increased to € 198.2 million in the previous year due to financing of investment projects in Chongqing, China, and which were unchanged in the financial year 2023/24. Likewise, there were no repayments of hybrid capital in the financial year 2023/24 (previous year: repayment of € 41.4 million).

Cash inflows were related to borrowings of € 507.7 million (previous year: € 340.1 million) and investment grants of € 22.2 million (previous year: € 21.4 million). Cash outflows resulted from the repayment of financial liabilities of

€ -445.0 million (previous year: € -54.7 million), the dividend payment of € -15.5 million (previous year: € -35.0 million), and the hybrid coupon payment of € -17.5 million (previous year: € -19.5 million).

Cash and cash equivalents decreased from € 791.7 million to € 676.5 million, due in particular to the high investment level. This reduction was partly offset by the positive cash flow from operating activities and the above-mentioned financing and investment measures. In addition, AT&S has current financial assets of € 26.9 million (previous year: € 25.1 million) at its disposal.

Overall, AT&S thus has cash and current financial assets totalling € 703.4 million (previous year: € 816.8 million). These resources, which are currently still at a very high level, combined with unused credit lines of € 581.5 million (previous year: € 725.6 million), serve to secure the financing of the future investment programme and short-term repayments.

2.4.4. PERFORMANCE INDICATORS

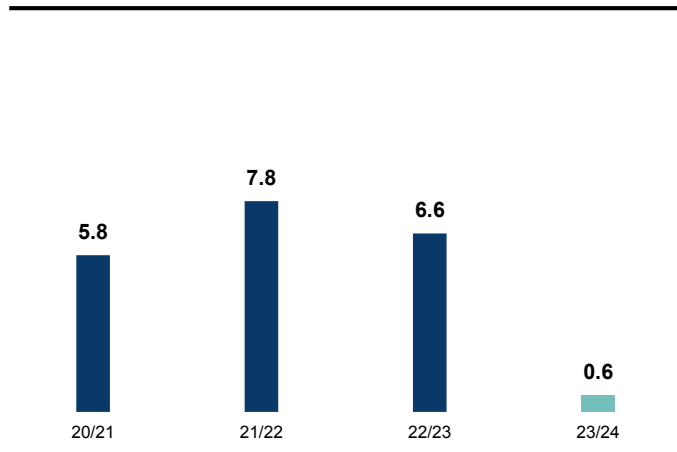
Indicators: ROCE and Vitality Index

In addition to revenue and EBITDA, AT&S uses the indicators ROCE and Vitality Index for strategic corporate management. They reflect the operating performance vis-à-vis investors and customers.

AT&S uses the return on capital employed (ROCE) to measure its operating performance from the point of view of investors, using the ratio of the result adjusted for finance costs – net to average capital employed. This ratio serves to derive the extent to which AT&S fulfils its investors' interest requirements. Average capital costs are derived from the minimum return investors expect for providing equity or borrowings. The weighted average cost of capital (WACC) for the printed circuit board industry was around 9.7%. With ROCE amounting to 0.6%, AT&S fell significantly short of this level during the reporting period.

ROCE

in %



Net operating profit after tax (NOPAT) decreased from € 115.0 million in the previous year to € 13.7 million primarily due to lower EBIT.

Capital employed rose by € 452.9 million both due to the higher average equity as a result of higher net debt. Since NOPAT dropped more sharply than capital employed, ROCE declined from 6.6% in the previous year to 0.6% in the financial year 2023/24.

The second performance indicator, the Vitality Index, shows the ability to implement innovations on timer and in response to the market. AT&S measures this ability using the Vitality

Index, which expresses the revenue share of products that feature new and innovative technologies and which have been launched on the market in the last three years. In the financial year 2023/24, the Vitality Index is 25.9% compared with 35.6% in the previous year. AT&S strives for a medium-term average Vitality Index of at least 20%. This target was exceeded in the financial year 2023/24.

2.5. Significant events after the reporting period

With regard to significant events after the reporting date, please refer to the explanations in the notes to the consolidated financial statements, note 27 "Significant events after the reporting date".

RETURN ON CAPITAL EMPLOYED (ROCE)

€ in millions	2023/24	2022/23	Change
Operating result (EBIT)	31.1	146.2	(78.7%)
Income taxes	(17.4)	(31.2)	44.3%
Operating result after tax (NOPAT)	13.7	115.0	(88.1%)
Equity – average	1,062.1	1,204.9	(11.9%)
Net debt – average	1,127.1	531.4	>100%
Capital employed – average	2,189.2	1,736.3	26.1%
ROCE	0.6%	6.6%	

VITALITY INDEX

€ in millions	2023/24	2022/23	Change
Main revenue	1,549.8	1,791.3	(13.5%)
Main revenue generated by innovative products	401.9	637.9	(37.0%)
Vitality Index	25.9%	35.6%	

3. OTHER STATUTORY INFORMATION

3.1. Plants and branch offices

The AT&S Group currently operates six production plants, which specialise in different technologies.

Leoben and Fehring The Austrian plants primarily supply the European market. In Europe, special applications and customer proximity are particularly important. Based on production and technological diversity, flexibility in manufacturing, and the broad customer spectrum, the plant in Leoben continues to pursue the path of niche and prototype production it embarked on in recent years. Among other things, production using embedding technology takes place in Leoben. In addition, investments were made in the expansion of the IC core line to provide the required capacities for precursor material to supply the production facilities in Chongqing, Kulim, and Leoben. Now the Company is investing in a new R&D centre for substrate and packaging solutions for the global semiconductor industry at the location in Leoben. As part of the current diversification strategy, new customers were won for the IC substrates business segment. As a result of this development, the R&D centre will be expanded to include series production. In April 2024, the installation of the equipment for IC substrates began, and the start of series production is expected for 2025. The Fehring plant serves the Electronics Solutions segment, in particular the 3S areas (smart infrastructure, smart mobility, and smart manufacturing), as well as the medical device segment.

Shanghai The Shanghai plant manufactures HDI (High-Density Interconnection) and mSAP (modified semi-additive process) printed circuit boards, in particular for customers in the areas of 3C (computer, communication and consumer electronics) and 3S (smart infrastructure, smart mobility and smart manufacturing). The plant has established itself as a leading supplier of the latest technology generation and its broad technology spectrum is very well received by customers.

Chongqing The location in Chongqing currently comprises three operating plants. The plants Chongqing I and Chongqing III are designed for the production of IC substrates (integrated circuit substrates). At Chongqing III, which was newly built in 2021, the first of four production lines

commenced production of large series in October 2021. The second line was commissioned in 2022, while a large part of the third line was approved for production in 2023. The installation work for the fourth line will be resumed depending on the development of the semiconductor market. High-end mSAP printed circuit boards and printed circuit boards for modules are produced for mobile applications at the Chongqing II plant. The production capacity for modules was further expanded to serve the growing customer demand in the high-end segment. The full expansion of the plant is scheduled to be completed in the coming financial year.

Kulim Construction of the plant for IC substrates, which commenced in October 2021, is in progress. The construction work is proceeding as scheduled; however, part of the investment project will be executed later than planned. Installation of the equipment started at one of the plants and the first products have been delivered for qualification by the customer. The site was officially opened in January 2024.

Ansan The very positive development of the site in Korea continued in the financial year 2023/24 in particular in the medical technology segment for European and American customers. Capacity utilisation was very good at this site during the financial year 2023/24.

Nanjangud The site continued to focus on exports and strengthened its position, particularly in the automotive market. The qualification for HDI products continued, and the strategy towards higher-quality technologies in the product mix was thus further pursued.

Hong Kong AT&S Asia Pacific, based in Hong Kong, is the holding company and the headquarters of Group-wide procurement. The proximity to the customers' CEMs and to suppliers is a locational advantage that is highly valued by business partners.

Sales support companies The sales support companies in America, Germany, Japan, Taiwan and Sweden continued to ensure good and close contact with customers in the financial year 2023/24.

3.2. Shareholder structure and disclosures on capital (disclosures pursuant to § 243a UGB)

Capital share structure and disclosure of shareholder rights

As of the reporting date of 31 March 2024, the Company's ordinary shares amount to € 42,735,000 and are made up of 38,850,000 no-par value shares with a notional value of € 1.10 per share. The voting right at the Annual General Meeting is exercised according to no-par value shares, with each no-par value share equalling one voting right. All shares are bearer shares.

Significant direct and indirect shareholdings in the Group parent company AT&S Austria Technologie & Systemtechnik Aktiengesellschaft, which amount to at least 10% at the reporting date, are presented below: [see table below](#).

At the reporting date of 31 March 2024, roughly 64.3% of the shares were in free float. With the exception of the shareholdings stated below, no other shareholder held more than 10% of the voting rights in AT&S. No shares with special control rights exist. The exercise of the voting right by employees who hold shares in the Company is not subject to any limitations.

No special provisions exist on the appointment and dismissal of members of the Management Board and the Supervisory Board.

The contracts of all Management Board members include a "Change of Control" clause. Such a change of control exists if a shareholder of the Company has obtained control of the Company in accordance with Section 22 of the Austrian Takeover Act (ÜbG) by holding at least 30% of the voting rights (including the voting rights of third parties attributable

to the shareholder pursuant to the Austrian Takeover Act), or the Company has been merged with a non-Group legal entity, unless the value of the other legal entity amounts to less than 50% of the value of the Company according to the agreed exchange ratio. In this case, the Management Board member is entitled to resign for good cause and terminate the Management Board contract at the end of each calendar month within a period of six months after the change of control takes legal effect, subject to a notice period of three months ("special termination right"). If the special termination right is exercised or the Management Board contract is terminated by mutual agreement within six months of the change of control, the Management Board member is entitled to the payment of their remuneration entitlements for the remaining term of this contract, however, for a maximum of three annual gross salaries. Other remuneration components shall not be included in the calculation of the amount of the severance payment and shall be excluded from it.

The Management Board was authorised at the 25th Annual General Meeting on 4 July 2019, until 3 July 2024, to increase the Company's ordinary shares, subject to the approval of the Supervisory Board, by up to € 21,367,500 by way of issuing up to 19,425,000 new, no-par value bearer shares, for contributions in cash or in kind, in one or several tranches, also by way of indirect subscription rights, after having been taken over by one or more credit institutions in accordance with Section 153 (6) of the Austrian Stock Corporation Act (AktG). The Management Board was authorised to determine, subject to the approval of the Supervisory Board, the detailed terms and conditions of issue (in particular the issue amount, subject of the contribution in kind, the content of the share rights, the exclusion of subscription rights, etc.) (approved capital). The Supervisory Board was authorised to adopt amendments to the Articles of Association resulting from the issuance of shares from the approved capital.

Furthermore, the Management Board was authorised at the 25th Ordinary General Meeting on 4 July 2019 to issue,

SIGNIFICANT DIRECT AND INDIRECT SHAREHOLDINGS

Shares/in %	Shares	% capital	% voting rights
Dörflinger-Privatstiftung: Vienna, Austria	7,043,133	18.13%	18.13%
Androsch Privatstiftung: Vienna, Austria	6,819,337	17.55%	17.55%

subject to the approval of the Supervisory Board, one or several convertible bearer bonds at a total amount of up to € 150,000,000 until 3 July 2024 and to grant to bearers of convertible bonds conversion rights and/or subscription rights for up to 19,425,000 new no-par value bearer shares in the Company in accordance with the convertible bond terms and conditions to be defined by the Management Board. In this regard, the Management Board was also authorised to fully or partially exclude shareholders' subscription rights. In this context, the Company's ordinary shares were conditionally increased by up to € 21,367,500 by way of issuance of up to 19,425,000 new no-par value bearer shares in accordance with Section 159 (2) No. 1 of the Austrian Stock Corporation carried out if the bearers of convertible bonds issued based on the authorisation resolution passed at the Annual General Meeting on 4 July 2019 claim the right to conversion and/or subscription granted to them with regard to the Company's shares. The Management Board was also authorised to determine, subject to the approval of the Supervisory Board, the further details of carrying out the conditional capital increase (particularly the issue amount and the content of the share rights). The Supervisory Board was authorised to adopt amendments to the Articles of Association resulting from the issuance of shares from the conditional capital. The same applies in case the authorisation to issue convertible bonds is not exercised or the conditional capital is not used.

With regard to the approved capital and the conditional capital, the following definition of the amount in accordance with the resolutions passed at the 25th Ordinary General Meeting on 4 July 2019 is to be observed: the sum of (i) the number of shares currently issued or potentially to be issued from conditional capital in accordance with the convertible bond conditions and (ii) the number of shares issued from approved capital shall not exceed the total amount of 19,425,000 (limitation of authorised amount).

The Annual General Meeting also resolved to amend the Articles of Association in § 4 (Nominal capital) to reflect these changes.

Treasury shares

At the 29th Ordinary General Meeting of 6 July 2023, the Management Board was again authorised to purchase, within a period of 30 months from the adoption of the resolution, treasury shares to an extent of up to 10% of the nominal share capital for a minimum consideration per share being at the

most 30% lower than the average, unweighted stock exchange closing price over the preceding ten trading days and a maximum consideration per share at the most 30% higher than the average, unweighted stock exchange closing price over the ten preceding trading days; such purchases may take place via the stock exchange, by means of a public offering or any other legally permitted way, and for any legally permitted purpose. The authorisation also includes the purchase of shares by subsidiaries of the Company (Section 66 of the Austrian Stock Corporation Act). The Management Board was also authorised to withdraw shares after repurchase as well as treasury shares already held by the Company without further resolution by the Annual General Meeting. The Supervisory Board was authorised to adopt amendments to the Articles of Association arising from the withdrawal of shares. The authorisations granted by the resolution of the 27th Ordinary General Meeting on 8 July 2021 on agenda item 10 were revoked.

Furthermore, the Management Board was authorised at the 25th Ordinary General Meeting on 4 July 2019 for a period of five years, i.e. up to and including 3 July 2024, subject to the approval of the Supervisory Board, to sell or use the repurchased treasury shares or treasury shares currently held by the Company other than via the stock exchange or by public offer in particular for the purposes of stock transfer programmes, convertible bonds or as a consideration for the acquisition of entities, investments or other assets or for any other legal purpose, and to exclude a general purchase opportunity for shareholders.

The Company held no treasury shares as of 31 March 2024.

Free reserves

At the 27th Annual General Meeting of 8 July 2021, the Management Board was authorised to reallocate an amount of up to € 50,000,000 of the balance sheet profit carried forward to new account – after dividend distribution – to free reserves, subject to the approval of the Supervisory Board.

There are no off-balance sheet transactions between AT&S and its subsidiaries.

AT&S has neither granted any loans nor assumed any liabilities in favour of board members.

For further information, please refer to the notes to the consolidated financial statements, Note 22 “Share capital” as well as Note 15 “Financial liabilities”.

The Company’s Corporate Governance Report pursuant to Section 243b of the Austrian Commercial Code is available at <https://ats.net/en/company/corporate-governance/>.

3.3. Non-financial statement

In accordance with Section 243b (6) UGB (Austrian Commercial Code), the Company is exempt from the obligation to prepare a non-financial statement in the Management Report since a separate non-financial report has been drawn up. This non-financial report is included in the Annual Report 2023/24 as a separate chapter.

4. RESEARCH AND DEVELOPMENT

Structural development of technological opportunities

AT&S's research and development activities are focused on exploiting the opportunities arising from digitalisation and ecological optimisation (e.g. artificial intelligence) for AT&S. The electronics industry, in particular microelectronics, plays a central role in this context. It provides systems that enable digitalisation in the first place (e.g. data centres and computers with high-performance processors). In addition, the energy consumption of these devices can be reduced dramatically based on the efficient structure of the overall systems. Microelectronics also forms the basis for completely new solutions for more efficient energy use along the entire value chain (production, transportation, storage and usage). The ongoing projects in this context are summarised in our four key development areas.

High-performance computing: Services based on artificial intelligence (AI) and other developments in digitalisation are applied more and more frequently, thus finding their way into our everyday lives. This becomes possible through high-performance computers located in servers and data centres. To cope with massively growing data volumes, these high-performance computer systems are becoming ever more powerful and have to use less energy at the same time. AT&S develops solution concepts for IC substrates that specifically cater to those needs.

High-frequency electronics: As digitalisation progresses, the data volume to be transmitted will also increase significantly in the years to come. Electronic systems working at higher frequencies (e.g. communication modules for 5G and in the future 6G, radar systems for cars) will offer solutions in this regard. These will require new interconnect technology solutions. Based on development projects in this area AT&S ensures that the products transmit signals fast, precisely and with minimal losses.

Power and power efficiency: In view of the sustainability efforts, there is currently a strong trend in electrification towards carbon-neutral energy production, new energy source systems and electricity-based forms of propulsion. AT&S focuses its development activity on systems that enable optimum power supply with the lowest electrical losses from energy production to usage, and can therefore switch, control and transmit high loads.

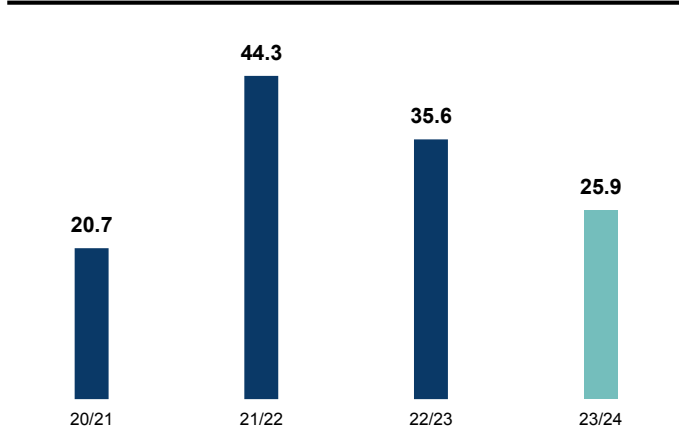
Virtual development and resource efficiency: Industrial production processes will change fundamentally in the decades to come. The processes will increasingly be organised using artificial intelligence (AI), and sustainability will also play a key role: the manufacturing of products must involve minimum consumption of natural resources, be highly reliable and enable the reuse of the materials employed. AT&S is working on new solutions that allow efficient and flexible manufacturing with minimum resource consumption (material, water, energy, etc.). To this end, large data volumes are being put to use via digitalisation to optimise and improve production processes as well as product properties and quality, and new solutions enabling the sparing use of resources in production are being developed.

Innovation rate still high

The Vitality Index measures the impact of the innovative strength of a company. It describes the revenue share AT&S has generated with innovative products launched on the market in the past three years. Generally speaking, the Vitality Index is higher in the years following the successful implementation of new technologies and lower in the development phase of new technologies (i.e. during the phase before their market launch). In the past financial year we see the effect of the launch of new, innovative products on the market. AT&S strives for a mean annual Vitality Index of at least 20%. In the past financial year, a Vitality Index of 25.9% was recorded.

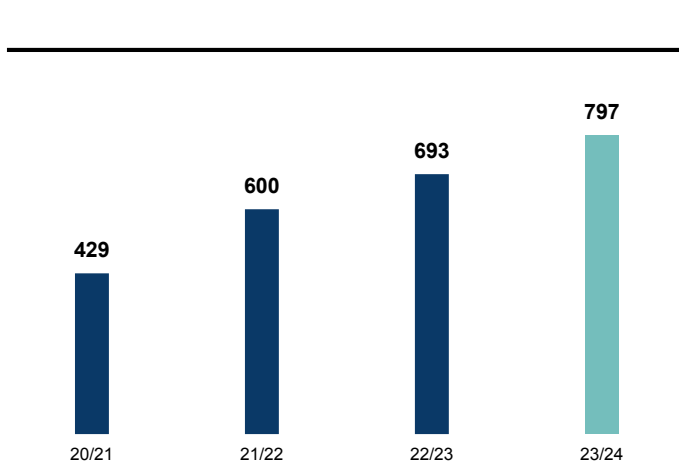
VITALITY INDEX

in %



The innovative strength and long-term competitiveness of a company are also reflected in the number and quality of its intellectual property rights: AT&S submitted a total of 62 new patent applications in the financial year 2023/24. At present, AT&S has 573 patent families, which resulted in 797 granted patents. The IP portfolio is further strengthened by externally acquired licences, in particular in the area of embedding technology.

NUMBER OF PATENTS GRANTED

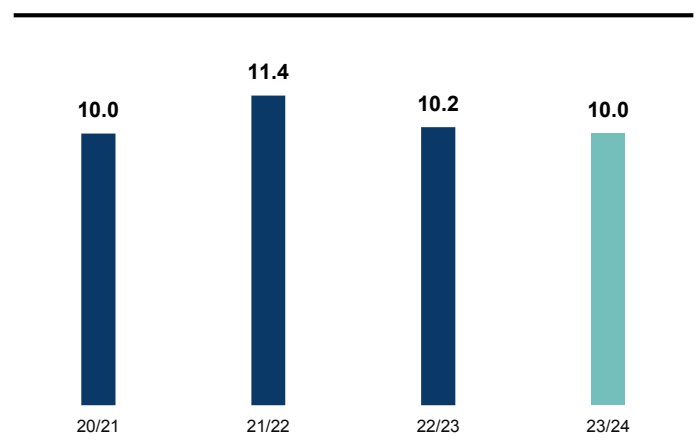


R&D expenses: 10.0% of revenue

The costs of research and development projects totalled € 155.4 million in the financial year 2023/24. This corresponds to a research rate (i.e. ratio to revenue) of 10.0% compared with 10.2% in the previous year. Based on the continuously high research rate, AT&S is securing its position as a technology leader for the years to come.

RESEARCH RATE

in %/ratio to revenue



Two-stage development process

AT&S pursues a two-stage innovation process: The first stage is based on technology platforms. In these technology platforms, technical approaches are developed to solve the technical problems in the strategic applications of AT&S for the coming years. This stage corresponds to applied research and technology evaluation.

Subsequently, it is the task of the local technology development and implementation departments at the AT&S sites to continue the experimental development of processes and products and to integrate them into the existing production process.

These development activities are accompanied by developments in the virtual world and strong collaboration with our customers, suppliers, and research institutions.

Key development projects

The key development areas for “High-performance computing”, “High-frequency electronics” and “Power and power efficiency” were further expanded. In these platforms, solution concepts that will support the challenges of electronic systems and find optimal solutions by the end of the decade are developed.

For example, new assembly and interconnect concepts are being developed that enable connecting individual components of computers chips with a high signal rate, and, using a variety of different materials (e.g. glass), giving the ever larger IC substrates the necessary reliability and form stability, and offering concepts for the energy-efficient power supply of high-performance computer modules, low-loss circuit and cooling concepts for electromobility and energy supply.

In the future, these developments will be strongly supported and accelerated by the R&D centre at the AT&S headquarters in Leoben, which is currently being established. It is a development centre for IC substrates and other technologies in the field of advanced electronic packaging. An R&D, prototype and series production line, which globally sets a new technological standard in this area, constitutes the heart of the centre. This measure brings a technology segment to Europe which is only available in Asia today, thus making a substantial contribution to technological supply security. Coupled with the investments in research and development at the headquarters in Leoben in the areas of “Substrate – Core” and “Packaging Technologies” over the past years, this new centre will become a hotspot in electronics development and will be a guarantor of leading-edge solutions made by AT&S.

5. OPPORTUNITIES AND RISKS

5.1. Opportunities and risk management

STRUCTURE AND INSTRUMENTS

Opportunities and risk management is a fundamental part of conducting business within the AT&S Group. The objective of increasing enterprise value involves not only opportunities but also risks. The task of Risk Management is to provide a uniform system that enables early identification and proactive management of positive or negative deviations from the corporate goals. Therefore, AT&S operates a Group-wide Risk Management (RM) system in accordance with the Austrian Code of Corporate Governance (ACCG), an Internal Control System (ICS) in accordance with COSO standards, as well as Internal Audit based on the IIA standards.

From an organisational perspective, Risk Management, Internal Control System and Internal Audit functions fall within the responsibility of the CFO. Risk Management reports regularly to the full Management Board at a Management Board meeting. The Supervisory Board is included within the framework of the Audit Committee meetings, which take place at least twice a year. The proper functioning of the risk management system is assessed annually by the auditor in the course of the annual audit of the financial statements pursuant to Rule 83 ACCG.

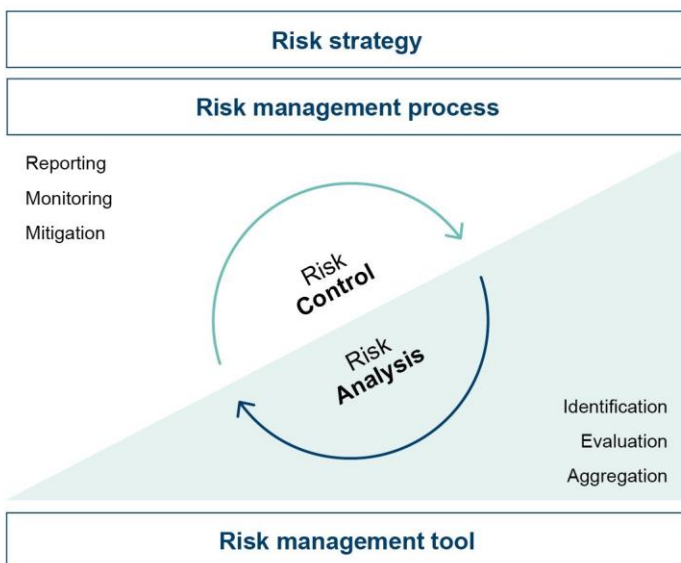


Figure 1: AT&S Risk management process

The risk management process shown in Figure 1 is conducted at least twice a year.

Risk management is conducted based on the risk strategy and risk exposure at the hierarchy level assigned to the relevant level of risk (see Figure 2), which was defined in a Group-wide risk management policy.

RISK MANAGEMENT IN 2023/24

In the financial year 2023/24, the integration of Enterprise Risk Management in all organisational units was intensified. At risk management workshops with the Group, business unit and plant functions, risks are comprehensively identified and assessed, and mitigation measures are defined. The standardized parameters used for the risk assessment have been revised within financial year 2023/24. Furthermore, the continuous improvement of the maturity level is mirrored in the risk reporting to the Management and Audit Committee.

Risk strategy:

defined by the Management Board and process owners.

Risk identification:

group-wide identification and evaluation. Immediate reporting of significant new risks.

Risk evaluation:

consistent group-wide evaluation of all risks with respect to their impact, probability of occurrence and resulting risk rating.

Aggregation & reporting:

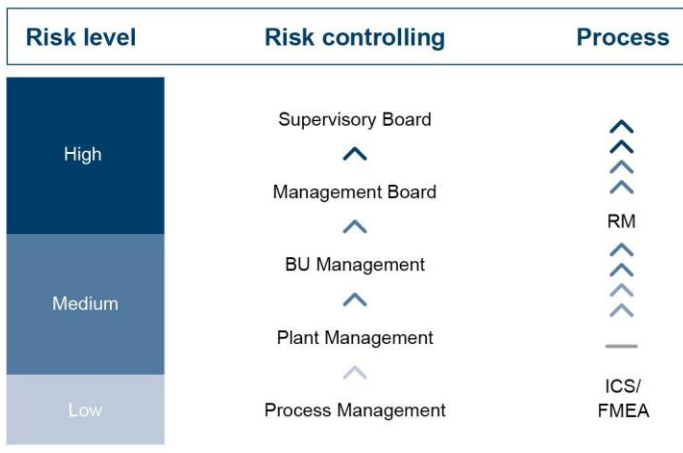
aggregation and regular reports of all significant risks to the Management Board and Audit Committee by the Risk Manager.

Risk mitigation & monitoring:

in accordance with defined reporting and decision levels actions to mitigate the identified risks are taken (based on risk level, see Figure 2).

Risk management tool:

group-wide for risks



RM: Risk Management; ICS: Internal Control System; BU: Business Unit; FMEA: Failure Mode and Effects Analysis
Figure 2: AT&S Risk levels and Risk controlling

5.2.Explanation of individual risks

The risks, uncertainties, and opportunities facing the Group are generally based on worldwide developments in the printed circuit board and substrate market and the Group’s own operating performance. The material risks are described by risk category in the following section.

STRATEGY

Investment risk

To use growth potential, AT&S has undertaken substantial investments in new technologies (IC substrates) as well as in the further development and capacity expansion of existing technologies (SLP, mSap, HDI). To secure the high-end substrate business as a strategic cornerstone, AT&S is investing in a production site at the Kulim Hi-Tech Park, Kedah, Malaysia. The project is carried out in cooperation with two leading manufacturers of high-performance computing semiconductors. One of the two plants is nearly finalised and qualification has started. Production is expected to ramp at the end of fiscal year 2024/25. The building envelope of the second plant is completed. The timing of the procurement and installation of production equipment depends on how the market and the situation of a relevant customer develop.

Risk exposure & risk level:

the AT&S risk levels are derived by impact and probability of occurrence as an indicator of the risk capacity of the Group.

ICS & RM:

management of process risks supported by the internal control system. At group level, relevant risks are managed and reported through the risk management process.

Risk controlling:

clear assignment of responsible decision levels based on risk level (see left) and definition of responsibilities for the implementation of mitigation measures.

In addition, the Company invested in a new R&D center for substrate and packaging solutions for the global semiconductor industry at its site in Leoben-Hinterberg. As part of the current diversification strategy, new customers were won for the IC substrate segment. As a result of this development, the R&D center will be expanded to include series production, supported by financing contributions from new customers.

Unexpected technological developments, changes in demand, restrictions through third-party patents, negative price developments, shorter technology cycles or problems in the technical implementation may have severe adverse effects on the intrinsic value of such investments. These effects can generally impact all current AT&S business activities. If there are any indications of such adverse effects, impairment tests of these investments are performed as required, which may lead to high impairment requirements due to the high investments made.

Competition risk

The use of HDI technology was successfully transferred from smartphone applications and other mobile devices to further applications, for example in the automotive industry. Delays in switching over to the new technologies on the customer side and volatile market developments may pose challenges for AT&S and lead to excess supply, over-capacities, and underutilisation.

The opportunities of the AT&S plants are based on high flexibility, high quality standards, and the ability to react very quickly to changing specifications and technologies. These capabilities are imperative for prevailing in the competitive environment, especially in the Industrial segment, which is subject to diverse technological requirements among a large number of customers. To safeguard this competitive edge, AT&S constantly pursues new forms of technology and projects in close cooperation with customers.

The market demand for IC substrates significantly declined in 2023 and is expected to grow at the end of fiscal year 2024/25. A recovery to 2022 levels is expected to take at least until 2025, however. The rapid decline and elevated inventories in the market of IC substrates for notebooks, seen after the boom of 2021/2022, ended and stabilized in 2023. The rapid demand increase for high-priced AI-related infrastructure as well as macroeconomic conditions (e.g. inflation, high interest rates, fears of recession) muted the numbers of server systems sold in 2023. This led to a decline in demand for server-related IC substrates and also elevated inventories. Based on seasonal market dynamics, the market is expected to pick up at the end of fiscal year 2024/25 again and lead to overall growth in IC substrates. AT&S is therefore adjusting the investment program in Malaysia to the current market situation.

Competitor risks arise due to potential quality improvements and technological developments in countries with low production costs, for example, Vietnam or the Philippines. This could lead to a loss of competitiveness at AT&S sites, especially in Austria but possibly also at other production sites such as those in South Korea and China. In addition, competitors announced substantial investments in capacities for ABF substrates and PCB production sites outside of China in the past year, which can lead to additional overcapacities in the market and the resulting falling prices.

Moreover, a difficult market environment in the financial year 2024/25 could adversely impact the Group's results. The war in Ukraine with its effects on the energy market, continued tensions between the USA and China, the upcoming election in the USA as well as a potentially persisting high interest level result in a continued weak market environment. Lower demand for IC substrates, possible reservations of customers regarding deliveries from China, stagnating smartphone

sales, weak demand in the Automotive and Industrial segments as well as unfavourable market developments in the other core segments could lead to a decline in revenue. The broad-based positioning of AT&S in the Mobile Devices & Substrates segment and in the Automotive, Industrial, Medical segment with their different production cycles can partially mitigate market risks. Along with controlling risks, crisis-proof applications are being pushed based on customer and application analyses, for example applications in the medical sector.

MARKET

Potential loss of key customers

With the help of advanced production technologies and high-quality standards, AT&S has managed to establish itself as a reliable provider to some of the world's most renowned players in the electronics industry. Due to the focus on high-end technology, the number of customers is limited to technology leaders. The revenue generated by the five largest customers accounts for 71% of total revenue, with the respective shares ranging from 2% to 35%. Our long-term relationships with these customers also offer excellent opportunities for the future. However, a concentration of this kind also poses risks if there is a significant reduction in business volume or profitability from these customers. As part of its diversification strategy, AT&S succeeded in winning additional IC substrate customers, in particular in the area of server ICs. These measures support the rapid compensation of potential negative developments among individual key customers. Nevertheless, adverse changes in the markets can have a negative impact on AT&S, as the customers operate in similar market segments.

PROCUREMENT

Procurement prices and availability

Supply chain trends are evolving all the time, the recent history has proven how important it is to be responsive, scalable and agile. Due to the past year market downturn, leading to even more customer demand volatility, the must-win battle is about providing a rapid response to customers, with shorter lead times, in order to excel in customer service and value proposition. AT&S is continuously optimizing its supplier base to create value, reduce delivery lead times, mitigate procurement risks through targeted supplier management, and exceed customer expectations. The past

disruptions (Covid-19, war in Ukraine, geopolitical tensions) have eventually led to improvements in responsiveness and lead time reduction, thanks to alternate transportation options, as well as the qualification of new vendors regionally closer to AT&S manufacturing locations. Likewise, anticipating our production needs in Malaysia, an extended supplier base is being developed in South-East Asia.

The market price volatility observed shortly after the beginning of the war in Ukraine has been contained: for raw materials the LME Copper rate has been very stable over the last 12 months. On the contrary, Gold prices increased over the same timeframe, while Palladium price dropped, therefore the impacts were able to compensate each other.

Suppliers

The sourcing strategy of AT&S focuses on a wide and clearly diversified base of carefully selected suppliers to reduce dependencies on individual suppliers. Long-standing and stable customer-supplier relations are in place with key suppliers with particular expertise and competitive standing. To avoid supply shortages, AT&S conducts rigorous supplier risk management, taking account of regional cluster risks and various supply routes. In this matter of Transportation & Logistics, since the end of December 2023, the ongoing conflict in the Middle East has escalated, and shipping companies have suspended the crossing of the Red Sea, re-routing their vessels around the Cape of Good Hope in Africa. These disruptions in the Suez Canal have created more challenges through longer transit times, higher costs, and lower on-time reliability with accumulated delays & shortages. AT&S is very closely monitoring the situation with partners and freight forwarders, consequently due to immediate responsiveness and actions implemented (e.g. extension of lead times extended, revision of ordering patterns, inventory levels readjustment, pre-booking of vessels), there has been no major impact reported.

BUSINESS ENVIRONMENT

Location-specific risks

The vast majority of AT&S's operating activities are based at sites outside of Austria, particularly in China. This means that the Group might be subject to potential legal uncertainties, state intervention, trade restrictions or political unrest. Irrespective of the above, any production site of the Group may furthermore be exposed to disruptive events such as fire,

natural disasters, acts of war, shortages of supply or other elementary events. The termination of land use rights, permits, or lease contracts for specific plants might also have a considerable negative impact on the production output of the Group.

Manufacturing PCB's and IC substrates require a large number of wet-chemical, energy- and water-intensive processes. Furthermore, room conditions within the production area (e.g. clean room) and storage area (e.g. cold storage) have to meet specified limits. Climate-related changes may cause an increase in ambient temperature and a higher frequency of extreme weather events (e.g. heatwaves, drought), which could lead to a limitation of resources (e.g. supply of water and energy). Consequently, either costs could increase (e.g. for heating or cooling) or, in the worst case, disruptions of the production process can occur, if the supply is interrupted. Additionally, further limitations on the discharge of pollutants into the air and water as well as stricter standards for the treatment, storage, and disposal of solid and hazardous wastes could be imposed. Therefore, AT&S is working on recycling projects (e.g. copper- and water recycling) to increase closed-loop processes and also a strategy to reduce waste. Moreover, the production processes expose some of the employees to impairments with regard to chemicals, noise, or emissions. Inadequate personal safety standards and inadequate safety management could cause business interruptions owing to rising accident and health cases.

To minimise the effects of such risks, the Group has instituted business continuity management. AT&S also conducts active insurance management by means of weighing the risks and associated costs. It has concluded insurance contracts to the extent customary for a company of this size wherever such contracts were available at costs that are reasonable in relation to the impending risks.

Political risks

The electronics industry is characterised by highly integrated, transnational supply chains that are based on the free trade of goods and services. Potential protectionism or growing political tensions can lead to discontinuities in the supply chain and to competitive advantages for competitors in specific countries.

The war between Ukraine and Russia, which has been ongoing since February 2022, has an impact on the entire global economy. In addition to the resulting humanitarian disaster, the war also affects the availability of materials and energy, which is reflected in their price development. Uncertainties regarding energy supply, particularly electricity, can also have a negative effect on AT&S. To mitigate this risk, measures have been taken to enable the Company to respond quickly if required. Furthermore, the AT&S energy strategy was also expanded to include the aspect of security of supply. Nevertheless, far-reaching sanctions and other unexpected geopolitical developments can have negative effects on the business operations of AT&S.

A potential aggravation of the trade conflict between the USA and China could lead to an increase in punitive tariffs on imports of certain goods in both countries as well as trade restrictions for technology companies. From the current perspective, the trade conflict only has an insignificant influence on AT&S. Nevertheless, ongoing monitoring of new trade restrictions and/or export controls related to AT&S's underlying technologies, raw materials, and equipment as well as potentially affected customers is necessary.

In recent months, new escalations in East Asia, particularly between China and Taiwan, but also in Korea, as well as the renewed conflict in the Middle East, could have a general impact on global supply chain interdependencies. It is therefore important to monitor any intensification of these conflicts, which could potentially negatively impact on business activities. In addition, resulting macroeconomic developments may have an adversely affect the business of AT&S.

The escalated war between Israel and the Palestinians in the Middle East is giving rise to further uncertainties in the global economy. In terms of manufacturing, Israel's weight in the global semiconductor market is limited. Furthermore, AT&S doesn't partner with manufacturing companies in Israel and is not dependent on the market in Israel. Nevertheless, the Red Sea crisis driven by the Middle East conflict has a negative impact on the transportation of goods and materials. Currently there are no major impacts on AT&S's business, but a close monitoring of the situation is ongoing.

Compliance

Amendments to regulatory requirements (for example REACH and ROHS), such as the prohibition of specific processes or materials, might lead to a rise in production costs. AT&S might be subject to payment of substantial damages or penalties should any breach of customer confidentiality agreements or statutory provisions occur. AT&S has implemented organisational measures aimed at preventing or minimising the occurrence of compliance risks. The extension of such measures is ongoing. As a rule, AT&S follows a zero-tolerance policy and expects 100% compliance with all applicable laws and regulations from its employees. The Governance, Risk & Compliance Committee (GRC Committee) supports Enterprise Risk Management in monitoring the risk landscape and helps promote compliance with legal and regulatory requirements. In addition, AT&S introduced the whistleblowing platform "We Care", which enables employees and external third parties to report potential compliance violations.

Fraud, data security and cybercrime

To continue to successfully prevent attempted fraud, internal controls were further intensified in the past few financial years and initiatives to raise awareness among employees with regard to such fraud schemes were increased. Based on an analysis of internal processes regarding the use of personal data, the required measures were assessed and implemented in order to ensure the protection of sensitive data. Following the successful certification of all European locations in accordance with ISO 27001, the Information Security Management System (ISMS) was rolled out at all production locations and certification according to ISO 27001:2013 was performed. Alignment with international IT standards ensures safe handling and appropriate access to information, and the availability of reliable systems.

Despite best efforts, we must acknowledge that no system is completely immune from potential hacking attacks. Such incidents, if they occur, could negatively impact the security of data and the availability of IT systems. AT&S continually strives to mitigate these risks and ensure the safety and integrity of its systems.

OPERATIONS

Quality and delivery performance

As in the past, the high quality of products, adherence to delivery deadlines and service quality will offer the Group an opportunity to differentiate itself from the competition and exploit growth opportunities in the future. At the same time, AT&S has to make substantial contractual commitments, especially to key customers, with respect to capacity reserves and volume guarantees, adherence to delivery deadlines, and quality performance. Any technical defects, quality deficiencies, difficulties in delivering products, or failure to provide volume guarantees granted may expose AT&S to warranty claims, claims for damages, and contractual penalties. Quality deficiencies may even lead to delivery stops for certain part numbers. Even if such quality deficiencies were not caused in the production process of AT&S but within the supply chain, such delivery stops may lead to significant drops in revenue. Substantial quality deficiencies could also result in product recalls and the loss of customers. AT&S has established a quality management and planning system designed to rule out or minimise deficiencies in product quality and planning mistakes and their negative consequences as far as possible. In order to ensure high product quality, AT&S not only meets general international quality standards (ISO 9001) but also further standards for the automotive (e.g. IATF 16949), aviation (e.g. NADCAP accreditation), and medical technology (e.g. DS/EN ISO 13485) sectors. Furthermore, the Group is insured against major risks by virtue of an (extended) product liability insurance policy taking into account exclusions of coverage and customary coverage limits.

Intellectual property

AT&S endeavours to exploit any opportunities for obtaining intellectual property as well as gaining access to promising patents through the development of its own projects, cooperation schemes with partners, and investments. Risks arise if AT&S fails to protect its intellectual property, thus enabling the competition to utilise these technologies. Legal disputes about intellectual property can prevent AT&S from using or selling disputed technologies. Furthermore, legal disputes with regard to the unauthorised use of external intellectual property can have considerable negative financial consequences.

Technology and project development

The establishment and expansion of capacity for IC substrates in Chongqing and Kulim lead to specific risks given the significant investment volume. The market for IC substrates is influenced by technological changes. The establishment of an R&D centre including prototype production in Austria is also intended to serve the development of new technologies, thus mitigating the market risk of IC substrates. However, this technological progress includes the general risk of new technology developments. Complications in advancing these technological developments and project implementation could result in major burdens on business development and the existing financial and administrative resources.

Cost control

AT&S has initiated comprehensive cost optimisation programmes in order to mitigate effects resulting from weak demand, price pressure, and inflation. These programmes focus on increasing the scope of continuous improvement measures, on accelerating their implementation, and on eliminating the inefficient use of materials and resources as far as possible. Continuous cost reduction and efficiency increases in all business segments are crucial to the Group's profitability. If cost reduction measures and performance increases cannot be implemented as planned (or if the costs cannot be passed on to customers), this may have a negative impact on the competitiveness of the Group.

ORGANISATION

Employees

The collective industry experience and management expertise of the employees of the AT&S Group are the foundation for using future opportunities. The two major projects (Leoben and Kulim) require a high number of qualified personnel. Should it not be possible to hire sufficient qualified staff, this might have a negative impact on the progress of these major projects. AT&S continuously develops strategies for retaining key employees, recruiting additional valuable personnel, and further expanding the skills of its staff.

FINANCE

Foreign exchange risk

Exchange rate fluctuations can have considerable positive or negative effects on the results of the Group. To minimize the transaction effects, the Group employs a hedging strategy by generating opposing cash flows in the respective currencies. The high investments in Asia over the past few years and the expected strong revenue growth will result in significant translation risks related to the RMB and MYR. Finance costs are influenced by currency effects because investments are in part denominated in foreign currency. The main intragroup loans are long-term in nature and their repayment is neither scheduled nor probable in the foreseeable future. These loans are therefore recorded directly in equity through the statement of comprehensive income. The extent of these risks is regularly analysed. The results are incorporated into strategies to implement efficient currency management.

Financing and liquidity

The Group uses both short- and long-term financial and liquidity planning to secure the financial needs for the expansion strategy. However, negative business developments, significant deviations from assumptions in business cases, further changes in interest rates, exchange rate fluctuations, or valuation adjustments may have caused failure to achieve the targeted equity ratio and the net debt/EBITDA ratio, and subsequently may lead to additional financing requirements and higher costs, or even the temporary loss of existing financing facilities. The interest rate risk is hedged centrally for the Group by the Group Treasury as a whole, using appropriate financial instruments.

For more information on financial, liquidity, credit, and foreign exchange risks, please refer to Note 20 "Additional disclosures on financial instruments" in the notes to the consolidated financial statements.

Tax risk

The Company is active on a global basis and thus subject to different tax systems. Unless the requirements for the formation of a provision or liability are met, both national and international tax risks are incorporated within financial risks and monitored accordingly. At present, the material tax risks are related to the Company in India. To minimise future tax risks, the Group continuously monitors compliance with national tax laws and international guidelines such as those

of the OECD (in particular with a view to the BEPS action plan (Base Erosion and Profit Shifting)). Although AT&S strives to comply with all tax laws and regulations, there is a risk of different interpretations of international transactions in different countries, which may lead to double taxation and additional tax burdens. In addition, there is a risk of higher tax burdens resulting from future changes in tax legislation.

ESG

ESG risks, i.e. risks regarding environmental, social, and governance issues, have also been considered as part of corporate risk management. For further information regarding material ESG risks, please refer to the non-financial report 2023/24, section "ESG opportunities and risk management".

5.3. Internal control and risk management system with regard to accounting

The accounting-related Internal Control and Risk Management system is an integral part of the Group-wide risk management system. According to the framework concept of COSO (the Committee of Sponsoring Organizations of the Treadway Commission), the actual risk management, as well as the Internal Control System (ICS), are subsumed under the concept of company-wide risk management. The main criteria of Risk Management, Internal Control System, and Internal Audit of AT&S are specified in a Group-wide risk management and audit manual.

The documentation of the internal controls (business processes, risks, control measures, and those responsible) is made principally in the form of control matrices, which are archived in a central management database. The accounting-related Internal Control System includes principles, procedures, and measures to ensure the compliance of accounting in terms of control targets described for financial reporting. The Internal Control System aims to ensure the effectiveness and efficiency of the business activities, reliable financial reporting, and compliance with the applicable legal requirements and internal regulations.

Further principles of the ICS are:

- Identification of operating risks and definition and implementation of adequate control measures
- Ensuring an adequate separation of functions
- Ensuring the correctness and completeness of accounting
- Ensuring transparency and traceability
- Disclosure of damage already done
- Protection of property, plant and equipment and intangible assets

The accounting procedures are documented in separate process instructions. These processes are standardised across the Group and are presented in a documentation format. Additional requirements for accounting procedures result from specific local regulations. The basic principles of accounting and reporting are documented in the process descriptions and in detailed process instructions, which are also filed in the central document management system. In addition, guidelines on measurement procedures and organisational requirements in connection with the processes of accounting and preparing financial statements are compiled and updated regularly. The necessary control measures in connection with accounting processes, for example, access authorisations and separation of functions, are documented in the Internal Control System. Their implementation and effectiveness are regularly reviewed by Internal Audit and any improvement measures are identified.

The internal financial reporting is done monthly as part of Group reporting, with the financial information being reviewed and analysed by the Corporate Finance and Corporate Controlling departments. The monthly budget/actual variance with corresponding comments on the results of the segments, of the plants as well as of the Company, is reported internally to the executives and the members of the Supervisory Board.

The annual preparation of the budget is carried out by the Corporate Controlling department. Quarterly forecasts are drawn up during the year for the remaining financial year based on the quarterly results and current planning information. The forecasts, with comments on the budget comparison and presentations on the impact of opportunities and risks up to the end of the financial year, are reported to the Supervisory Board. In addition to regular reporting, multiple-year planning, project-related financial information or

calculations on investment projects are prepared and submitted to the Supervisory Board.

6. OUTLOOK

Macroeconomic development

In 2023, the economy largely returned to pre-COVID-19 conditions. Supply chains and demand stabilized, while central banks tightened the monetary reins to curb inflation.

In most regions, headline inflation slowed from the peaks experienced in 2022. However, core inflation, which excludes volatile prices for food and energy, proved stickier. Consumer demand remained muted in most major economies, as inflation and high interest rates reduced purchasing power. Global output, measured by Gross Domestic Product (GDP), increased by an estimated 3.1% in 2023, with advanced economies experiencing slower growth than emerging markets and developing economies. GDP grew by 0.5% in the euro area, by 5.2% in China, and by 2.5% in the United States. Projections for 2024 predict a global GDP growth of 3.1%.¹⁹

Conflicts and geopolitics continued to play a significant role on the international stage. One of the most discussed topics was the continued effort of the United States, supported by European and Asian partners, to restrict Chinese access to advanced technologies via export restrictions and bans targeting an increasing number of Chinese companies. The ongoing war in eastern Ukraine and, since Autumn 2023, the ongoing bombardment of the Gaza strip by the Israeli army following an attack by Hamas on 7 October 2023, have also contributed to the increase of tensions in the Middle East as well as internationally.

Market analyses anticipate a declining trend of 4% for printed circuit boards and of 8% for IC substrates for the calendar year 2024. For further information on industry and technology trends please refer to Section 1 "Market and industry environment" of the Management Report.

Expected market environment

The expectations for AT&S's segments are currently as follows: In the area of mobile devices, where overall market conditions are weak, demand is expected to recover only slightly; this segment will remain a challenge for AT&S. In contrast, the module printed circuit board business continues to develop positively.

Although the PCB market in the automotive segment is currently under pressure due to higher inventory levels in the

supply chain, among other things, it is subject to a growth trend in the medium term, as the electronic content per vehicle continues to increase. In the Industrial segment, a slight recovery of the market is expected in 2024.

The market for notebooks is generally volatile and subject to significant quarterly fluctuations. In the markets for IC substrates, demand for notebooks in 2024 is expected to be slightly higher than in 2023. This should lead to higher demand for IC substrates since inventories have now normalized.

Since a growing share of investments in the server market is currently directed towards high-priced products focused on artificial intelligence, the reduction of inventories is proceeding more slowly than initially expected. Inventory levels should have normalized by the second half of the financial year 2024/25, and demand for server products is expected to pick up again. The most recent order planning of AT&S's main customers also indicates such a development. Due to the expected change in architecture, the product mix should continue to change, with the trends towards technologically higher-end IC substrates also expected to continue; AT&S will benefit from this trend.

Overall guidance for the financial year 2024/25

AT&S endeavors to finance its capital requirements at an early stage and currently has a liquidity reserve of € 1,276.8 million. Measures to secure future liquidity are continuously evaluated. In addition to the prolongation and raising of new loans, the sale of the subsidiary in South Korea is also being considered.

Some of the industries served by AT&S have stabilized over the past months. On this basis, demand is expected to recover in terms of volume, in particular in the second half of the financial year 2024/25. Nevertheless, the company assumes that strong price pressure will continue. The consistent implementation of and further focus on the already ongoing efficiency programs is intended to counter this pressure. In addition to comprehensive cost-cutting measures, a reduction of up to 1,000 employees will be implemented at the existing locations.

¹⁹ IMF, "World Economic Outlook Update", January 2024

After the high investments of € 996 million in 2022/23 and € 855 million in 2023/24, net capex will decline significantly in the coming years. The management is planning investments of roughly € 500 million for the financial year 2024/25 depending on the market environment and progress of projects. The majority of these investments will be used for the IC substrate production at the new plants in Kulim and Leoben. With the start of high-volume production at the two plants at the end of the financial year 2024/25, AT&S will continue to further differentiate its customer base for IC substrates.

AT&S expects to generate annual revenue in the range of € 1.7 to € 1.8 billion in the financial year 2024/25.²⁰ Excluding effects from the start-up of the new production capacities in Kulim and Leoben amounting to roughly € 80 million, the adjusted EBITDA margin is expected to range between 25 and 27%.

Leoben-Hinterberg, 13 May 2024

The Management Board

Andreas Gerstenmayer m.p.

Peter Schneider m.p.

Peter Griehsnig m.p.

Petra Preining m.p.

Ingolf Schröder m.p.

²⁰ Refers to the current company structure, including the plant in Ansan, Korea



CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS

€ in thousands	Note	2023/24	2022/23
Revenue	1	1,549,779	1,791,344
Cost of sales	2	(1,366,924)	(1,516,604)
Gross profit		182,855	274,740
Distribution costs	2	(49,285)	(52,911)
General and administrative costs	2	(65,051)	(72,341)
Other operating income	4	44,256	60,409
Other operating costs	4	(81,654)	(63,654)
Other operating result ¹		(37,398)	(3,245)
Operating result		31,121	146,243
Finance income	5	39,605	58,314
Finance costs	5	(90,041)	(36,716)
Finance costs - net		(50,436)	21,598
(Loss)/Profit before tax		(19,315)	167,841
Income taxes	6	(17,379)	(31,197)
(Loss)/Profit for the year		(36,694)	136,644
Attributable to owners of hybrid capital		17,500	18,782
Attributable to owners of the parent company		(54,194)	117,862
Earnings per share attributable to equity holders of the parent company (in € per share):	26		
- basic		(1.39)	3.03
- diluted		(1.39)	3.03

¹ Prior year adjusted in accordance with section F. of General Information of the Notes

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€ in thousands	2023/24	2022/23
(Loss)/Profit for the year	(36,694)	136,644
Items to be reclassified:		
Currency translation differences, net of tax	(114,154)	(143,188)
Gains/(losses) from the fair value measurement of hedging instruments for cash flow hedges, net of tax	(6,059)	4,572
Items not to be reclassified:		
Remeasurement of post-employment obligations, net of tax	(999)	3,028
Other comprehensive (loss) for the year	(121,212)	(135,588)
Total comprehensive (loss)/income for the year	(157,906)	1,056
Attributable to owners of hybrid capital	17,500	18,782
Attributable to owners of the parent company	(175,406)	(17,726)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€ in thousands	Note	31 Mar 2024	31 Mar 2023
ASSETS			
Property, plant and equipment	7	3,394,921	2,679,293
Intangible assets	8	20,095	24,794
Financial assets	12	16,799	27,694
Deferred tax assets	6	26,349	19,911
Other non-current assets	9	18,076	48,559
Non-current assets		3,476,240	2,800,251
Inventories	10	160,774	145,383
Trade and other receivables and contract assets	11	328,137	394,381
Financial assets	12	26,928	25,141
Current income tax receivables		6,328	4,970
Cash and cash equivalents	13	676,490	791,738
Current assets		1,198,657	1,361,613
Total assets		4,674,897	4,161,864
EQUITY			
Share capital	22	141,846	141,846
Other reserves	23	(68,891)	52,321
Hybrid capital	24	347,956	347,956
Retained earnings		545,668	615,402
Equity attributable to owners of the parent company		966,579	1,157,525
Total equity		966,579	1,157,525
LIABILITIES			
Financial liabilities	15	1,605,036	1,033,346
Contract liabilities	16	896,980	607,243
Provisions for employee benefits	17	51,796	50,923
Deferred tax liabilities	6	1,685	4,763
Other liabilities	14	72,781	66,278
Non-current liabilities		2,628,278	1,762,553
Trade and other payables	14	525,328	558,545
Financial liabilities	15	518,189	662,433
Contract liabilities	16	14,550	–
Current income tax payables		6,013	4,315
Other provisions	18	15,960	16,493
Current liabilities		1,080,040	1,241,786
Total liabilities		3,708,318	3,004,339
Total equity and liabilities		4,674,897	4,161,864

CONSOLIDATED STATEMENT OF CASH FLOWS

€ in thousands	2023/24	2022/23
Operating result	31,121	146,243
Depreciation, appreciation, amortisation and impairment of property, plant and equipment and intangible assets	276,367	270,473
Gains/losses from the sale of fixed assets	97	2,542
Changes in non-current provisions	1,434	(3,356)
Changes in non-current contract liabilities	273,847	136,944
Non-cash expense/(income), net	(28,836)	(34,627)
Interest paid	(59,113)	(23,023)
Interest received	25,511	12,311
Income taxes paid	(24,233)	(35,498)
Cash flow from operating activities before changes in working capital	496,195	472,009
Inventories	(19,958)	41,076
Trade and other receivables and contract assets	87,999	4,476
Trade and other payables	89,308	(51,774)
Other provisions	(164)	10,583
Cash flow from operating activities	653,380	476,370
Capital expenditure for property, plant and equipment and intangible assets	(858,791)	(1,100,973)
Proceeds from the sale of property, plant and equipment and intangible assets	3,413	104,811
Capital expenditure for financial assets	17,610	(61,323)
Proceeds from the sale of financial assets	11,783	12,624
Cash flow from investing activities	(825,985)	(1,044,861)
Proceeds from borrowings	507,673	340,085
Repayments of borrowings	(445,046)	(54,696)
Repayments of hybrid capital	–	(41,393)
Proceeds from government grants	22,167	21,404
Dividends paid	(15,540)	(34,965)
Hybrid coupon paid	(17,500)	(19,466)
Cash flow from financing activities	51,754	210,969
Change in cash and cash equivalents	(120,851)	(357,522)
Cash and cash equivalents at beginning of the year	791,738	1,119,921
Exchange gains on cash and cash equivalents	5,603	29,339
Cash and cash equivalents at the end of the year	676,490	791,738

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

€ in thousands	Share capital	Other reserves	Hybrid capital	Retained earnings	Equity attributable to owners of the parent company	Non-controlling interests	Total equity
31 Mar 2022	141,846	187,909	388,849	533,689	1,252,293	–	1,252,293
Profit for the year	–	–	–	136,644	136,644	–	136,644
Other comprehensive income for the year	–	(135,588)	–	–	(135,588)	–	(135,588)
<i>thereof currency translation differences, net of taxes</i>	–	(143,188)	–	–	(143,188)	–	(143,188)
<i>thereof remeasurement of post-employment obligations, net of tax</i>	–	3,028	–	–	3,028	–	3,028
<i>thereof change in hedging instruments for cash flow hedges, net of tax</i>	–	4,572	–	–	4,572	–	4,572
Total comprehensive income for the year 2022/23	–	(135,588)	–	136,644	1,056	–	1,056
Dividends paid relating to 2021/22	–	–	–	(34,965)	(34,965)	–	(34,965)
Repayment hybrid capital	–	–	(40,893)	(500)	(41,393)	–	(41,393)
Hybrid coupon paid	–	–	–	(19,466)	(19,466)	–	(19,466)
31 Mar 2023	141,846	52,321	347,956	615,402	1,157,525	–	1,157,525
Loss for the year	–	–	–	(36,694)	(36,694)	–	(36,694)
Other comprehensive income for the year	–	(121,212)	–	–	(121,212)	–	(121,212)
<i>thereof currency translation differences, net of tax</i>	–	(114,154)	–	–	(114,154)	–	(114,154)
<i>thereof remeasurement of post-employment obligations, net of tax</i>	–	(999)	–	–	(999)	–	(999)
<i>thereof change in hedging instruments for cash flow hedges, net of tax</i>	–	(6,059)	–	–	(6,059)	–	(6,059)
Total comprehensive income for the year 2023/24	–	(121,212)	–	(36,694)	(157,906)	–	(157,906)
Dividends paid relating to 2022/23	–	–	–	(15,540)	(15,540)	–	(15,540)
Hybrid coupon paid	–	–	–	(17,500)	(17,500)	–	(17,500)
31 Mar 2024	141,846	(68,891)	347,956	545,668	966,579	–	966,579

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

I. GENERAL INFORMATION

A. General

AT & S Austria Technologie & Systemtechnik Aktiengesellschaft (hereinafter referred to as “the Company”, and with its subsidiaries referred to as “the Group”) was incorporated in Austria. The Company is headquartered in Austria, Fabriksgasse 13, 8700 Leoben-Hinterberg.

The Group manufactures and distributes printed circuit boards and provides related services in the segments of Electronics Solutions, Microelectronics and Others. The products are manufactured in the European and Asian markets and are directly distributed to original equipment manufacturers (OEM) as well as to contracted electronic manufacturers (CEM).

Since 20 May 2008, the Company has been listed in the Prime Market segment of the Vienna Stock Exchange, Austria, and, after a period of double listing on the previous exchange in Frankfurt am Main, Germany, has been traded exclusively on the Vienna Stock Exchange since 15 September 2008. Prior to changing stock exchange, the Company had been listed on the Frankfurt Stock Exchange since 16 July 1999. Since 19 March 2018, the Company’s shares have been included in the Austrian ATX index. According to Section 245a of the Austrian Commercial Code (UGB), the consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) and interpretations (IFRIC and SIC) of the International Accounting Standards Board (IASB) as adopted by the European Union (EU).

B. Accounting and measurement policies

The consolidated financial statements have been prepared under the historical cost convention, except for securities and derivative financial instruments and the portion of trade receivables that is assigned to banks in the following month as part of factoring agreements, these are measured at their fair values.

a. Consolidation principles

The balance sheet date for all consolidated companies is 31 March 2024, with the following exceptions: due to the legal situation in China, the financial year of AT&S (China) Company Limited and AT&S (Chongqing) Company Limited corresponds to the calendar year (balance sheet date: 31 December 2023), meaning that they were consolidated based on the interim financial statements as of 31 March 2024.

The consolidated financial statements were approved by the Management Board on 13 May 2024. The separate financial statements of the Company, which are included in the consolidation after reconciliation to the applicable accounting standards, will be presented for approval to the Supervisory Board on 29 May 2024. The separate financial statements of the Company can be modified by the Supervisory Board and, in case of presentation to the Annual General Meeting, by the Company’s shareholders in a way that might also affect the presentation of the consolidated financial statements.

Group of consolidated entities The Company controls an entity when the Group is exposed to risks or has rights to variable returns from its involvement with the entity and can affect those returns through its power over the entity. In addition to the Company itself, the consolidated financial statements comprise the following fully consolidated subsidiaries:

- AT&S Asia Pacific Limited, Hong Kong, China (hereinafter referred to as AT&S Asia Pacific), share 100%
- AT&S (China) Company Limited, China (hereinafter referred to as AT&S China), 100% subsidiary of AT&S Asia Pacific
- AT&S (Chongqing) Company Limited, China (hereinafter referred to as AT&S Chongqing), 100% subsidiary of AT&S Asia Pacific
- AT&S Japan K.K., Japan, 100% subsidiary of AT&S Asia Pacific
- AT&S (Taiwan) Co., Ltd., Taiwan (hereinafter referred to as AT&S Taiwan), 100% subsidiary of AT&S Asia Pacific
- AT&S India Private Limited, India (hereinafter referred to as AT&S India), share 100%
- AT&S Korea Co., Ltd., South Korea (hereinafter referred to as AT&S Korea), share 100%

- AT&S Americas LLC, USA (hereinafter referred to as AT&S Americas), share 100%
- AT&S Deutschland GmbH, Germany (hereinafter referred to AT&S Deutschland), share 100%
- AT & S Skandinavia AB, Sweden (hereinafter referred to as AT&S Sweden), share 100%
- AT&S Austria Technologie & Systemtechnik (Malaysia) SDN. BHD. (hereinafter referred to AT&S Malaysia), share 100%

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the equity interests issued and the liabilities incurred and/or assumed at the acquisition date. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

For each business combination, the Group measures any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets and, accordingly, recognises the full or proportional goodwill. If the consideration transferred is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in profit or loss.

When the Group ceases to have control or significant influence over a company, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the fair value determined at the initial recognition of an associate, joint venture or financial asset. In addition, any amounts recognised in other comprehensive income in respect of that entity are accounted for as if the parent company had directly disposed of the related assets or liabilities.

Methods of consolidation All significant intercompany balances and transactions have been eliminated so that the consolidated financial statements present the accounting information of the Group as if it were one single company.

Capital consolidation is made in accordance with IFRS 3 "Business Combinations" and IFRS 10 "Consolidated Financial Statements". Intercompany accounts receivable and payable as well as expenses and income are eliminated. Unless immaterial, intercompany results in non-current assets and inventories are eliminated. Furthermore, uniform accounting and measurement methods are applied to all consolidated subsidiaries.

b. Segment reporting

The definition of operating segments and the presentation of segment results are based on the management approach and follow internal reports to the Management Board as the chief operating decision-maker, i.e. the body that decides on the allocation of resources to the individual segments. An operating segment is a component of an entity that engages in business activities and whose operating results are reviewed regularly by the entity's chief operating decision-maker. Business activities involve earning revenues and incurring expenses, and these may also relate to business transactions with other operating segments of the entity. Separate financial information is available for the individual operating segments.

The introduction of a new Group-wide organisational structure in the financial year 2023/24 has led to a change in the segment structure. As of 1 April 2023, internal reporting to the Management Board of AT&S as the chief operating decision maker has been adapted accordingly. The corresponding prior-year comparative period was adjusted.

The AT&S Group structures its operating activities into the following segments:

- Electronics Solutions
- Microelectronics
- Sonstige

The two new segments are now structured based on technology. The Electronics Solutions segment comprises the areas of printed circuit boards and will also increasingly cover the modules and embedding business through the development of high-tech solutions. The Microelectronics segment comprises the production of IC substrates for PCs and servers.

Others includes product design services, and corporate and holding activities.

c. Foreign currencies

The Group's presentation currency is the euro (€). The functional currency of the foreign subsidiaries is the respective local currency.

Foreign subsidiaries With the exception of equity positions (historical exchange rate), the balance sheets of AT&S India, AT&S China, AT&S Asia Pacific, AT&S Japan, AT&S Korea, AT&S Americas, AT&S Chongqing, AT&S Malaysia, AT&S Taiwan, and AT&S Sweden are translated at the exchange rates on the balance sheet date. The profit or loss statements are translated at the average exchange rates of the financial year. The effect of changes in the exchange rate with regard to the foreign subsidiaries' net assets is recognised directly in equity.

Foreign currency transactions In the financial statements of each of the Group's entities, foreign currency items are translated at the exchange rates prevailing on the day of the transaction. Monetary items are translated at the respective exchange rate ruling at the balance sheet date; non-monetary items which were recognised according to the historical cost principle are carried at the rate of their initial recognition. Translation adjustments from monetary items, with the exception of financial assets classified as "at fair value through other comprehensive income", are recognised in profit or loss.

	Closing rate			Average rate		
	31 Mar 2024	31 Mar 2023	Change in %	01 Apr 2023 - 31 Mar 2024	01 Apr 2022 - 31 Mar 2023	Change in %
Chinese yuan renminbi	7.7940	7.4738	4.3%	7.7648	7.1498	8.6%
Hong Kong dollar	8.4364	8.5378	(1.2%)	8.4918	8.1995	3.6%
Malaysian ringgit	5.0928	4.7917	6.3%	5.0202	4.6329	8.4%
Indian rupee	89.8800	89.2900	0.7%	89.7169	83.8214	7.0%
Japanese yen	163.1400	145.0400	12.5%	156.9000	140.8161	11.4%
South Korean won	1,451.3700	1,417.9600	2.4%	1,433.9538	1,361.4682	5.3%
Swedish Krone	11.5527	11.2582	2.6%	11.4902	10.8021	6.4%
Taiwan dollar	34.5069	33.1537	4.1%	34.0232	31.6838	7.4%
US dollar	1.0779	1.0875	(0.9%)	1.0849	1.0465	3.7%

d. Revenue recognition

Revenue comprises the fair value of considerations received in the course of the Group's ordinary activities. Revenue is recognised net of VAT, discounts and price reductions, and after the elimination of intercompany sales. Revenue is realised as follows:

Revenue from product sales In accordance with IFRS 15, revenue must be recognised when control over agreed goods and services passes to the customer and the customer obtains a benefit from them. Revenue can be recognised at a point in time or over time. When products are manufactured specifically tailored to the customer's needs and there is consequently no alternative use for such products and the entity has an enforceable right to payment for performance completed to date including a margin, control of these products passes to the customer according to IFRS 15.35 c. Some of the AT&S Group's customers meet these criteria; therefore revenue is recognised over time in such cases. Progress is measured based on the cost incurred to date in relation to total cost.

In cases where customers do not meet these criteria, revenue is recognised at a point in time when control over delivery has passed to the buyer (depending on the agreed incoterms).

e. Income taxes

The income tax burden is based on the profit for the year and includes deferred income taxes.

The Group provides for deferred income taxes using the balance-sheet-oriented method. Under this method, the expected tax effect of differences arising between the carrying amounts in the consolidated financial statements and the taxable carrying amounts are taken into account by recognising deferred tax assets and tax liabilities. These differences will be reversed in the future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted on the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. A future change in tax rates would also have an impact on the deferred tax assets capitalised at the current balance sheet date.

Deferred income taxes arise from the measurement of specific assets and liabilities, as well as from tax loss carryforwards.

Deferred taxes on not yet realised profits/losses of equity instruments, post-employment obligations and on not yet realised profits/losses from hedging instruments for cash flow hedges that are recognised in equity are also directly recognised in equity.

In accordance with IFRS, deferred income tax assets on loss carryforwards have to be recognised to the extent that it is probable that they will be utilised against future taxable profits.

Deferred taxes are not recognised for temporary differences in connection with holdings in subsidiaries provided that the Group is able to control the timing of the reversal of the temporary differences and it is likely that the temporary differences will not be reversed in the foreseeable future.

f. Property, plant and equipment

Items of property, plant and equipment are measured at cost. Expenditures directly attributable to an acquisition and the subsequent expenditure are capitalised; repairs and maintenance costs, however, are expensed as incurred.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the acquisition or production costs of this asset in accordance with IAS 23.

From the time of their availability for use, the assets are depreciated on a straight-line basis over their expected useful lives. Depreciation is charged on a pro rata temporis basis. Land is not subject to depreciation.

Scheduled depreciation is based on the following useful lives applicable throughout the Group:

Plants and buildings	10–50 years
Machinery and technical equipment	4–15 years
Tools, fixtures, furniture and office equipment	3–15 years

Depreciation periods and methods are reviewed annually at the end of the financial year.

Profits or losses resulting from the closure or retirement of non-current assets, which arise from the difference between the net realisable value and the carrying amounts, are recognised in profit or loss.

g. Leases

A lease is a contract that transfers the right to use an asset (leasing asset) for an agreed period of time against a consideration. Since 1 April 2019, the Group recognises, for all leases, right-of-use assets in the statement of financial position and liabilities for the payment obligations entered into at present value. Lease payments are discounted at the rate implicit in the lease if that can be readily determined. Otherwise, the incremental borrowing rate is used. Lease liabilities include fixed payments, variable index-linked payments, and the exercise price of a purchase option, if the exercise is considered to be sufficiently certain.

The subsequent measurement is made at amortised cost. Right-of-use assets are depreciated on a straight-line basis over the period of the contract.

For leases in which the underlying asset is of low value (up to € 5 thousand) and for short-term leases (up to 12 months or less) the practical expedients are used and payments are recognised on a straight-line basis as an expense in the statement of profit or loss. In addition, the provisions are not applied to leases of intangible assets.

In particular, leases of real estate include extension and termination options. When determining the term of the contract, all facts and circumstances offering an economic incentive to exercise extension options or not to exercise termination options are taken into account. Changes in the term resulting from the exercise or non-exercise of such options are only considered if they are sufficiently certain.

The Group only acts as a lessee. Transactions in which the Group is the lessor do not take place.

h. Intangible assets

Patents, trademarks, and licenses Expenditure on acquired patents, trademarks, and licenses is capitalised at cost, including incidental acquisition expenses, and amortised on a straight-line basis over the asset's useful life, generally between two and ten years. Amortisation terms and methods are reviewed annually at the end of the financial year.

Research and development costs Research costs are expensed as incurred and charged to cost of sales. Development costs are also expensed as incurred. An intangible asset arising from development is recognised if, and only if, an entity can demonstrate all of the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale.
- Its intention to complete the intangible asset and use or sell it.
- Its ability to use or sell the intangible asset.
- How the intangible asset will generate probable future economic benefits is verifiable.

- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- Its ability to reliably measure the expenditure attributable to the intangible asset during its development.

Capitalised development projects include all the directly attributable costs incurred as a result of development processes. Borrowing costs are capitalised if the development project is a qualifying asset in accordance with IAS 23. Development costs are amortised on a straight-line basis over a useful life from six to seven years, which is derived from the expected sales periods.

i. Impairment losses and appreciation of property, plant and equipment, and intangible assets

The Group regularly reviews property, plant and equipment and intangible assets for possible impairment. If evidence for impairment exists, an impairment test is carried out without delay. Intangible assets in the development phase are tested annually for impairment. If the recoverable amount of the respective asset is below its carrying amount, an impairment loss amounting to the difference is recognised. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. The value in use corresponds to the estimated future cash flows expected from the continued use of the asset and its disposal at the end of its useful life. The discount rates applied correspond to the weighted cost of capital based on externally available capital market data that are typical in the industry and have been adapted to the specific risks.

If the reason for the impairment recognised in the past no longer exists, with the exception of goodwill, an appreciation up to amortised cost is made.

j. Inventories

Inventories are stated at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less variable costs necessary to make the sale. Cost is determined by the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs, and related production overheads. Interest on borrowed capital is not recognised.

k. Trade and other receivables and contract assets

Receivables not including a material financing component are initially measured at the transaction price in accordance with IFRS 15 and subsequently recognised at amortised cost, if necessary less impairment for expected and actual credit losses. The receivables are measured in accordance with the simplified model (lifetime expected credit losses). For this purpose, the required impairment is determined within the scope of a provision matrix by analysing historical data and estimating future developments. All receivables are due within less than one year and therefore do not include a financing component in the form of interest.

l. Financial assets

Financial assets are recognised and derecognised using settlement date accounting. The fair values recognised in the statement of financial position generally correspond to market prices of financial assets. Except for financial assets at fair value through profit or loss, they are initially recognised including transaction costs.

Financial assets are divided into two categories in accordance with IFRS 9, those which are valued at amortised cost and those valued at fair value. When financial assets are valued at fair value, expenses and income are recognised through profit or loss or other comprehensive income.

At amortised cost This category includes all financial assets held as part of a business model whose objective is the collection of contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

At the time of acquisition, the financial asset is measured at fair value in accordance with IFRS 15 (contract assets and trade receivables). The financial asset is subsequently measured at amortised cost less any impairment. Impairments are recognised through profit or loss.

AT&S applies the simplified impairment model for trade receivables and contract assets from contracts with customers, which takes into account expected credit losses during the full lifetime. Credit loss is determined based on a provision matrix created based on a rating of the customers and past due receivables.

Financial assets at fair value through other comprehensive income This category includes those financial assets held as part of a business model whose objective is the collection of contractual cash flows and the sale of financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

In the AT&S Group, trade receivables are in part sold to banks as part of factoring agreements. The part of receivables as of 31 March which is sold to banks at nominal value after this date is measured at fair value through other comprehensive income. The measurement at fair value has no significant impact on the consolidated financial statements. Therefore it is assumed that the fair value corresponds to the previous measurement standard of amortised cost.

All equity instruments for which IFRS 9 has to be applied are recognised at fair value; value changes are recognised through profit or loss. If an equity instrument is not held for trading, an entity can make the irrevocable decision at initial recognition to recognise value changes through OCI. Then, only income from dividends is recognised through profit or loss, insofar as they do not represent a capital repayment.

In accordance with IFRS 9, the irrevocable option of measurement through other comprehensive income was used. Value changes will consequently continue to be recognised in other comprehensive income.

Financial assets at fair value through profit or loss This category includes financial assets which were classified neither at amortised cost nor at fair value through other comprehensive income. At the time of their acquisition, they are stated at fair value, excluding transaction costs, and, in subsequent periods, at their respective fair values. Realised and unrealised gains and losses are recognised in profit or loss in "Finance costs - net". This relates primarily to securities held for trading. Derivative financial instruments also fall into this category, unless hedge accounting is applied (refer to "Derivative financial instruments").

Derivative financial instruments Where possible, the Group uses derivative financial instruments to hedge against interest fluctuations. These instruments mainly include interest rate swaps. They are entered into in order to protect the Group against interest rate fluctuations. The Group does not hold any financial instruments for speculative purposes.

The first-time recognition at the conclusion of the contract and the subsequent measurement of derivative financial instruments are made at their fair value. AT&S continues to apply the provisions of IAS 39 with respect to hedge accounting. "Hedge accounting" in accordance with IAS 39 "Financial Instruments: Recognition and Measurement", according to which changes in fair values of hedging instruments are recognised in equity, is applied when there is an effective hedging relationship pursuant to IAS 39 for hedging instruments for cash flow hedges. The assessment of whether the derivative financial

instruments used in the hedging relationship are highly effective in offsetting the changes in cash flows of the hedged item is documented at the inception of the hedging relationship and on an ongoing basis.

The Group only discontinues recognition as a designated hedging relationship if the hedging relationship (or part of it) no longer meets the qualification criteria (subject to recalibration). In principle, this also includes cases in which the hedging instrument expires, is sold, terminated, or exercised. Termination is carried out prospectively. All gains or losses recognized in other comprehensive income and accumulated in the cash flow hedge reserve at this time remain in equity and are reclassified to the income statement when the expected transaction occurs.

If a derivative does not qualify for hedge accounting, unrealized gains and losses from derivative financial instruments are recognized in the income statement in the financial result.

Interest and dividend income Interest income is recognised on a pro rata temporis basis, taking into account the effective interest rate of the asset. Dividend income from financial assets is recognised in profit or loss when the Group's right to receive payments is established.

Impairment of financial assets The new impairment expected credit loss (ECL) model according to IFRS 9 has to be applied for financial assets which are measured at amortised cost, for contract assets and debt instruments measured at fair value through OCI.

In accordance with IFRS 9, impairment must be determined using either the twelve-month model, which takes into account expected credit losses within the next twelve months, or the lifetime expected credit loss model which takes into account expected credit losses that result from possible default events within the whole lifetime.

AT&S applies the simplified impairment model for trade receivables and contract assets from contracts with customers, which takes into account expected credit losses during the full lifetime of the asset. The credit loss is determined based on a provision matrix created based on a rating of the customers and overdue of the receivables.

m. Cash and cash equivalents

Cash and cash equivalents comprise cash, time deposits, deposits held at call with banks, and short-term, highly liquid investments with an original maturity of up to three months (commercial papers and money market funds).

n. Non-controlling interests

The Company does not have any non-controlling interests. The profit for the year and other comprehensive income are attributed to the owners of the parent company and the holders of the hybrid capital.

o. Provisions

Provisions are recognised if the Group has a legal or de facto obligation to third parties, which is based on past events, where it is probable that this will result in an outflow of resources and the amount can be estimated reliably. The provisions are remeasured at each balance sheet date and their amounts are adjusted accordingly.

Non-current provisions are reported at the discounted amount to be paid at each balance sheet date if the interest effect resulting from the discounting is material.

p. Provisions for employee benefits

Pension obligations The Group operates various defined contribution and defined benefit pension schemes.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a special purpose entity (fund). These contributions are charged to staff costs. No provision has to be set up, as there are no additional obligations beyond the fixed amounts.

For individual members of the Management Board and certain executive employees, the Group has defined benefit plans that are valued by qualified and independent actuaries at each balance sheet date. The Group's obligation is to meet the benefits committed to current and former members of the Management Board and executive employees as well as their dependents. The pension obligation calculated according to the projected unit credit method is reduced by the plan assets of the fund in the case of a funded pension scheme. The present value of the future pension benefit is determined based on years of service, expected remuneration, and pension adjustments.

To the extent that the plan assets of the fund do not cover the obligation, the net liability is accrued under pension provisions. If the net assets exceed the pension obligation, the exceeding amount is capitalised under "Overfunded pension benefits".

Staff costs recognised in the respective financial year are based on expected values and include the service costs. Net interest on net liabilities is recognised in "Finance costs - net". Remeasurements of the net liability are recognised in other comprehensive income and comprise gains and losses arising from the remeasurement of post-employment obligations.

Provisions for severance payments Pursuant to Austrian labour regulations, severance payments have to be paid primarily on termination of employment by the employer or on the retirement of an employee. The liabilities are measured by qualified and independent actuaries at each balance sheet date.

For employees who joined Austrian companies up to and including 2002, the Company has direct obligations that account for the major part of the Group's severance payment obligations. In accordance with IAS 19, these liabilities are calculated using the projected unit credit method as described above and represent severance payment obligations not covered by plan assets. For employees who joined the Company as of or after 1 January 2003, the severance payment obligation is met by regular contributions to a staff provision fund ("Mitarbeitervorsorgekasse"). These contributions are included in staff costs. The Company has no further payment obligations once the contributions have been paid.

For employees of the Company in India, obligations for severance payments are covered by life insurance policies. Furthermore, severance payment obligations exist for employees in South Korea and China. These obligations are measured in accordance with IAS 19 using the projected unit credit method as described above and represent severance payment obligations not covered by plan assets.

Other employee benefits Other employee benefits include provisions for anniversary bonuses and relate to employees in Austria and China. Furthermore, any other employee entitlements are also recognized here, provided they have a long-term nature.

Anniversary bonuses are special one-off payments stipulated in the Collective Agreement which are dependent on remuneration and duration of service. Eligibility is determined by a certain minimum length of employment. The respective liability is calculated in accordance with the projected unit credit method based on the same parameters used for severance payments.

Staff costs recognised in the respective financial year include entitlements acquired and the actuarial results. The interest component is recognised in "Finance costs - net". The liabilities are measured by qualified and independent actuaries at each balance sheet date.

q. Stock appreciation rights

The Group introduced a long-term incentive programme based on stock appreciation rights SARs. Stock appreciation rights relate to value increases in share prices based on the performance of the share price and are settled in cash. These rights are accounted for in accordance with IFRS 2 “Share-based Payment”.

The fair value of the employee services rendered as consideration for the granting of SARs is recognised as an expense. Upon initial recognition and at every balance sheet date until the liabilities are settled, SAR liabilities are measured at fair value through profit or loss, applying the option price model. Reference is made to Note 14 “Trade and other payables”.

r. Liabilities

Financial liabilities are initially measured at fair value less transaction cost and, in subsequent periods, at amortised cost using the effective interest rate method. Foreign currency liabilities are translated at the average exchange rate prevailing at the balance sheet date.

s. Contract liabilities

Contract liabilities are initially recognised at fair value less transaction costs and measured at amortised cost in subsequent periods. Contract liabilities in foreign currencies are measured at the average exchange rate at the time of initial recognition as they are not monetary items. If a significant financing component exists, interest is accrued on the liability.

t. Government grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grants will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to investments in property, plant and equipment are included in liabilities as deferred government grants; they are recognised in profit or loss on a straight-line basis over the expected useful life of the related assets. Government grants relating to costs and property, plant and equipment are recognised in profit or loss under other operating result.

u. Contingent liabilities, contingent assets, and other financial obligations

Contingent liabilities are not recognised in the statement of financial position, but are disclosed in Note 21 “Contingent liabilities and other financial commitments”. They are not disclosed if an outflow of resources with economic benefit is unlikely.

A contingent asset is not recognised in the consolidated financial statements but disclosed if the inflow of an economic benefit is likely.

v. First-time adoption of accounting standards

The following new and/or amended standards and interpretations were applied for the first time in the financial year 2023/24 and pertain to the International Financial Reporting Standards (IFRS) as adopted by the EU.

- IFRS 17: Insurance Contracts
- IAS 1: Amendments to Disclosure of Accounting Policies and Estimates
- IAS 8: Amendments to Disclosure of Accounting Policies and Estimates
- IAS 12: Deferred Tax related to Leases and Decommissioning Obligations
- IAS 12: International Tax Reform – Pillar Two Model Rules

No material effects resulted from the amended standards.

w. Future amendments to accounting standards and impact of first-time adoption

The IASB and IFRIC issued additional standards and interpretations not yet effective in the financial year 2023/24.

These have already been adopted in part by the European Union. The following standards and interpretations had already been published by the time these consolidated financial statements were prepared and are not yet effective; they have not been adopted early in the preparation of these consolidated financial statements:

	Standard/Interpretation (Content of the regulation)	Effective date ¹	EU ²	Expected impacts on the consolidated financial statements
IFRS 14	Regulatory Deferral Accounts	Waiting for final standard	No	No major changes are expected
IAS 1	Classification of Liabilities as Current or Non-current	01/01/2024	No	No major changes are expected
IAS 1	Long term liabilities with constraints	01/01/2024	Yes	No major changes are expected
IAS 21	Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	01/01/2025	No	No major changes are expected
IAS 28, IFRS 10	Investments in Associates: Sales or contributions of assets between an investor and its associate/joint venture	Postponed indefinitely	No	No major changes are expected
IAS 7/ IFRS 7	Supplier Finance Arrangements	01/01/2024	No	No major changes are expected
IFRS 16	Lease liabilities in a sale and lease back transaction	01/01/2024	Yes	No major changes are expected

¹ The Group intends to apply the new regulations for the first time in the fiscal year beginning subsequent to the effective date.

² Status of adoption by the EU.

C. Uncertainties in accounting estimates and judgements

The preparation of the consolidated financial statements in accordance with IFRS requires the management to make accounting judgements and assumptions regarding future developments that may have a significant influence on the recognition and the value of assets and liabilities, the recognition of other obligations as of the balance sheet date and the recognition of income and expenses during the financial year.

The following assumptions bear a considerable risk of causing a material adjustment to assets and liabilities in future periods:

Recoverability of assets The assessment of the recoverability of intangible assets and property, plant and equipment is based on forward-looking assumptions. As part of strategic business planning, the current overall economic conditions, the economic environment and the most recent estimates regarding market developments are considered in planning future cash flows. Actual results may differ from these estimates in the future. Management believes that the estimates are reasonable. Reference is made to Note 7 "Property, plant and equipment" and Note 8 "Intangible assets".

Investment projects In Kulim, Malaysia, major investments have been undertaken to expand capacity. At the site in Leoben-Hinterberg, investments have been made in a new research and development centre for substrate and packaging solutions for the global semiconductor industry. Unexpected technological developments, changes in demand, restrictions through third-party patents, shorter technology cycles or problems in technical implementation may have severe adverse effects on the intrinsic value of such investments. These effects can generally impact all current AT&S business activities. If there are any indications of such adverse effects, impairment tests for these investments are performed as required, which may lead to high impairment requirements due to the high investments made.

Calculation of the present values of projected employee benefit obligations The present value of non-current employee benefit obligations depends on various factors such as interest rate, retirement age, life expectancy, and future increases in remuneration (refer to I.B.o. "Provisions for employee benefits").

These actuarial assumptions used to calculate the pension expenses and the expected defined benefit obligations were subjected to stress tests using the following parameters: an increase in the interest rate, in the expected remuneration and/or in future pensions for the Austrian entities by the percentage points stated in the table below would affect the present values of the projected pension and severance payment obligations as follows as at 31 March 2024:

€ in thousands	Interest rate	Increase in remuneration	Increase in pensions
	+0,50 pp	+0,25 pp	+0,25 pp
Pension obligation	(1,149)	48	571
Severance payments	(990)	496	–

A decrease in the same parameters for the Austrian companies would have the following effects on the present value of pension and severance payment obligations as at 31 March 2024:

€ in thousands	Interest rate	Increase in remuneration	Increase in pensions
	-0,50 pp	-0,25 pp	-0,25 pp
Pension obligation	1,273	(47)	(547)
Severance payments	1,063	(481)	–

Reference is made to Note 17 "Provisions for employee benefits".

Measurement of deferred income tax and current tax liabilities Deferred income tax assets and liabilities are determined using the tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. A future change in tax rates would also have an impact on the deferred tax capitalized at the balance sheet date.

Deferred taxes on temporary differences and tax loss carryforwards are capitalised where it is probable that future taxable profit will be sufficient to realise deferred tax assets. This assessment requires assumptions and is therefore subject to uncertainties. It is carried out on the basis of corporate planning for a period of five years. Changes in future taxable income can lead to a decrease or increase in deferred tax assets.

Deferred income tax assets in the amount of € 96,752 thousand were not recognized for income tax loss carryforwards in the Group of € 645,012 thousand. If the tax losses were subsequently expected to be realized, these deferred income tax assets would have to be recognized and related tax income would have to be reported. Reference is made to Note 6 "Income taxes".

Moreover, a different interpretation of tax laws by fiscal authorities could also lead to a change in income tax liabilities.

Minimum Taxation (Pillar 2) With Pillar 2, global minimum taxation for multinational enterprise groups has been implemented. The objective of the global minimum tax is to ensure that corporate groups generating global revenues of at least € 750 million are subject to an effective minimum tax rate of 15 percent in the countries in which they operate. Since AT&S has to apply the

regulations for the financial year starting on 1 April 2024 for the first time, an evaluation of the potential effects of the global minimum tax has been carried out based on the current planning for the next financial year. Reference is made to Note 6 "Income taxes".

Other provisions If present obligations resulting from past events exist that lead to an outflow of resources with an economic benefit, these provisions are measured at the amount that is most likely on the basis of reliable estimates. Reference is made to Note 18 "Other provisions".

Contract liabilities The repayment of contract liabilities requires certain assumptions, in particular regarding the timing of their recognition. Assumptions must be made for accruing interest (significant financing component) regarding the underlying interest rate. Reference is made to Note 16 "Contract liabilities".

Other In addition, assumptions are made, if necessary, relating to the measurement of derivative financial instruments, allowances for doubtful accounts receivable, and measurements of inventories.

D. Effect of geopolitical tensions

The electronics industry is characterized by highly integrated transnational supply chains, which are based on the free trade of goods and services. Potential protectionism or growing political tensions may lead to supply chain disruptions and competitive advantages for competitors in certain countries.

The conflict between Ukraine and Russia has an impact on the entire global economy. In addition to the resulting humanitarian disaster, the war also affects the availability of raw materials and energy, which is reflected in their price development. Uncertainty regarding energy supply, especially the supply of electricity, can also have a negative effect on AT&S. To mitigate this risk, measures have been taken to enable the Company to respond quickly if required. In addition, AT&S is working on an energy strategy for all production sites, which includes the sustainability aspect as well as security of supply. Nevertheless, large-scale sanctions and other unexpected geopolitical developments can have negative effects on the business operations of AT&S.

A potential aggravation of the trade conflict between the USA and China could lead to an increase in punitive tariffs on the import of certain goods in both countries as well as trade restrictions for technology companies. From a current perspective, the trade conflict only has an immaterial influence on AT&S. Nevertheless, ongoing monitoring of new trade restrictions and export controls regarding the technologies, raw materials, and equipment underlying AT&S as well as potentially affected customers is necessary.

New escalations in East Asia, in particular between China and Taiwan, but also in Korea, as well as the renewed conflict in the Middle East, can have general impacts on the global supply chain interdependencies. Therefore, it is important to monitor any aggravation of these conflicts which may possibly have a negative impact on operations. The resulting macroeconomic developments may also negatively impact the business of AT&S.

The escalated war between Israel and the Palestinians in the Middle East is leading to additional uncertainty in the global economy. Israel's weight in the global semiconductor market is limited with respect to production. Moreover, AT&S does not work with production companies in Israel and is not dependent on the Israeli market. Nonetheless, the crisis in the Red Sea caused by the Middle East conflict has negative effects on the transportation of goods and materials. At present, there are no major impacts on the business of AT&S; however, the situation is being monitored closely.

E. Effects of the climate crisis

Climate-related risks are also identified as part of ESG risk management. Climate-related changes can lead to an increase in the ambient temperature and a greater frequency of extreme weather events (such as heat waves and droughts), which could result in a limitation of resources (such as water and energy supplies). As a result, either costs could increase (e.g. for heating or cooling) or, in the worst case, production processes could be disrupted if supplies are interrupted. Acute and chronic climate change were therefore classified as relevant risks. To counter these risks, AT&S chooses a climate-resilient business model, obtains the energy required for its production processes from renewable sources wherever possible, and relies on efficient energy management. AT&S counters climate-related risks with the AT&S energy strategy and the associated decarbonisation targets. This energy strategy pursues the goal of covering at least 80% of the Group's energy requirements with renewable energy sources by 2025 and replacing all fossil fuels within the Group's own production sites worldwide by 2030 in order to avoid the direct release of climate-damaging gases within the Group. All these measures will minimize the impact of the climate crisis on the AT&S Group. If risk management measures result in accounting effects (change in useful lives, additional provisions required), these are recognized in the financial statements. This may be the case in particular if statutory measures mean that plants can no longer be used because the emissions are too high and therefore have to be replaced by more modern ones.

In April 2020, the European Commission published detailed definitions of the economic activities that should contribute to climate change mitigation and adaptation. However, the regulations and standards relating to the EU taxonomy not only create uncertainty and increase the cost of compliance in general but also cause high costs for the actual implementation of necessary measures to comply with minimum standards. It is impossible to predict how the regulations will develop in the future. Strict rules will tend to lead to higher costs and thus have a greater negative impact on profitability.

F. Adjustment IAS 8

Due to an incorrect allocation, an adjustment must be made within the other operating result for the financial year 2022/23. This does not change the other operating result. There is only a reclassification between other operating income and other operating costs. The adjustment can be seen in the following table

€ in thousands	01 Apr 2022 - 31 Mar 2023		
	Before IAS 8 adjustment	Adjustment	After IAS 8 adjustment
Other operating income	48,661	11,749	60,409
Other operating costs	-51,906	-11,749	-63,654
Other operating result	-3,245	0	-3,245

II. SEGMENT REPORTING

The segment information presented below is prepared in accordance with the management approach concept as depicted in the Group's internal reporting (refer to Section I.B.b. "Segment Reporting").

The introduction of a new Group-wide organisational structure in the financial year 2023/24 has led to a change in the segment structure. As of 1 April 2023, internal reporting to the Board of AT&S as Chief Operating Decision Maker has been adapted accordingly. The corresponding prior-year comparative period was adjusted.

The reportable segments consist of the business units Electronics Solutions and Microelectronics. In addition to product design services, the Other segment primarily includes the Group's general holding activities. The central operating result performance indicator is the operating result before depreciation and amortisation. The respective reconciliation to Group figures also includes the corresponding consolidation.

Transfers and transactions between the segments are executed at arm's length, as with independent third parties. Segment reporting is prepared in accordance with the principles set out in I.B. "Accounting and measurement policies".

€ in thousands	BU ES (Electronics Solutions)		BU ME (Microelectronics)		Others		Elimination/ Consolidation		Group	
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23
Segment revenue	963,058	1,194,928	655,046	675,276	2	–	(68,327)	(78,860)	1,549,779	1,791,344
thereof internal revenue	168	20	68,157	78,840	2	–	(68,327)	(78,860)	–	–
thereof external revenue	962,890	1,194,908	586,889	596,436	–	–	–	–	1,549,779	1,791,344
Operating result before depreciation/amortisation (EBITDA)	210,230	309,978	96,092	115,689	1,166	(8,951)	–	–	307,488	416,716
Depreciation/amortisation incl. appreciation	(107,721)	(114,841)	(161,170)	(149,215)	(7,477)	(6,417)	–	–	(276,367)	(270,473)
Operating result (EBIT)	102,510	195,137	(65,078)	(33,526)	(6,311)	(15,368)	–	–	31,121	146,243
Finance costs - net	–	–	–	–	–	–	–	–	(50,436)	21,598
(Loss)/Profit before tax	–	–	–	–	–	–	–	–	(19,315)	167,841
Income taxes	–	–	–	–	–	–	–	–	(17,379)	(31,197)
(Loss)/Profit for the period	–	–	–	–	–	–	–	–	(36,694)	136,644
Property, plant and equipment and intangible assets	585,383	635,294	2,757,050	2,015,976	72,583	52,817	–	–	3,415,016	2,704,087
Additions to property, plant and equipment and intangible assets	85,753	120,801	996,062	1,056,936	28,674	56,348	–	–	1,110,489	1,234,085

Information by geographic region

Revenue broken down by region, based on customers' headquarters:

€ in thousands	2023/24	2022/23
Austria	31,497	27,256
Germany	143,394	186,999
Other European countries	97,549	100,631
China	21,965	4,348
Other Asian countries	82,135	95,584
Americas	1,173,239	1,376,526
Revenue	1,549,779	1,791,344

71.8% of total revenue (previous year: 75.1%) is attributable to the five largest customers in terms of revenue, where the range is between 2% and 35% (previous year: 2% and 37%).

Property, plant and equipment, and intangible assets broken down by domicile:

€ in thousands	31 Mar 2024	31 Mar 2023
Austria	719,115	248,094
Malaysia	926,969	533,414
China	1,706,272	1,853,501
Others	62,660	69,078
Total	3,415,016	2,704,087

III. NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

1. Revenue

Revenue of the AT&S Group is generated by selling printed circuit boards and substrates, which are produced by AT&S.

The following table shows the distribution of revenue recognised at a point in time and over time by segment:

€ in thousands	Electronics Solutions		Microelectronics		Group	
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23
External revenue	962,890	1,194,908	586,889	596,436	1,549,779	1,791,344
Type of revenue recognition						
Point in time	444,843	704,246	122,138	71,833	566,981	776,079
Over time	518,047	490,662	464,751	524,603	982,798	1,015,265

2. Types of expenses

The expense types of cost of sales, distribution costs, and general and administrative costs are as follows:

€ in thousands	2023/24	2022/23
Cost of materials	641,196	660,925
Staff costs	371,583	419,579
Depreciation/amortisation	271,503	268,662
Purchased services incl. leased personnel	24,622	29,455
Energy	83,352	89,031
Maintenance (incl. spare parts)	89,244	90,371
Transportation costs	20,615	27,873
Rental and leasing expenses	18,090	15,564
Change in inventories	(83,092)	(29,290)
Legal and consulting fees	13,564	21,179
IT service, third parties	12,111	16,532
Administration services third parties	12,656	15,399
Other	5,816	16,576
Total	1,481,260	1,641,856

In the financial years 2023/24 and 2022/23, the item "Other" mainly relates to insurance expenses, cleaning costs, travel costs and waste disposal with corresponding recycling revenues.

3. Research and development costs

In the financial year 2023/24, the Group incurred research and development costs in the amount of € 155,446 thousand (previous year: € 183,441 thousand). The stated amounts represent only costs that can be directly allocated and which are recognised in the profit or loss. In these consolidated financial statements, no development costs were capitalised (previous year: € 0 thousand). Reference is made to Note 8 "Intangible assets".

4. Other operating result

€ in thousands	2023/24	2022/23
Amortisation of deferred income - government grant	10,428	9,612
Government grants for expenses	20,459	31,043
Income from exchange differences	7,641	11,749
Miscellaneous other income	5,728	8,005
Other operating income	44,256	60,409
Start-up losses	(81,640)	(54,689)
Losses from the disposal of non-current assets	(14)	(2,515)
Other costs	–	(6,450)
Other operating costs	(81,654)	(63,654)
Other operating result	(37,398)	(3,245)

In the financial years 2023/24 and 2022/23, government grants for expenses mainly relate to export refunds, research and development grants as well as funding for industry and employment development. The item “Miscellaneous other income” in the financial year 2023/24 includes, among other things, the reversal of the part of impending cancellation costs from onerous contracts not needed to be considered in the financial year 2022/23. As in the previous year, it also includes grants for employees and services in kind for miscellaneous projects. The item “Miscellaneous other income” in the financial year 2022/23 is mainly related to income from compensation payments.

As in the financial year 2022/23, start-up losses resulted from the expansion at the plants in Leoben, Austria, Chongqing, China, and Kulim, Malaysia in the financial year 2023/24, and for the financial year 2022/23 additionally at the site in Chongqing, China. The item “Other costs” in the financial year 2022/23 includes, among other things, impending cancellation costs from onerous contracts.

5. Finance costs – net

€ in thousands	2023/24	2022/23
Interest income from financial assets at fair value through profit or loss and financial assets at amortised cost	43	26
Other interest income	25,619	12,285
Realised gains from derivative financial instruments, net	9,001	1,723
Gains from the measurement of derivative financial instruments at fair value, net	–	6,012
Foreign exchange gains, net	4,942	38,268
Finance income	39,605	58,314
Interest expense on bank borrowings and bonds	(65,070)	(23,935)
Net interest expense on personnel-related liabilities	(2,108)	(432)
Losses from the measurement of derivative financial instruments at fair value, net	(2,982)	–
Other financial expenses	(19,881)	(12,349)
Finance costs	(90,041)	(36,716)
Finance costs - net	(50,436)	21,598

In accordance with IAS 23, the item “Interest expense on bank borrowings and bonds” includes capitalised borrowing costs in the amount of € 12,715 thousand (previous year: € 7,211 thousand), net.

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6. Income taxes

Income tax expenses are broken down as follows:

€ in thousands	2023/24	2022/23
Current income taxes	24,577	26,088
Deferred taxes	(7,198)	5,109
Total tax expense	17,379	31,197

The difference between the Group's actual tax expense and the theoretical amount that would arise using the Austrian corporate income tax rate is as follows:

€ in thousands	2023/24	2022/23
(Loss)/Profit before tax	(19,315)	167,841
Expected tax expense at Austrian tax rate 23.75% (previous year 24.75%)	(4,586)	41,542
Effect of different tax rates in foreign countries	708	(11,419)
Non-creditable foreign withholding taxes	12,548	8,785
Non-capitalized deferred taxes on temporary differences and tax loss carryforwards	4,741	16,592
Effect of the change in tax rate	749	701
Effect of permanent differences	3,125	(24,845)
Effect of taxes from prior periods	94	(159)
Total tax expense	17,379	31,197

The effect of the change in tax rates mainly results from the gradual reduction of the Austrian corporate tax rate to 23%, which was recognised on non-current deferred tax assets, and from the reduced tax rate of 15% in the subsidiary AT&S China (compared to the regular tax rate of 25% valid in China), which is applicable again.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes and liabilities relate to taxes levied by the same taxation authority. The amounts after offsetting deferred income tax assets against deferred liabilities are as follows:

€ in thousands	31 Mar 2024		31 Mar 2023	
	Assets	Liabilities	Assets	Liabilities
Non-current assets	4,145	(35,282)	5,291	(36,911)
Provisions for employee benefits	6,239	–	5,882	–
Financial liabilities	17,143	–	18,985	–
Income tax loss carryforwards	135,792	–	108,740	–
Deferred income tax from long-term assets/liabilities	163,319	(35,282)	138,898	(36,911)
Inventories	22,825	–	25,681	–
Trade and other receivables and contract assets	22	(20,482)	15	(23,722)
Trade and other payables	12,489	–	12,941	–
Others	1,479	(3,207)	1,302	(4,351)
Contract liabilities	–	(10,607)	–	(3,905)
Temporary differences arising from shares in subsidiaries	–	(1,635)	–	(1,657)
Deferred income tax from short-term assets/liabilities	36,815	(35,931)	39,939	(33,635)
Deferred income tax assets/liabilities	200,134	(71,213)	178,837	(70,546)
Unrecognised deferred taxes	(104,257)	–	(93,143)	–
Deferred income tax assets/liabilities, offsetting against the same taxation authority	(69,528)	69,528	(65,783)	65,783
Deferred income tax assets/liabilities, net	26,349	(1,685)	19,911	(4,763)

As of 31 March 2024, the Group has income tax loss carryforwards amounting to a total of € 822,784 thousand (previous year: € 660,165 thousand). For loss carryforwards amounting to € 645,012 thousand (previous year: € 538,885 thousand) included in this figure, deferred income tax assets in the amount of € 96,752 thousand (previous year: € 80,833 thousand) were not recognised since it is unlikely that they will be realised in the foreseeable future. Deferred tax assets from loss carryforwards were recognized in the amount of € 39,040 thousand (previous year: € 27,907 thousand). The tax loss carryforwards not recognised relate to China. In addition, for temporary differences amounting to € 50,033 thousand (previous year: € 82,067 thousand) included in this figure, deferred income tax assets in the amount of € 7,505 thousand (previous year: € 12,310 thousand) were not recognised since it is likewise unlikely that they will be realised in the foreseeable future. Deferred tax assets on deductible temporary differences before netting were therefore recognized in the amount of € 56,837 thousand (previous year: € 57,787 thousand).

Deferred taxes on temporary differences and tax loss carryforwards amounting to € 25,188 thousand (previous year: € 18,673 thousand) are capitalised although the companies concerned reported tax losses in the current financial year or in the previous year. Based on present tax planning, AT&S assumes the future taxable income of the companies will be sufficient to realise these deferred tax assets.

The tax loss carryforwards, which were not recognised, can be carried forward as follows:

€ in thousands	2023/24	2022/23
Carried forward up to 5 years	233,878	140,676
Carried forward between 6 and 10 years	346,368	398,209
Carried forward more than 10 years	64,766	–
Total unrecognised tax loss carryforwards	645,012	538,885

Deferred income taxes (net) changed as follows:

€ in thousands	2023/24	2022/23
Carrying amount at the beginning of the financial year	15,148	22,531
Currency translation differences	82	21
Income/Expense recognised in profit or loss	7,198	(5,109)
Income taxes recognised in equity	2,236	(2,295)
Carrying amount at the end of the financial year	24,664	15,148

Income taxes in connection with the components of other comprehensive income are as follows:

€ in thousands	2023/24			2022/23		
	Income/ (expense) before taxes	Tax income/ (expense)	Income/ (expense) after taxes	Income/ (expense) before taxes	Tax income/ (expense)	Income/ (expense) after taxes
Currency translation differences	(114,154)	–	(114,154)	(143,188)	–	(143,188)
Gains/(losses) on the measurement of hedging instruments for cash flow hedges	(7,886)	1,827	(6,059)	5,954	(1,382)	4,572
Remeasurements of post-employment obligations	(1,408)	409	(999)	3,941	(913)	3,028
Other comprehensive income	(123,448)	2,236	(121,212)	(133,293)	(2,295)	(135,588)

With the Minimum Taxation Act of 30 December 2023, Council Directive (EU) 2022/2523 on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union was implemented in national law in Austria. Some other countries in which AT&S operates are currently introducing corresponding minimum taxation regulations. The objective of the global minimum tax is to ensure that corporate groups generating global revenues of at least € 750 million are subject to an effective minimum tax rate of 15 percent in the countries in which they operate. Since AT&S has to apply the regulations for the financial year starting on 1 April 2024 for the first time, an evaluation of the potential effects of the global minimum tax has been carried out. Based on the current planning it can be assumed that no minimum tax will be incurred for the next financial year.

AT&S applies the mandatory temporary exception to the accounting for and disclosure of deferred taxes in connection with the global minimum tax, which was the subject of the amendments to IAS 12 published in May 2023. Accordingly, information on deferred tax assets and liabilities in connection with the global minimum tax is neither reported nor disclosed.

IV. NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

7. Property, plant and equipment

€ in thousands	Land, plants and buildings	Machinery and technical equipment	Tools, fixtures, furniture and office equipment	Prepayments and construction in progress	Total
Carrying amount 31 Mar 2022	273,676	1,214,185	17,074	445,250	1,950,185
Exchange differences	(12,931)	(72,601)	(668)	(43,052)	(129,252)
Additions	47,685	209,370	19,092	954,535	1,230,682
Disposals	(2,404)	(5,712)	(227)	(102,626)	(110,969)
Transfers	6,135	256,960	2,797	(266,050)	(158)
Depreciation, current	(25,979)	(224,948)	(10,268)	–	(261,195)
Carrying amount 31 Mar 2023	286,182	1,377,254	27,800	988,057	2,679,293
<i>Thereof</i>					
Acquisition cost	413,704	2,830,829	65,369	988,057	4,297,959
Accumulated depreciation	(127,522)	(1,453,575)	(37,569)	–	(1,618,666)
Adjustment				(57)	
Carrying amount 01 Apr 2023	286,182	1,377,254	27,800	988,000	2,679,236
Exchange differences	(9,231)	(49,565)	(537)	(54,510)	(113,843)
Additions	345,546	94,532	6,977	659,326	1,106,381
Disposals	(2,854)	(3,866)	(482)	(1,355)	(8,557)
Transfers	27,969	190,830	4,404	(223,266)	(63)
Depreciation, current	(26,635)	(230,309)	(11,289)	–	(268,233)
Carrying amount 31 Mar 2024	620,977	1,378,876	26,873	1,368,195	3,394,921
<i>Thereof</i>					
Acquisition cost	769,062	2,989,155	71,067	1,368,195	5,197,479
Accumulated depreciation	(148,084)	(1,610,278)	(44,195)	–	(1,802,557)

The value of the land included in “Land, plants and buildings” amounts to € 5,543 thousand (previous year: € 5,670 thousand).

The item “Land, plants and buildings” mainly includes the addition of a right-of-use asset according to IFRS 16 amounting to € 336,317 thousand as part of the construction of the R&D center including series production in Leoben-Hinterberg.

The item “Prepayments and construction in progress” mainly includes additions related to the investment project in Kulim, Malaysia, equipment for the plants in Chongqing, China, as well as the R&D center and series production facility in Leoben-Hinterberg, which is currently under construction.

The following table shows the right-of-use assets reported separately in accordance with IFRS 16, which are included in property, plant and equipment as of 31 March 2024:

€ in thousands	Land, plants and buildings	Machinery and technical equipment	Tools, fixtures, furniture and office equipment	Prepayments and construction in progress	Total
Acquisition cost	464,329	142	8,538	–	473,009
<i>Thereof additions</i>	339,331	39	1,492	–	340,862
Accumulated depreciation	(26,467)	(113)	(6,006)	–	(32,586)
Carrying amount 31 Mar 2024	437,862	29	2,532	–	440,423

In the financial year 2023/24, the following lease expenses were shown in the income statement of profit or loss:

€ in thousands	2023/24	2022/23
Lease expenses from short-term lease agreements	2,675	2,832
Lease expenses from low-value lease agreements	489	371
Depreciation of rights of use	12,577	11,544
Interest expenses from lease liabilities	7,092	3,188

Depreciation in the current financial year is recognised mainly in cost of sales, as well as in distribution costs, general and administrative costs, and in start-up losses, recognised under other operating result.

In the financial year 2023/24, borrowing costs on qualifying assets of € 12,715 thousand were capitalised (previous year: € 7,211 thousand). Interest rates between 1.00% and 4.30% were applied (previous year: 2.06% and 3.85%).

Machinery and technical equipment in the amount of € 139,159 thousand are pledged.

Impairment/Reversal of impairment Property, plant and equipment is regularly reviewed for indications of impairment. Impairment tests are conducted for cash-generating units. A key criterion for the qualification as a cash-generating unit is their technical and economic independence to generate income. Triggering event analyses are conducted for all cash-generating units, which consider both internal and external factors to determine the existence of a triggering event in accordance with IAS 36. If there are any indications of impairment, an impairment test is conducted immediately.

The impairment tests are based on calculations of the value in use. The value in use is determined using a DCF method. In doing so, the value in use is determined as the present value of future estimated cash flows before tax in the next five to ten years based on the data of medium-term business planning.

The medium-term business plan is drawn up annually. The plausibility of the underlying assumptions is therefore checked annually and these assumptions are updated; based on the result, the estimated cash flows are adapted. The assumptions on the development of the economic environment and customer demand in the respective markets included in business planning are incorporated in the annual, updated medium-term planning. After the detailed planning period, a perpetual annuity is used for calculation based on the assumptions of the past year.

The discount rate is derived from a standard weighted cost of capital after tax adapted to the specific risks using recognised financial mathematics methods from external sources. The value in use is translated at the closing rate of the date when the

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impairment test is performed. All weighted cost of capital rates were reconciled to a pre-tax WACC for disclosure in accordance with the requirements of IAS 36.

The triggering event analysis showed the need to conduct an impairment test for seven cash-generating units in the financial year 2023/24, mainly due to market uncertainties and the related variances from planning. Impairment tests were conducted for the following cash-generating units: Hinterberg, Fehring, Nanjangud, Shanghai, Substrates – Chongqing, Substrates – Hinterberg and Kulim.

In the financial year 2023/24, no impairment was required at any of the tested cash-generating units.

A sensitivity analysis was carried out with regard to key parameters for calculating the impairment tests (-10.0% EBIT margin; +1.00 percentage point discount rate). Based on these analyses, there are no material effects on the valuation of fixed assets.

Sale-and-leaseback transaction As part of a sale-and-leaseback transaction in the financial year 2006/07, properties in Leoben were sold to a leasing company and leased back. The term of this lease (waiver of termination period) was extended by another 10 years during the financial year 2021/22, and a waiver of termination is thus in place until 2032. The intention is to subsequently acquire the properties at the residual value.

8. Intangible assets

€ in thousands	Industrial property and similar rights and assets, and licenses in such rights and assets	Capitalised development costs	Goodwill	Prepayments	Other intangible assets	Total
Carrying amount 31 Mar 2022	7,459	24,348	–	–	–	31,807
Exchange differences	(133)	(1,163)	–	–	–	(1,296)
Additions	3,011	–	–	312	80	3,403
Transfers	470	–	–	(312)	–	158
Amortisation, current	(3,589)	(5,609)	–	–	(80)	(9,278)
Carrying amount 31 Mar 2023	7,218	17,576	–	–	–	24,794
<i>Thereof</i>						
Acquisition cost	46,950	120,875	6,527	–	–	174,352
Accumulated amortisation	(39,732)	(103,299)	(6,527)	–	–	(149,558)
Adjustment	–	–	–	56	–	56
Carrying amount 01 Apr 2023	7,218	17,576	–	56	–	24,850
Exchange differences	(86)	(705)	–	–	–	(791)
Additions	4,071	–	–	21	15	4,107
Transfers	141	–	–	(77)	–	64
Amortisation, current	(3,479)	(4,641)	–	–	(15)	(8,135)
Carrying amount 31 Mar 2024	7,865	12,230	–	–	–	20,095
<i>Thereof</i>						
Acquisition cost	50,721	116,137	6,377	–	–	173,235
Accumulated amortisation	(42,856)	(103,907)	(6,377)	–	–	(153,140)

Amortisation for the current financial year is charged to cost of sales, distribution costs, general and administrative costs, and other operating result.

In the financial year 2023/24, no development costs were capitalised (previous year: € 0).

9. Other non-current assets

€ in thousands	31 Mar 2024	31 Mar 2023
Prepayments	9,659	10,298
Deposits made	5,027	33,601
Other prepaid expenses	107	518
Other non-current receivables	3,283	4,142
Carrying amount	18,076	48,559

Prepayments relate to factory premises in China. Deposits given in the financial year 2022/23 primarily include collateral in connection with the investment project in Hinterberg. These were used in the financial year 2023/24. Other prepaid expenses are mainly related to accrued insurance premiums. Other non-current receivables include COVID-19 investment premiums for the Austrian locations.

10. Inventories

€ in thousands	31 Mar 2024	31 Mar 2023
Raw materials and supplies	90,869	86,324
Work in progress	47,904	25,873
Finished goods	22,001	33,186
Carrying amount	160,774	145,383

The balance of inventory write-downs recognised as an expense amounts to € 48,239 thousand as of 31 March 2024 (previous year: € 54,238 thousand). The write-downs amounting to € 5,265 thousand (previous year: € 2,285 thousand) resulted from the measurement of inventories at net realisable value in the financial year 2023/24. The write-downs are recognised in cost of sales in the statement of profit or loss.

11. Trade and other receivables and contract assets

The carrying amounts of trade and other receivables and contract assets are as follows:

€ in thousands	31 Mar 2024	31 Mar 2023
Trade receivables	109,795	141,178
Impairments of trade receivables	(775)	(672)
Contract assets	118,994	135,427
Impairments of contract assets	(238)	(251)
VAT receivables	10,155	18,017
Other receivables from authorities	28,887	16,699
Prepayments	15,197	15,319
Energy tax refunds	1,183	1,105
Deposits	1,753	31,634
Insurance reimbursements	177	–
Other receivables	43,009	35,925
Total	328,137	394,381

Other receivables as of 31 March 2024 mainly include receivables from grants not yet paid as well as prepayments from customers not yet received and recognised as contract liabilities according to IFRS 15.106. The deposits of the previous year mainly include collateral for customs duties and taxes in connection with the investment project in Kulim, Malaysia.

Trade receivables amounting to € 10,000 thousand (previous year: € 10,000 thousand) serve as collateral in connection with various financing agreements. Reference is made to Note 15 “Financial liabilities”.

Taking impairment into account, the carrying amounts of trade and other receivables and contract assets approximate their fair values.

Remaining maturities of receivables All receivables as at 31 March 2024 and 31 March 2023 have remaining maturities of less than one year.

Factoring As of 31 March 2024, trade receivables totalling € 150,527 thousand (previous year: € 131,837 thousand) were assigned to banks to the amount of 100% of the nominal value and are fully derecognised in accordance with the regulations of IFRS 9 as both opportunities and risks and control have been transferred to the acquiring party. The default risk was assigned to the purchasers. AT&S assumes a liability for default to the amount of the retention level from the credit insurance. The maximum risk associated with liability for default was € 15,053 thousand as of 31 March 2024 (previous year: € 13,184 thousand) less coverage of the credit insurance applied. Claims of existing credit insurance were transferred to the purchaser. The part of the purchasing price not yet paid by the acquiring party is shown under the item "Financial assets". Payments from customers of assigned trade receivables are presented in the current financial liabilities.

Contract assets Contract assets have developed as follows:

€ in thousands	2023/24	2022/23
Contract assets at the beginning of the financial year	135,176	177,328
Utilisation	(135,176)	(177,328)
Addition	118,994	135,427
Impairment according to IFRS 9	(238)	(251)
Contract assets at the end of the financial year	118,756	135,176

Development of past due receivables and impairments of trade receivables The age structure of trade receivables and impairment is shown in the table below:

€ in thousands	31 Mar 2024		
	Gross receivables	Impairments	Carrying amount
not due	107,172	(519)	106,653
1 - 15 days overdue	1,795	(89)	1,706
16 - 30 days overdue	490	(35)	455
31 - 60 days overdue	267	(111)	156
61 - 90 days overdue	3	(3)	-
more than 90 days overdue	68	(18)	50
Trade receivables	109,795	(775)	109,020

€ in thousands	31 Mar 2023		
	Gross receivables	Impairments	Carrying amount
not due	135,971	(507)	135,464
1 - 15 days overdue	3,517	(61)	3,456
16 - 30 days overdue	690	(34)	656
31 - 60 days overdue	876	(33)	843
61 - 90 days overdue	52	(17)	35
more than 90 days overdue	72	(20)	52
Trade receivables	141,178	(672)	140,506

There were no indications at the balance sheet date that overdue trade receivables not impaired would not be paid.

Impairments of trade receivables are recognised if there are indications (past due, insolvency) that it is unlikely that the total amount can be collected. Receivables are derecognised if, on a legal basis, it can be assumed that no payment is to be

expected anymore. In the financial year 2023/24, trade receivables amounting to € 5 thousand (previous year: € 0 thousand) were derecognised.

Impairments of trade receivables have developed as follows:

€ in thousands	2023/24	2022/23
Impairments at the beginning of the financial year	672	737
Utilisation	(5)	–
Reversal	(473)	(535)
Addition	578	474
Currency translation differences	3	(4)
Impairments at the end of the financial year	775	672

12. Financial assets

The carrying amounts of the financial assets are as follows:

€ in thousands	31 Mar 2024	thereof non-current	thereof current
Financial assets at fair value through profit or loss	946	–	946
Financial assets at fair value through OCI	118	118	–
Financial assets at amortised cost	33,943	9,700	24,243
Derivatives	8,720	6,981	1,739
Total	43,727	16,799	26,928

€ in thousands	31 Mar 2023	thereof non-current	thereof current
Financial assets at fair value through profit or loss	877	–	877
Financial assets at fair value through OCI	118	118	–
Financial assets at amortised cost	34,439	13,624	20,815
Derivatives	17,401	13,952	3,449
Total	52,835	27,694	25,141

Financial assets at fair value through profit or loss

€ in thousands	31 Mar 2024	31 Mar 2023
Bonds	946	877
Total	946	877

All bonds are denominated in euros (nominal currency).

Financial assets at fair value through OCI

€ in thousands	2023/24	2022/23
Carrying amount at the beginning of the year	118	117
Additions/(Disposals)	–	1
Unrealised gains/(losses) from the current period, recognised in equity	–	–
Realised gains/(losses) from the current period, removed from equity	–	–
Exchange differences	–	–
Carrying amount at the end of the year	118	118

All financial assets at fair value through OCI are denominated in euros (nominal currency).

Financial assets at amortised cost Financial assets at amortised cost are denominated in euros, US dollars, Chinese yuan renminbi, and Japanese yen (nominal currencies). They mainly consist of notice deposits with a maturity of more than three months and factored receivables against banks from assignment agreements, as well as a loan granted to a third party. This loan results in an expected credit loss of € 122 thousand (previous year: € 196 thousand).

Derivative financial instruments

€ in thousands	31 Mar 2024	31 Mar 2023
Derivative financial instruments	8,720	17,401
Total	8,720	17,401

Reference is made to Note 19 “Derivative financial instruments”.

13. Cash and cash equivalents

€ in thousands	31 Mar 2024	31 Mar 2023
Bank balances and cash on hand	676,490	791,738
Carrying amount	676,490	791,738

The reported carrying amounts correspond to the respective fair values.

14. Trade and other payables

€ in thousands	31 Mar 2024	Remaining maturity		
		Less than 1 year	Between 1 and 5 years	More than 5 years
Trade payables	430,637	430,637	–	–
Government grants	82,833	10,595	40,542	31,696
Liabilities to fiscal authorities and other state authorities	10,961	10,961	–	–
Liabilities to social security authorities	7,729	7,729	–	–
Liabilities from unconsumed leave	10,454	10,454	–	–
Liabilities from stock appreciation rights	875	337	538	–
Liabilities to employees	38,103	38,103	–	–
Other liabilities	16,517	16,512	5	–
Carrying amount	598,109	525,328	41,085	31,696

€ in thousands	31 Mar 2023	Remaining maturity		
		Less than 1 year	Between 1 and 5 years	More than 5 years
Trade payables	457,897	457,897	–	–
Government grants	74,752	8,479	36,547	29,726
Liabilities to fiscal authorities and other state authorities	8,759	8,759	–	–
Liabilities to social security authorities	11,085	11,085	–	–
Liabilities from unconsumed leave	9,962	9,962	–	–
Liabilities from stock appreciation rights	2,204	2,204	–	–
Liabilities to employees	43,179	43,179	–	–
Other liabilities	16,985	16,980	5	–
Carrying amount	624,823	558,545	36,552	29,726

The carrying amounts of the reported liabilities approximate the respective fair values.

Government grants Government grants mainly relate to grants for land-use rights and property, plant and equipment and are released to profit or loss according to the useful life of the related property, plant and equipment.

Furthermore, the Group received grants for project costs for several research projects which are recognised in income on a pro rata basis according to the costs incurred and the grant ratio. Associated deferred amounts are included in government grants.

Liabilities from stock appreciation rights At the 81st Supervisory Board meeting on 3 July 2014, a resolution was passed to introduce a long-term incentive program based on stock appreciation rights (SARs). SARs relate to the value increase in share prices based on the development of the share price. SARs were granted in the period between 1 April 2014 and 1 April 2016. Due to the expiry of the stock appreciation rights plan (2014 to 2016), the 91st Supervisory Board meeting on 6 June 2016 extended the resolution to introduce a long-term incentive program based on stock appreciation rights (SAR plan 2017) to run for three years. The stock appreciation rights were granted between 1 April 2017 and 1 April 2019. Due to the expiry of the stock appreciation rights plan (2017 to 2019), the 112th Supervisory Board meeting on 12 March 2020 extended the resolution to introduce a long-term incentive programme based on stock appreciation rights (SAR plan 2020). The stock appreciation rights were granted on 1 April 2020. Due to the expiry of the stock appreciation rights plan (2020), the 118th Supervisory Board meeting on 18 March 2021 extended the resolution to introduce a long-term incentive program based on stock appreciation rights (SAR 2021-2023). The stock appreciation rights were granted between 1 April 2021 and 1 April 2023.

Each SAR entitles the holder to the right to a cash settlement at the remaining amount between the exercise price and the closing price of the AT&S share on the main stock exchange on which it is listed (currently the Vienna Stock Exchange) at the date the subscription right is exercised. The difference amount is limited to 200% of the exercise price.

The exercise price of SARs is determined at the respective date of grant, corresponding to the average closing price of the AT&S share on the Vienna Stock Exchange or at the main stock exchange on which the AT&S share is listed over a period of six calendar months immediately preceding the date of grant.

SARs may be exercised in full or in part after the respective completion of a three-year period following the date of grant, but not during a restricted period. Granted stock appreciation rights not exercised within five years after the grant date become invalid and forfeited without compensation.

SARs may only be exercised by the beneficiaries if the following requirements are met at the date of exercise:

- The beneficiary's employment contract with a company in the AT&S Group remains valid. Subject to certain conditions, rights may also be exercised within a year after termination of the employment contract.
- The required personal investment in the amount of 20% of the first amount granted (in SARs) in AT&S shares is held. For SAR 2021-2023, the necessary personal investment in AT&S shares to be held amounts to 20% of the first allocation of SAR multiplied by € 10.00. If the personal investment is not fully established by the end of the three-year waiting period, all previously granted SARs become forfeited in full. The established personal investment must be held over the complete period of participation in the program and also apply to the grant in subsequent years. The personal investment may only be wound down when exercise is no longer possible.
- The earnings per share (EPS) performance target was met. The level of attainment of the earnings per share performance indicator determines how many of the granted SARs may be exercised. The target value is the EPS value determined in the mid-term plan for the balance sheet date of the third year after the grant date. If the EPS target is attained at 100% or surpassed, the granted SARs may be exercised in full. If attainment is between 50% and 100%, the granted SARs may be exercised on a pro rata basis. If the EPS value attained is below 50%, the granted SARs become forfeited in full. Of the allocations of 1 April 2021 and 1 April 2022, eligible employees can exercise 50% of the allocated SAR (except allocations to board members) in any case if the Group's operating result is positive. For these, the payout amount per SAR is limited to 100% of the respective exercise price.

Number and allocation of granted SARs:

	Date of grant					
	1. April 2023	1. April 2022	1. April 2021	1. April 2020	1. April 2019	1. April 2018
Exercise price (in €)	32.30	42.81	22.92	17.56	17.25	21.94
31 Mar 2022	–	–	312,500	270,000	205,000	44,888
Number of stock appreciation rights granted	–	381,500	10,000	–	–	–
Number of stock appreciation rights exercised	–	–	–	–	200,000	40,572
Number of stock appreciation rights expired	–	12,500	17,500	42,500	–	4,316
31 Mar 2023	–	369,000	305,000	227,500	5,000	–
Number of stock appreciation rights granted	386,667	–	–	–	–	–
Number of stock appreciation rights exercised	–	–	–	102,130	5,000	–
Number of stock appreciation rights expired	7,500	46,000	21,000	94,795	–	–
31 Mar 2024	379,167	323,000	284,000	30,575	–	–
Remaining contract period of stock appreciation rights granted	4 Jahre	3 Jahre	2 Jahre	1 Jahr	–	–
Fair value of granted stock appreciation rights as at the balance sheet date (in € thousands)						
31 Mar 2023	–	–	–	2,010	56	–
31 Mar 2024	1,137	182	260	55	–	–

SARs are measured at fair value at the respective balance sheet date using the Monte Carlo method and based on the model assumptions and valuation parameters stated below. The values determined for the calculation of the liabilities may differ from the values later realised on the market.

Risk-free interest rate	2.38 to 2.85%
Volatility	44.00 to 45.00%
Dividend per share	0.00

Volatility is calculated based on the daily share prices from 1 April 2020 until the balance sheet date.

The expenses for the stock appreciation rights are included in the administration costs.

The fair value of the SARs granted is recognised as an expense over their term.

Other liabilities Other liabilities mainly include debtors with credit balances, accrued legal, audit and consulting fees, as well as other accruals.

15. Financial liabilities

€ in thousands	31 Mar 2024	Remaining maturity			Nominal interest rate in %
		Less than 1 year	Between 1 and 5 years	More than 5 years	
Registered bonds	14,999	16	14,983	–	1.80
Export loans	10,000	10,000	–	–	5.23
Loans from state authorities	1,643	1,643	–	–	0.75
Other bank borrowings	1,526,058	366,746	999,399	159,913	1.24 – 6.09
Other financial liabilities due to financing partners	199,926	109,472	90,454	–	–
Liabilities from finance leases IFRS 16	367,808	30,312	127,390	210,106	–
Derivative financial instruments ¹	2,792	–	2,792	–	–
Carrying amount	2,123,226	518,189	1,235,018	370,019	–

€ in thousands	31 Mar 2023	Remaining maturity			Nominal interest rate in %
		Less than 1 year	Between 1 and 5 years	More than 5 years	
Registered bonds	14,995	16	14,979	–	1.80
Export loans	10,000	10,000	–	–	2.98
Loans from state authorities	2,232	1,163	1,069	–	0.75
Other bank borrowings	1,371,788	533,408	790,955	47,425	1.04 – 5.00
Other financial liabilities due to financing partners	198,161	108,506	89,655	–	–
Liabilities from finance leases IFRS 16	98,603	9,340	29,693	59,570	–
Derivative financial instruments ¹	–	–	–	–	–
Carrying amount	1,695,779	662,433	926,351	106,995	–

¹ Reference is made to Note 19 "Derivative financial instruments"

Other bank borrowings mainly include long-term investment financing in addition to the current liquidity needs.

Other bank borrowings mainly include the following contracts:

- OeKB equity financing programme in FY 2016/17
- OeKB equity financing programme in FY 2018/19
- Promissory note loan in FY 2018/19
- Promissory note loan in FY 2019/20
- OeKB equity financing programme in FY 2019/20
- Promissory note loan and registered bonds in FY 2020/21
- Term loans in FY 2020/21
- Promissory note loan in FY 2021/22
- Term loans in FY 2021/22
- OeKB financing in FY 2022/23
- EIB (European Investment Bank) in FY 2022/23

Financial contracts in FY 2023/24:

- Promissory note loan of € 55 million
- Promissory note loan of € 220 million
- Term loans of € 145 million

Other liabilities to financing partners are related to financing from investment projects in Chongqing, China.

The contractually agreed (undiscounted) interest and redemption payments of the financial liabilities as of 31 March 2024, including interest rate hedging, are as follows in the coming financial years:

€ in thousands	Registered bonds	Export loans	Loans from state authorities	Other bank borrowings	Other financial liabilities due to financial partners	Liabilities from finance lease IFRS 16	Derivative financial instruments
2024/25							
Redemption	16	10,000	1,643	352,052	109,472	30,312	–
Fixed interest	270	–	9	3,228	–	–	–
Variable interest	–	523	–	74,232	–	20,152	–
2025/26							
Redemption	–	–	–	339,177	22,613	30,610	–
Fixed interest	270	–	–	2,966	–	–	–
Variable interest	–	–	–	46,486	–	18,475	–
2026/27							
Redemption	–	–	–	401,290	22,613	30,871	1,672
Fixed interest	270	–	–	52,232	–	–	1,672
Variable interest	–	–	–	25,151	–	16,753	–
2027/28							
Redemption	15,000	–	–	38,000	22,613	32,099	–
Fixed interest	270	–	–	1,928	–	–	–
Variable interest	–	–	–	13,374	–	14,969	–
2028/29							
Redemption	–	–	–	178,500	22,613	33,809	1,119
Fixed interest	–	–	–	1,928	–	–	–
Variable interest	–	–	–	9,306	–	13,096	–
after 2026/27							
Redemption	–	–	–	152,500	–	210,106	–
Fixed interest	–	–	–	1,511	–	–	–
Variable interest	–	–	–	8,834	–	29,963	–

No significant deviations from the agreed interest and redemption payments are expected regarding terms or amounts.

At the previous year's balance sheet date of 31 March 2023, the contractually agreed (undiscounted) interest and redemption payments of the financial liabilities, including interest rate hedging, were as follows for the coming financial years:

€ in thousands	Registered bonds	Export loans	Loans from state authorities	Other bank borrowings	Other financial liabilities due to financial partners	Liabilities from finance leases IFRS 16	Derivative financial instruments
2023/24							
Redemption	16	10,000	1,163	520,427	108,506	9,341	–
Fixed interest	270	–	16	1,838	–	–	–
Variable interest	–	298	–	42,487	–	3,827	–
2024/25							
Redemption	–	–	1,069	255,177	89,655	8,284	–
Fixed interest	270	–	8	1,027	–	–	–
Variable interest	–	–	–	32,358	–	3,477	–
2025/26							
Redemption	–	–	–	389,177	–	7,719	–
Fixed interest	270	–	–	948	–	–	–
Variable interest	–	–	–	18,147	–	3,150	–
2026/27							
Redemption	–	–	–	141,790	–	6,947	–
Fixed interest	270	–	–	292	–	–	–
Variable interest	–	–	–	6,113	–	2,841	–
2027/28							
Redemption	–	–	–	6,000	–	6,743	–
Fixed interest	270	–	–	272	–	–	–
Variable interest	–	–	–	1,956	–	2,541	–
after 2027/28							
Redemption	15,000	–	–	47,500	–	59,569	–
Fixed interest	270	–	–	272	–	–	–
Variable interest	–	–	–	2,600	–	7,816	–

Some of the financial liabilities have interest rates that deviate from the market interest rates. For this reason, differences may arise between their fair values and carrying amounts.

€ in thousands	Carrying amounts		Fair values	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
Registered bonds	14,999	14,995	15,000	15,000
Export loans	10,000	10,000	10,000	10,000
Loans from state authorities	1,643	2,232	1,646	2,236
Other bank borrowings	1,526,058	1,371,788	1,540,293	1,374,875
Other financial liabilities due to financial partners	199,926	198,161	199,926	198,161
Liabilities from finance leases IFRS 16	367,808	98,603	367,808	98,603
Derivative financial instruments	2,792	–	2,792	–
Total	2,123,226	1,695,779	2,137,465	1,698,875

The calculation of the fair values is based on the discounted value of future payments using current market interest rates, or the fair values are determined based on quoted prices.

The carrying amounts of financial liabilities by currency are as follows:

€ in thousands	31 Mar 2024	31 Mar 2023
Euros	1,923,300	1,497,618
US dollars	199,926	198,161
Total	2,123,226	1,695,779

The Group's unused credit lines are as follows:

€ in thousands	31 Mar 2024	31 Mar 2023
Export credit	22,000	22,000
Other credit	559,502	703,626
Total	581,502	725,626

16. Contract liabilities

Current and non-current Contract liabilities totaling € 911,530 thousand (previous year: € 607,243 thousand) include payments from bilateral agreements for the financing of new production facilities. Due to a significant financing component, interest totaling € 14,391 thousand is recognised as a liability in the financial year 2023/24 (previous year: € 6,628 thousand).

17. Provisions for employee benefits

Provisions for employee benefits relate to pension commitments, severance payments, and other employee benefits.

Defined contribution plans The majority of the Group's employees in Austria and some of its employees in India are covered by defined contribution pension plans that have been outsourced to a pension fund. For employees in Austria, the pension plans are supplemented by death and endowment insurance policies. Employer contributions are determined based on a certain percentage of current remuneration. Employer contributions under these plans amounted to € 844 thousand in the financial year 2023/24 and to € 800 thousand in the financial year 2022/23.

Defined benefit plans The Group operates defined benefit plans for several current and former members of the Management Board and former executive employees with no employee contribution required. The board members and other executive employees' plans are partially funded through assets in pension funds and partially unfunded. Pension benefits of board members and executive employees are based on their salaries and years of service. Essentially, these obligations expose the Group to life expectancy and inflation risks due to future increases in pay and pensions, and, in the case of funded pension plans, to deviations in income.

Funded severance payments The employees in India are entitled to severance payments upon retirement or, under certain circumstances, upon leaving the Company prematurely, the amount of which depends on years of service and the remuneration received by the respective member of staff. Severance payments range between half the monthly remuneration per year of service and a fixed maximum. Severance payment obligations are covered by a life insurance policy. The main risk to which the Group is exposed from these obligations is the risk of inflation due to future pay increases.

Unfunded severance payments Employees in Austria, South Korea, and China are entitled to receive severance payments, which are based upon years of service and remuneration received by the respective member of staff and are generally payable upon retirement and, under certain circumstances, upon leaving the Company. For staff members who joined the Company before 1 January 2003, the severance payments in Austria range from two to twelve months of monthly salary, with staff members in South Korea and China also entitled to a fixed amount depending on years of service and salary. The main risk to which the Group is exposed from these obligations is the risk of inflation due to future pay increases.

For employees in Austria who joined on or after 1 January 2003, regular contributions are paid to a staff provision fund ("Mitarbeitervorsorgekasse") without any further obligations on the part of the Group. The contributions amounted to € 1,345 thousand in the financial year 2023/24 and € 1,328 thousand in the financial year 2022/23.

Other employee benefits The employees of the companies in Austria and China are entitled to anniversary bonuses for long-term service, the eligibility to and amount of which in Austria are stipulated in the Collective Agreement.

Expenses for (defined benefit) pension obligations, severance payments, and other employee benefits consist of the following:

€ in thousands	Retirement benefits		Severance payments		Other employee benefits	
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23
Current service cost	–	–	2,413	2,483	4,065	3,868
Interest expense	365	194	1,152	653	369	250
Remeasurement of obligations from other employee benefits	–	–	–	–	(934)	719
Expenses recognised in profit for the period	365	194	3,565	3,136	3,500	4,837
Remeasurement of obligations from post-employment benefits	1,481	(1,430)	(73)	(2,511)	–	–
Expenses/(Income) recognised in other comprehensive income	1,481	(1,430)	(73)	(2,511)	–	–
Total	1,846	(1,236)	3,492	625	3,500	4,837

Expenses for retirement, severance payments, and other employee benefits are recognised in profit or loss under cost of sales, distribution costs, general and administrative costs, and in other comprehensive income. Net interest expense on personnel-related liabilities is presented in "Finance costs – net".

Amounts accrued in the *statement of financial position* are:

€ in thousands	31 Mar 2024	31 Mar 2023
Funded pension benefits	8,625	7,670
Unfunded pension benefits	1,330	1,241
Total pension benefits	9,955	8,911
Unfunded severance payments	26,736	27,221
Funded severance payments	97	34
Total severance payments	26,833	27,255
Other employee benefits	15,008	14,757
Provisions for employee benefits	51,796	50,923

In addition to anniversary bonuses, other employee benefits also include other obligations to employees.

Pension obligations and severance payments are as follows:

€ in thousands	Retirement benefits		Severance payments	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
Present value of funded obligations	17,461	15,800	2,492	2,073
Fair value of plan assets	(8,836)	(8,130)	(2,395)	(2,039)
Funded status of funded obligations	8,625	7,670	97	34
Present value of unfunded obligations	1,330	1,241	26,736	27,221
Provisions recognised in the statement of financial position	9,955	8,911	26,833	27,255

The present value of projected pension benefits, the movement in plan assets (held to cover the pension benefits), and the funded status are as follows:

€ in thousands	Funded retirement benefits		Unfunded retirement benefits	
	2023/24	2022/23	2023/24	2022/23
Present value of pension obligation				
Present value at the beginning of the financial year	15,800	17,807	1,241	1,323
Current service cost	–	–	–	–
Interest expense	648	338	51	25
Remeasurement from the change in demographic assumptions	–	–	–	–
Remeasurement from the change in financial assumptions	879	(2,309)	49	(131)
Remeasurement from adjustments based on past experience	920	688	66	95
Benefits paid	(786)	(724)	(77)	(71)
Present value at the end of the financial year	17,461	15,800	1,330	1,241

Fair value of plan assets

Fair value at the beginning of the financial year	8,130	8,913
Contributions	725	–
Investment result	434	(228)
Interest income	333	169
Benefits paid	(786)	(724)
Fair value at the end of the financial year	8,836	8,130
Funded status of funded pension benefits	8,625	7,670

As at 31 March 2024, the average maturity of funded pension benefits is 13 years and unfunded pension benefits ten years.

Plan assets held to cover the pension obligations have been transferred to pension funds. The diversification of the portfolio is as follows:

in %	31 Mar 2024	31 Mar 2023
Debt securities	26%	28%
Equity securities	58%	55%
Real estate	9%	10%
Cash and cash equivalents	7%	7%
Total	100%	100%

A significant portion of plan assets is traded in an active market.

The aggregate movement in funded and unfunded severance payments is as follows:

€ in thousands	Funded severance payments		Unfunded severance payments	
	2023/24	2022/23	2023/24	2022/23
Present value of severance payment obligation				
Present value at the beginning of the financial year	2,073	2,056	27,221	30,557
Exchange differences	(14)	(132)	(146)	(363)
Service cost	140	142	2,273	2,341
Interest cost	154	143	1,153	646
Remeasurement from the change in demographic assumptions	–	–	(437)	(392)
Remeasurement from the change in financial assumptions	278	(67)	(1,375)	(2,323)
Remeasurement from adjustments based on past experience	37	51	1,407	224
Reclassification to other liabilities	–	–	–	(518)
Benefits paid	(176)	(120)	(3,360)	(2,951)
Present value at the end of the financial year	2,492	2,073	26,736	27,221
Fair value of plan assets				
Fair value at the beginning of the financial year	2,039	1,913		
Exchange differences	(14)	(130)		
Contributions	409	236		
Investment result	(17)	4		
Interest income	154	136		
Benefits paid	(176)	(120)		
Fair value at the end of the financial year	2,395	2,039		
Funded status of funded severance payments	97	34		

As at 31 March 2024, the average maturity of unfunded severance payments is ten years.

The aggregate movement in other employee benefits (anniversary bonuses) is as follows:

€ in thousands	2023/24	2022/23
Present value at the beginning of the financial year	14,757	14,315
Exchange differences	(415)	(589)
Service cost	4,065	3,868
Interest expense	369	250
Remeasurement from the change in demographic assumptions	(333)	(489)
Remeasurement from the change in financial assumptions	222	(665)
Remeasurement from adjustments based on past experience	(822)	1,873
Benefits paid	(3,623)	(3,806)
Present value at the end of the financial year	14,220	14,757

As at 31 March 2024, the average maturity of other employee benefits is ten years.

The following weighted actuarial parameters were used for the measurement at the balance sheet date:

	Retirement benefits		Severance payments		Other employee benefits (anniversary bonuses)	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
Discount rate	3.70%	4.10 %	3.92 %	4.26 %	2.59 %	2.90 %
Expected rate of remuneration increase	–	–	3.88 %	4.29 %	6.19 %	6.22 %
Expected rate of pension increase	3.80 %	3.30 %	–	–	–	–
Retirement age	65	65	1	1	–	–

¹ Individual according to respective local legislation

Attrition rates and biometric data are included in the calculation of the provisions.

18. Other provisions

€ in thousands	Total	Warranty	Others
Carrying amount 31 Mar 2023	16,493	3,808	12,685
Utilisation	(3,621)	(1,393)	(2,228)
Reversal	(10,928)	(2,322)	(8,606)
Addition	14,385	13,617	768
Exchange differences	(369)	(144)	(225)
Carrying amount 31 Mar 2024	15,960	13,566	2,394

€ in thousands	Total	Warranty	Others
Carrying amount 31 Mar 2022	6,389	2,169	4,220
Utilisation	(2,777)	(702)	(2,075)
Reversal	(2,206)	(1,618)	(588)
Addition	15,565	4,144	11,421
Exchange differences	(478)	(185)	(293)
Carrying amount 31 Mar 2023	16,493	3,808	12,685

€ in thousands	31 Mar 2024	31 Mar 2023
thereof non-current	–	–
thereof current	15,960	16,493
Carrying amount	15,960	16,493

Warranty provision This item relates to the costs of existing and expected complaints about products still under warranty. The accrued amount is the best estimate of these costs based on experience and actual facts and is not yet recognised as a liability due to the uncertainty as to the amount and timing. The amount of expected costs includes amounts assumed from product liability insurance. The products affected are applications in the industrial segment.

Others With regard to the provision for risks from pending losses on onerous contracts in the amount of € 6,014 thousand, an agreement was reached with the contractual partner, which led to the use of € 1,288 thousand and the reversal of the remaining provision. The tax situation in Asia was clarified and the related provision of € 3,945 thousand was reversed. As in the previous year, the remaining provisions are related to the uncertain legal situation regarding pension insurance contributions and risks from pending transactions.

19. Derivative financial instruments

Derivative financial instruments of the reporting year relate to interest rate swaps in their entirety. Payments related to loans are hedged.

The carrying amounts of the Group's derivative financial instruments correspond to their fair values. The fair value corresponds to the amount that would be incurred or earned if the transaction had been settled at the balance sheet date.

The fair values of the derivative financial instruments are as follows at the balance sheet date:

€ in thousands	31 Mar 2024		31 Mar 2023	
	Assets	Liabilities	Assets	Liabilities
Interest rate swaps at fair value	8,720	2,792	17,401	-
Total market values	8,720	2,792	17,401	-
Non-current portion	8,720	2,792	17,401	-

As of 31 March 2024, the fixed interest rates for interest rate swaps range between -0.03% and 3.46%. The variable interest rate is based on the six-month EURIBOR.

Based on the various scenarios, the Group hedges its cash flow interest rate risk using interest rate swaps. Such interest rate swaps have the economic effect of converting loans from floating rates to fixed rates. If the Group takes out loans at floating rates, it uses swaps to convert such loans into fixed-rate loans. Under these interest rate swaps, the Group agrees with other parties to exchange, at specified intervals, the difference between the fixed and variable interest rates calculated by reference to the agreed nominal amounts.

All significant contractual terms and conditions (such as term, volume, market interest rate, etc.) of a large part of the interest rate swaps matched those of the underlying transaction, and a hedging relationship can thus be assumed, especially since the change in the value of the hedging instrument fully balances out the changes in future cash flows.

The terms of the interest rate swaps employed as hedging instruments are as follows:

€ in thousands, in months, in %	Nominal volume	Maturity	Average hedged interest rate during the period
Interest rate swaps	443,000	12 - 52 months	-0.03 % - 3.46 %

The value of the interest rate swaps employed as hedging instruments developed as follows:

€ in thousands	Carrying amount of the hedging instrument ¹		Change in fair value of the hedging instrument on which the calculation of ineffectiveness is based	Change in fair value of the hedging instrument recognised in the cash flow hedge reserve
	Assets	Liabilities		
as per 31 Mar 2024	8,720	2,792	(3,876)	(7,886)
as per 31 Mar 2023	17,401	–	7,493	5,953

¹ Interest rate swaps are reported under financial receivables and financial liabilities (previous year: financial receivables).

20. Additional disclosures on financial instruments

Carrying amounts and fair values by measurement category The carrying amounts and fair values of financial instruments included in several items in the statement of financial position by measurement category are as follows at the balance sheet date. Unless otherwise stated, carrying amounts correspond approximately to the fair values:

31 Mar 2024				
€ in thousands	Measurement categories in accordance with IFRS 9 or measurement in accord. with other IFRSs ¹	Level	Carrying amount	Fair value
Assets				
Non-current assets				
Derivative financial instruments	DHI	2	6,981	6,981
Other financial assets	FAAFVOCI	2	118	118
Other financial assets	FAAC		9,700	
Financial assets			16,799	
Current assets				
Trade receivables less impairments	FAAC		96,386	
Trade receivables	FAAFVOCI	3	12,634	12,634
Contract assets less impairments	-		118,757	
Other receivables	FAAC		43,185	
Other receivables	-		57,175	
Trade and other receivables			328,137	
Derivative financial instruments	DHI	2	1,739	1,739
Financial assets	FAAFVPL	1	946	946
Financial assets	FAAC		24,243	
Financial assets			26,928	
Cash and cash equivalents	FAAC		676,490	
Cash and cash equivalents			676,490	
Liabilities				
Other financial liabilities	FLAAC	2	2,120,434	
Derivative financial instruments	DHI	2	2,792	2,792
Non-current and current financial liabilities			2,123,226	
Trade payables	FLAAC		430,637	
Other payables	FLAAC		38,103	
Other payables	-		129,369	
Trade and other non-current and current payables			598,109	
Aggregated by measurement categories				
Assets				
At amortised cost	FAAC		850,004	-
Financial assets at fair value through OCI	FAAFVOCI		12,752	12,752
Financial assets at fair value through profit or loss	FAAFVPL		946	946
Derivatives as hedging instruments	DHI		8,720	8,720
Liabilities				
Financial liabilities at amortised cost	FLAAC		2,589,174	-
Derivatives as hedging instruments	DHI		2,792	2,792

¹ FAAC: Financial assets at amortised cost
FAAFVOCI: Financial assets at fair value through OCI
FAAFVPL: Financial assets at fair value through profit or loss
DHI: Derivatives as hedging instruments
FLAAC: Financial liabilities at amortised cost

€ in thousands	31 Mar 2023			
	Measurement categories in accordance with IFRS 9 or measurement in accord. with other IFRSs ¹	Level	Carrying amount	Fair value
Assets				
Non-current assets				
Derivative financial instruments	DHI	2	13,952	13,952
Other financial assets	FAAFVOCI	2	118	118
Other financial assets	FAAC		13,624	
Financial assets			27,694	
Current assets				
Trade receivables less impairments	FAAC		132,890	
Trade receivables	FAAFVOCI	3	7,616	7,616
Contract assets less impairments	-		135,176	
Other receivables	FAAC		35,925	
Other receivables	-		82,774	
Trade and other receivables			394,381	
Derivative financial instruments	DHI	2	3,449	3,449
Financial assets	FAAFVPL	1	877	877
Financial assets	FAAC		20,815	
Financial assets			25,141	
Cash and cash equivalents	FAAC		791,738	
Cash and cash equivalents			791,738	
Liabilities				
Other financial liabilities	FLAAC	2	1,695,779	
Non-current and current financial liabilities			1,695,779	-
Trade payables	FLAAC		457,897	
Other payables	FLAAC		43,179	
Other payables	-		123,747	
Trade and other non-current and current payables			624,823	
Aggregated by measurement categories				
Assets				
At amortised cost	FAAC		994,992	-
Financial assets at fair value through OCI	FAAFVOCI		7,734	7,734
Financial assets at fair value through profit or loss	FAAFVPL		877	877
Derivatives as hedging instruments	DHI		17,401	17,401
Liabilities				
Financial liabilities at amortised cost	FLAAC		2,196,855	-
Derivatives as hedging instruments	DHI		-	-

¹ FAAC: Financial assets at amortised cost
FAAFVOCI: Financial assets at fair value through OCI
FAAFVPL: Financial assets at fair value through profit or loss
DHI: Derivatives as hedging instruments
FLAAC: Financial liabilities at amortised cost

When measuring fair value, a distinction needs to be made between three valuation hierarchies:

- Level 1: The fair values are determined based on quoted market prices in an active market for identical financial instruments.
- Level 2: If quoted market prices in active markets are not available, the fair values are determined based on the results of a measurement method that is based to the greatest possible extent on market prices.

- Level 3: In this case, the fair values are determined using measurement models which are not based on observable market data.

Net results relating to financial instruments by measurement category Net gains or net losses relating to financial assets and liabilities by measurement category are as follows:

€ in thousands	2023/24	2022/23
Amortised cost	39,541	58,502
Fair value through other comprehensive income	–	5
Fair value through profit or loss	6,131	7,784
Financial liabilities at amortised cost	(73,774)	(25,229)
Total	(28,102)	41,062

The net results relating to financial instruments include dividend income, interest income, and expenses, foreign exchange gains and losses, realised gains and losses on the disposal and sale, as well as income and expenses recognised in profit or loss from the measurement of financial instruments.

€ 7,482 thousand in net profit (previous year: € 12,100 thousand in net expenses) of the total net result from financial instruments is included in the operating result and contains mainly foreign exchange effects, and € 35,584 thousand in net profit (previous year: € 28,962 thousand in net expenses) in “Finance costs – net”.

Financial risks

In the following, the financial risks, which comprise the financing risk, the liquidity risk, the credit risk, and the foreign exchange risk, are addressed. In the Group Management Report, further risk categories and the related processes and measures are outlined.

Risk management of financial risks is carried out by the central treasury department (Group Treasury) under policies approved by the Management Board. Responsibilities, authorisations, and limits are governed by these internal guidelines. Group Treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units.

Financing and interest rate risk The financing risk relates to securing the long-term funding of the Group and to fluctuations in the value of financial instruments.

On the assets side, the Group is exposed to low-interest rate risks with regard to its securities portfolio. Other liquid funds are mainly invested short-term. Reference is made to Note 12 “Financial assets” and Note 13 “Cash and cash equivalents”.

On the liabilities side, 36.0% (previous year: 44.0%) of the total bonds and bank borrowings are subject to fixed interest rates, taking into account interest rate hedging instruments. Reference is made to Note 15 “Financial liabilities”.

The financial liabilities of the Group are linked to loan commitments that are customary in the market. These commitments are reviewed on a quarterly or an annual basis. If defined KPI thresholds are exceeded, lenders have a right to a step-up on the existing interest rate agreement. Rights of notice have not been agreed in this context.

Liquidity risk In the Group, liquidity risk refers to the circumstance of insolvency. Therefore, sufficient liquidity shall be available at all times to be able to meet the current payment obligations on time.

As of 31 March 2024, the Group has liquidity reserves of € 1,276.8 million (previous year: € 1,542.5 million). This comprises € 695.3 million (previous year: € 816.9 million) in cash and cash equivalents, held-to-maturity investments, securities held for trading and available-for-sale, and € 581.5 million (previous year: € 725.6 million) in available unused credit facilities. Thus, the liquidity reserves declined by € 265.7 million and include € 19.5 million in current reserves (previous year: € 20.3 million), which relate to AT&S in China and are subject to specific liquidity requirements.

Credit risk In the Group, credit risk refers to the potential for payment default by customers.

The credit risk is kept to a minimum through a comprehensive process. Customers are subject to regular credit assessments and their receivables are covered by insurance to a large extent. Non-insured receivables are continuously monitored and, if any risks are identified, the deliveries are made only against advance payments or bank guarantees. In the financial year 2023/24, € 0.8 million (previous year: € 0.7 million) or 0.7% (previous year: 0.5%) of receivables were impaired.

Reference is made to the detailed disclosures in Note 11 "Trade and other receivables".

Foreign exchange risk As a globally operating entity, the AT&S Group is exposed to foreign exchange risk. "Natural hedges" exist in part through local added value created at the various sites. Within the Group, transaction risks are initially managed by a maximum reduction of the FX exposure (netting). Open positions are continuously analysed and hedged using different hedging instruments such as forward contracts, currency options, and currency swaps. No such instruments exist on the balance sheet date.

Sensitivity analyses are performed to assess the foreign exchange risk, with – all else being equal – the effects of percentage changes in foreign exchange rates being simulated against each other.

Financial market risks Detailed information on financial market risks and derivative financial instruments is contained in Section I.B.I. "Accounting and measurement policies: Financial assets: Derivative financial instruments" and in Note 19 "Derivative financial instruments". The Group uses derivative financial instruments, such as forward contracts, options, and swaps, exclusively for hedging purposes.

Evaluation of financial market risks using sensitivity analyses The Group applies sensitivity analyses to quantify the interest rate and currency risks. In gap analyses, the potential change in profit/loss resulting from a 1% change in price (exchange rate or interest rate) of the foreign currency or net interest position is determined. Correlations between different risk elements are not included in these analyses. The impact on profit/loss is determined taking into account income tax effects on the profit for the year after tax.

Risks concerning changes in interest rates emerge from positions with variable interest rates, mainly deriving from refinancing activities. Basis and option risks play a subordinated role. The risk of the interest ledger is managed by conducting businesses with fixed interest rates as well as using derivative financial instruments. The table below shows the effect on financial liabilities:

31 Mar 2024

€ in thousands	EUR	USD	Others	Total	In %
Before Hedging					
Fixed interest rate	120,545	199,926	–	320,471	15.1%
Variable interest rate	1,799,963	–	–	1,799,963	84.9%
Total	1,920,508	199,926	–	2,120,434	100.0%
In %	90.6%	9.4%	–	100.0%	
After Hedging					
Fixed interest rate	563,545	199,926	–	763,471	36.0%
Variable interest rate	1,356,963	–	–	1,356,963	64.0%
Total	1,920,508	199,926	–	2,120,434	100.0%
In %	90.6%	9.4%	–	100.0%	

31 Mar 2023

€ in thousands	EUR	USD	Others	Total	In %
Before Hedging					
Fixed interest rate	139,653	198,161	–	337,814	19.9%
Variable interest rate	1,357,966	–	–	1,357,966	80.1%
Total	1,497,618	198,161	–	1,695,779	100.0%
In %	88.3%	11.7%	–	100.0%	
After Hedging					
Fixed interest rate	547,653	198,161	–	745,814	44.0%
Variable interest rate	949,966	–	–	949,966	56.0%
Total	1,497,618	198,161	–	1,695,779	100.0%
In %	88.3%	11.7%	–	100.0%	

If the EUR interest rates at the balance sheet date had been 100 basis points higher resp. lower, based on the financing structure at the balance sheet date, the profit for the year would have been € 10.2 million lower (previous year: € 7.1 million) resp. € 10.2 million higher (previous year: € 7.1 million), provided all other variables remained constant. If the USD interest rates at the balance sheet date had been 100 basis points higher (or lower), based on the financing structure at the balance sheet date, the profit for the year would have been € 0.0 million lower (previous year: € 0.0 million) or € 0.0 million higher (previous year: € 0.0 million), provided all other variables remained constant.

The effect of this interest rate sensitivity analysis is based on the assumption that the interest rates would deviate by 100 basis points during an entire financial year and the new interest rates would have to be applied to the amount of equity and liabilities at the balance sheet date.

According to IFRS 7, the impact of hypothetical changes in exchange rates on the profit for the year results from monetary financial instruments that are not denominated in the functional currency of the reporting company. Hence, the effect on profit/loss is calculated based on receivables, payables and financial balances or, if applicable, foreign currency derivatives. At AT&S, the risk primarily contains USD balances. Therefore, a sensitivity analysis is only carried out for this currency. The average changes in USD/EUR closing rates in the last 5 years amount to 3.0% (previous year: 5.0%). An increase in the US dollar exchange rate of 3.0% against the euro would have had a positive impact on the profit for the year in the amount of € 14.0 million (previous year: € 21.2 million). Devaluation of the US dollar exchange rate against the euro would have reduced the profit for the year by € 14.0 million (previous year: € 21.2 million). On a closing date basis, the USD increased by 1.0% against the EUR.

Capital risk management The objectives of the Group in respect of capital management include, firstly, securing the Company as a going concern in order to be able to continue providing the shareholders with dividends and the other stakeholders with their due services and, secondly, maintaining an appropriate capital structure in order to optimise capital costs. Therefore, the amount of the dividend payments is adjusted to the respective requirements, capital is repaid to shareholders (withdrawal of treasury shares), new shares are issued or the portfolio of other assets is changed.

Based on the covenants defined in the credit agreements, the Group monitors its capital based on the ratio of net debt to EBITDA (theoretical payback period for debts). The Group's financial liabilities are linked to standard market loan commitments, which are reviewed on a quarterly or annual basis. If the defined KPI thresholds are exceeded, lenders are entitled to a step-up on the existing interest rate agreement; termination rights have not been agreed upon in this context.

The Group's strategy is to sustain an equity ratio above 30% and not to exceed a theoretical payback period for debts of 3.0 years. Deviations are possible depending on the market environment and due to investment projects and may occur in a volatile environment

At the balance sheet date, the equity ratio was 20.7% and thus below the previous year's figure of 27.8% and below the target of more than 30.0%. This is mainly due to the increase in total assets as a result of investments and securing the financing of the future investment programme. At 4.6 years, the theoretical payback period for debts was above the previous year's figure of 2.0 years.

21. Contingent liabilities and other financial commitments

As of 31 March 2024, the Group has other financial commitments amounting to € 323,027 thousand (previous year: € 979,500 thousand) in connection with contractually binding investment projects. As of 31 March 2024, the maximum risk associated with liability for default was € 15,053 thousand (previous year: € 13,183 thousand) less coverage of the credit insurance applied. The liability for default corresponds to the theoretical maximum loss if a default of all transferred receivables is incurred. The probability of needing to fall back on this liability is extremely low. The fair value of this risk is not material. At the balance sheet date, the Group has contingent liabilities from bank guarantees in an amount of € 334 thousand (previous year: € 197 thousand). Contingent liabilities from guarantees at the balance sheet date amounted to € 315 thousand (previous year: € 0 thousand).

22. Share capital

	Outstanding shares in thousand shares	Ordinary shares € in thousands	Share premium € in thousands	Share capital € in thousands
31 Mar 2022	38,850	42,735	99,112	141,847
31 Mar 2023	38,850	42,735	99,112	141,847
31 Mar 2024	38,850	42,735	99,112	141,847

Ordinary shares The ordinary shares of the Company as of 31 March 2024 amounting to € 42,735 thousand are fully paid in (previous year: € 42,735 thousand) and are made up of 38,850,000 (previous year: 38,850,000) no-par value bearer shares with a notional value of € 1.10 each.

Approved capital and conditional capital increase The Management Board was authorised at the 25th Annual General Meeting on 4 July 2019, until 3 July 2024, to increase the Company's ordinary shares, subject to the approval of the Supervisory Board, by up to € 21,367,500 by way of issuing up to 19,425,000 new, no-par value bearer shares, for contributions in cash or in kind, in one or several tranches, also by way of indirect subscription rights, after having been taken over by one or more credit institutions in accordance with Section 153 (6) of the Austrian Stock Corporation Act (AktG). The Management Board was authorised to determine, subject to the approval of the Supervisory Board, the detailed terms and conditions of the issue (in particular the issue amount, subject of the contribution in kind, the content of the share rights, the exclusion of subscription rights, etc.) (approved capital). The Supervisory Board was authorised to adopt amendments to the Articles of Association resulting from the issuance of shares from the approved capital.

Furthermore, the Management Board was authorised at the 25th Annual General Meeting on 4 July 2019 to issue, subject to the approval of the Supervisory Board, one or several convertible bearer bonds at a total amount of up to € 150,000,000 until 3 July 2024 and to grant to bearers of convertible bonds conversion rights and/or subscription rights for up to 19,425,000 new no-par value bearer shares in the Company in accordance with the convertible bond terms and conditions to be defined by the Management Board. In this regard, the Management Board was also authorised to fully or partially exclude shareholders' subscription rights. In this context, the Company's ordinary shares were conditionally increased by up to € 21,367,500 by way of issuance of up to 19,425,000 new no-par value bearer shares in accordance with Section 159 (2) No. 1 of the Austrian Stock Corporation Act (AktG). This conditional capital increase will only be carried out if the bearers of convertible bonds issued based on the authorisation resolution passed at the Annual General Meeting on 4 July 2019 claim the right to conversion and/or subscription granted to them with regard to the Company's shares. The Management Board was also authorised to determine, subject to the approval of the Supervisory Board, the further details of carrying out the conditional capital increase (particularly the issue amount and the content of the share rights). The Supervisory Board was authorised to adopt amendments to the Articles of Association resulting from the issuance of shares from the conditional capital. The same applies in case the authorisation to issue convertible bonds is not exercised or the conditional capital is not used.

With regard to the approved capital and the conditional capital, the following definition of the amount in accordance with the resolutions passed at the 25th Annual General Meeting on 4 July 2019, is to be observed: the sum of (i) the number of shares currently issued or potentially to be issued from conditional capital in accordance with the convertible bond conditions and (ii) the number of shares issued from approved capital shall not exceed the total amount of 19,425,000 (limitation of authorised amount).

The Annual General Meeting also resolved to amend the Articles of Association in § 4 (Nominal capital) to reflect these changes.

Free reserves At the 27th Annual General Meeting on 8 July 2021 the Management Board was authorised to reallocate an amount of up to € 50,000,000 of the balance sheet profit carried forward to new account – after dividend distribution – to free reserves, subject to the approval of the Supervisory Board.

Outstanding shares The number of shares issued amounts to 38,850,000 as at 31 March 2024 (previous year: 38,850,000).

Treasury shares At the 29th Annual General Meeting on 6 July 2023, the Management Board was again authorised to purchase, within a period of 30 months from the adoption of the resolution by the General Meeting, treasury shares of up to 10% of the nominal share capital of the Company for a minimum consideration per share at the most 30% lower than the average, unweighted stock exchange closing price over the preceding ten trading days and a maximum consideration per share at the most 30% higher than the average, unweighted stock exchange closing price over the preceding ten trading days. The treasury shares may be purchased via the stock exchange, by means of a public offering or any other legally permitted

way and for any legally permitted purpose. The authorisation also includes the purchase of shares by subsidiaries of the company (Section 66 of the Austrian Stock Corporation Act). The Management Board was also authorised to withdraw repurchased treasury shares and treasury shares already held by the Company without any further resolution by the Annual General Meeting. The Supervisory Board was authorised to adopt amendments to the Articles of Association resulting from the withdrawal of the shares. The authorisations granted by the resolution of the 27th Annual General Meeting on 8 July 2021 on agenda item 10 were revoked.

Furthermore, the Management Board was authorised by the 25th Annual General Meeting on 4 July 2019, for a period of five years, i.e. up to and including 3 July 2024, subject to the approval of the Supervisory Board, to sell or use the repurchased treasury shares or treasury shares currently held by the Company other than via the stock exchange or by public offer in particular for the purposes of stock transfer programmes, convertible bonds or as a consideration for the acquisition of entities, investments or other assets or for any other legal purpose, and to exclude a general purchase opportunity for shareholders.

As at 31 March 2024, the Group held no treasury shares.

Dividend per share In the financial year 2023/24, a dividend of € 0.40 (previous year: € 0.90) was paid out from the total profit of the financial year 2022/23.

23. Other reserves

The reclassification adjustments of the other comprehensive income realised in the profit for the year and the movement in other reserves are as follows:

€ in thousands	Currency translation differences	Financial assets at fair value through OCI	Hedging instruments for cash flow hedges	Remeasurement of obligations from post-employment benefits	Other reserves
Carrying amount 31 Mar 2022	195,251	(39)	2,746	(10,049)	187,909
Balance of unrealised changes before reclassification, net of tax	(143,188)	–	4,572	–	(138,616)
Transfer of realised changes recognised in the profit for the year, net of tax	–	–	–	–	–
Remeasurement of obligations from post-employment benefits	–	–	–	3,028	3,028
Available for sale financial assets, net of tax	–	–	–	–	–
Carrying amount 31 Mar 2023	52,063	(39)	7,318	(7,021)	52,321
Balance of unrealised changes before reclassification, net of tax	(114,154)	–	(6,059)	–	(120,213)
Transfer of realised changes recognised in the profit for the year, net of tax	–	–	–	–	–
Remeasurement of obligations from post-employment benefits, net of tax	–	–	–	(999)	(999)
Unrealised gains/losses on available-for-sale financial assets, net of tax	–	–	–	–	–
Carrying amount 31 Mar 2024	(62,091)	(39)	1,259	(8,020)	(68,891)

With regard to the presentation of income taxes attributable to the individual components of the other comprehensive income, including reclassification adjustments, reference is made to Note 6 “Income taxes”.

24. Hybrid capital

In January 2022, a hybrid bond with an issue volume of € 350,000 thousand and a coupon of 5.0% was placed. This hybrid bond has a perpetual maturity and can be called and redeemed after five years by AT & S Austria Technologie & Systemtechnik Aktiengesellschaft, but not by the creditors. The proceeds of this hybrid bond will be reported as part of equity as this instrument satisfies the IAS 32 criteria for equity. Accordingly, coupon payments are also presented as part of the appropriation of profit. The issue costs of the hybrid bond amounted to € 2,676 thousand. If the bond is not terminated after five years, the interest rate changes to the applicable 5-year swaprate plus a mark-up of 9.942 percentage points.

25. Cash flow

In accordance with IAS 7, cash and cash equivalents comprise cash on hand and demand, deposits, and current, liquid investments that can be converted into known cash amounts at any time and which are only subject to an insignificant risk of changes in value. The indirect method was used to prepare the Consolidated Statement of Cash Flows.

Cash flow from operating activities before changes in working capital in the financial year 2023/24 was € 496,195 thousand (previous year: € 472,009 thousand), and Cash flow from operating activities amounted to € 653,380 thousand (previous year: € 476,370 thousand). The increase is mainly due to changes in working capital; trade and other receivables and contract assets declined by € 87,999 thousand (previous year: decline by € 4,476 thousand), and trade and other payables rose by € 89,308 thousand (previous year: decline by € -51,774 thousand). Cash Flow from changes in inventories increased by € -19,958 thousand (previous year: decline by € 41,076 thousand).

Cash flow from investing activities amounts to € -825,985 thousand and is lower than in the previous year (€ -1,044,861 thousand). Investing activities declined significantly in Chongqing and increased in Kulim and Hinterberg. The capital expenditure for property, plant and equipment decreased by € 242,182 thousand and proceeds from the sale of property, plant and equipment (€ 3,413 thousand) also fell significantly compared to the previous year (€ 104,811 thousand). The significantly higher cash inflows in the previous year resulted primarily from the change in the financing arrangements (leasing) for the construction activities in Hinterberg, Austria. As of 31 March 2024, liabilities due to investments amount to € 195,945 thousand (previous year: € 313,952 thousand).

Cash flow from financing activities in the financial year 2023/24 amounts to € 51,754 thousand. The decrease by € 210,969 thousand compared to the previous year is mainly due to the other liabilities to financing partners, which increased by € 198,161 thousand due to the financing of investment projects in Chongqing, China in the previous year and which did not change in the financial year 2023/24. Likewise, there was also no repayment of hybrid capital in 2023/24 (previous year: repayment of € -41,393 thousand).

€ in thousands	2023/24	2022/23
Cash flow from operating activities before changes in working capital	496,195	472,009
Cash flow from operating activities	653,380	476,370
Cash flow from investing activities	(825,985)	(1,044,861)
Free cash flow	(172,605)	(568,491)
Cash flow from financing activities	51,754	210,969
Change in cash and cash equivalents	(120,851)	(357,522)
Currency effects on cash and cash equivalents	5,603	29,339
Cash and cash equivalents at the end of the year	676,490	791,738

The balance of cash and cash equivalents at the end of the financial year 2023/24 was € 676,490 thousand (previous year: € 791,738 thousand). These are mainly used to ensure the financing of the future investment program.

The non-cash expense/income is as follows:

€ in thousands	2023/24	2022/23
Release of government grants	(11,238)	(10,516)
Other non-cash expense/(income), net	(17,598)	(24,111)
Non-cash expense/(income), net	(28,836)	(34,627)

Net debt reconciliation:

€ in thousands	2023/24	2022/23
Cash and cash equivalents	676,490	791,738
Financial assets	43,727	52,835
Financial liabilities, current	(518,189)	(662,433)
Financial liabilities, non-current	(1,605,037)	(1,033,346)
Net debt	(1,403,009)	(851,207)

€ in thousands	Other assets		Financial liabilities	Total
	Cash	Financial assets		
Amount as of 31 Mar 2022	1,119,921	23,413	(1,354,979)	(211,646)
Cash flows	(357,522)	2,630	(344,052)	(698,944)
Foreign exchange adjustments	29,339	201	2,744	32,284
Other non-cash movements	–	26,591	508	27,099
Amounts as of 31 Mar 2023	791,738	52,835	(1,695,779)	
Net debt 31 Mar 2023				(851,207)
Cash flows	(120,851)	1,962	(426,537)	(545,426)
Foreign exchange adjustments	5,603	229	1,882	7,714
Other non-cash movements	–	(11,299)	(2,792)	(14,091)
Amounts as of 31 Mar 2024	676,490	43,727	(2,123,226)	
Net debt 31 Mar 2024				(1,403,009)

V. OTHER DISCLOSURES

26. Earnings per share

Earnings per share are calculated in accordance with IAS 33 "Earnings per Share".

Weighted average of outstanding shares The number of shares issued is 38,850,000. As of 31 March 2024, no treasury shares are held, which would have had to be deducted in the calculation of earnings per share.

The weighted average number of outstanding shares for the basic earnings per share calculation amounts to 38,850 thousand in the financial year 2023/24 and to 38,850 thousand in the financial year 2022/23.

The weighted average number of outstanding shares for the diluted earnings per share calculation amounts to 38,850 thousand in the financial year 2023/24 and to 38,850 thousand in the financial year 2022/23.

The following table shows the composition of the diluted weighted average number of outstanding shares in the respective periods:

in thousands	2023/24	2022/23
Weighted average number of shares outstanding – basic	38,850	38,850
Diluting effect	–	–
Weighted average number of shares outstanding – diluted	38,850	38,850

Basic earnings per share Basic earnings per share are calculated by dividing the profit for the period attributed to the shareholders of the Company by the weighted average number of outstanding ordinary shares in the same period.

	2023/24	2022/23
(Loss)/Profit for the year attributable to owners of the parent company (€ in thousands)	(54,194)	117,862
Weighted average number of shares outstanding – basic (in thousands)	38,850	38,850
Basic earnings per share (in €)	(1.39)	3.03

Diluted earnings per share Diluted earnings per share are calculated by dividing the profit for the period attributed to the shareholders of the Company by the weighted average number of outstanding shares including the number of potentially outstanding ordinary shares in the same period. The potentially outstanding ordinary shares comprise the additional shares to be issued for exercisable options or subscription rights and are included in diluted earnings per share.

	2023/24	2022/23
(Loss)/Profit for the year attributable to owners of the parent company (€ in thousands)	(54,194)	117,862
Weighted average number of shares outstanding – diluted (in thousands)	38,850	38,850
Diluted earnings per share (in €)	(1.39)	3.03

27. Material events after the balance sheet date

On 10 May 2024, the Management Board of AT&S decided not to carry out a capital increase for the time being. Discussions with potential investors have been concluded. The company now intends to sell the plant in Ansan, Korea, which primarily serves the medical market. To further sharpen the Group's strategic profile, AT&S has decided, subject to favourable economic conditions and - if applicable - corresponding approvals, to consider the sale of the medical division and has initiated a staged

competitive sale process. The medical division is located at the Ansan production site in South Korea and is owned by the wholly owned subsidiary, AT & S Korea Co., Ltd. From a Group perspective, this company generated revenue of € 75,610 thousand in the 2023/24 financial year (previous year: € 64,003 thousand) and EBITDA of € 37,884 thousand (previous year: € 27,935 thousand). Property, plant and equipment amounted to € 37,006 thousand in the 2023/24 financial year (previous year: € 38,093 thousand). Based on expressions of interest from potential investors, AT&S will decide on further steps after due diligence has been completed.

In addition, the Management Board of AT&S has decided to continue with the consistent implementation and further focus of the efficiency programs already underway to counteract the current price pressure in the market. In addition to comprehensive cost-cutting measures, there will also be a reduction of up to 1,000 employees at existing sites throughout the Group.

28. Related party transactions

In connection with various projects, the Group received consulting services from companies in which Supervisory Board chairman Mr Androsch (AIC Androsch International Management Consulting GmbH) is active:

€ in thousands	2023/24	2022/23
AIC Androsch International Management Consulting GmbH	363	363
Total	363	363

Members of the Management Board and the Supervisory Board

In the financial year 2023/24 and until the issue date of these consolidated financial statements, the following persons served on the *Management Board*:

- Andreas Gerstenmayer (Chairman)
- Peter Schneider (Deputy Chairman)
- Peter Griehsnig (since 1 April 2023)
- Petra Preining
- Ingolf Schröder

In the financial year 2023/24, the following persons were appointed members of the *Supervisory Board*:

- Hannes Androsch (Chairman)
- Regina Prehofer (First Deputy Chairwoman)
- Georg Riedl (Second Deputy Chairman)
- Hermann Eul
- Georg Hansis
- Robert Lasshofer
- Lars Reger
- Karin Schaupp
- Gertrude Tumpel-Gugerell

Delegated by the Works Council:

- Bianca Erhardt
- Wolfgang Fleck
- Christa Köberl (since 20 December 2023)
- Günter Pint
- Siegfried Trauch
- Günther Wölfler (until 19 December 2023)

The number of outstanding stock appreciation rights and staff costs from stock appreciation rights granted are as follows:

	Number of outstanding stock appreciation rights		Staff costs (€ in thousands)	
	31 Mar 2024	31 Mar 2023	2023/24	2022/23
Andreas Gerstenmayer	150,000	150,000	213	(948)
Peter Schneider	90,000	60,000	78	(293)
Peter Griehsnig ¹	50,000	–	63	–
Petra Preining	60,000	30,000	46	–
Ingolf Schröder	90,000	60,000	78	(293)
Total Management Board members	440,000	300,000	478	(1,534)
Heinz Moitzi	5,000	35,000	(283)	(586)
Monika Stoisser-Göhring	–	–	–	(586)
Total	445,000	335,000	195	(2,706)

¹ Some of the allocations were made before being appointed as a member of the Executive Board.

The share price performance led to a reduction in staff costs in the financial year 2022/23, which is indicated by negative signs in the table.

For further details in this context, reference is made to the comments on the stock option plans under Note 14 “Trade and other payables”.

Total compensation to the members of the Management Board in accordance with IAS 24:

€ in thousands	2023/24			2022/23		
	Fixed	Variable	Total	Fixed	Variable	Total
Fixed and expected variable payments						
Andreas Gerstenmayer	647	838	1,485	647	2,366	3,013
Peter Schneider	449	176	625	449	176	625
Peter Griehsnig ¹	449	176	625	–	–	–
Petra Preining	449	176	625	225	216	441
Ingolf Schröder	449	176	625	449	176	625
Total Management Board members	2,443	1,542	3,985	1,770	2,934	4,704
Simone Faath	–	8	8	5	100	105
Heinz Moitzi	–	–	–	–	1,166	1,166
Monika Stoisser-Göhring	–	–	–	–	1,016	1,016
Total former Management Board members	–	8	8	5	2,282	2,287
Total fixed and expected variable payments	2,443	1,550	3,993	1,775	5,216	6,991
Reconciliation to the expense recognized in the financial statements	–	(569)	(569)	–	569	569
Total	2,443	981	3,424	1,775	5,785	7,560

¹ The remuneration in the 2023/24 financial year is shown from the first appointment to the Executive Board on April 1, 2023. Exercises of stock appreciation rights that were allocated before the appointment to the Executive Board are not included.

In the previous year, a provision of € 5,785 thousand for variable remuneration was recognised based on a provisional calculation. The effective payment for variable remuneration of the Management Board amounted to € 5,216 thousand.

In the financial year 2022/23, the group of executive employees was adapted and now only comprises members of the Management Board.

The variable compensation of Andreas Gerstenmayer includes remuneration from stock appreciation rights amounting to € 518 thousand (previous year: € 1,725 thousand). In the previous year, the variable compensation of Andreas Gerstenmayer included a special premium of € 321 thousand. This payment was granted due to the significant effect on his activity on the Management Board resulting from the necessity to temporarily take over the responsibilities of the Chief Financial Officer for a longer period.

The item “Total former Management Board members” includes other benefits in connection with the termination of the Management Board Contract of Simone Faath. In the previous year, the variable compensation of Heinz Moitzi included remuneration from stock appreciation rights amounting to € 1,166 thousand. Also in the previous year, the variable compensation of Monika Stoisser-Göhring included remuneration from stock appreciation rights amounting to € 1,016 thousand.

Besides the above-mentioned compensation, € 64 thousand (previous year: € 64 thousand) was paid into a pension fund for Andreas Gerstenmayer, € 44 thousand (previous year: € 44 thousand) for Peter Schneider, € 42 thousand for Peter Griehsnig (previous year: € 0 thousand), € 44 thousand (previous year: € 20 thousand) for Petra Preining and € 44 thousand (previous year: € 44 thousand) for Ingolf Schröder. € 45 thousand was paid into a pension fund for the former Management Board member Simone Faath in the previous year.

In accordance with IAS 24, related persons are key management personnel who have direct or indirect authority and responsibility for planning, directing and controlling the activities of the entity; this includes managing directors of that entity.

Expenses for severance payments and retirement benefits for current and former members of the Management Board, executive employees, and their surviving dependents are as follows:

€ in thousands	Severance payments		Retirement benefits	
	2023/24	2022/23	2023/24	2022/23
Expenses recognised in profit for the period	119	157	238	217
Remeasurement recognised in other comprehensive income	(5)	13	–	–

Total remuneration for services rendered personally by members of the Supervisory Board attributable to the financial year and proposed to the Annual General Meeting:

€ in thousands	2023/24	2022/23
Hannes Androsch	159	170
Regina Prehofer	125	124
Georg Riedl	140	137
Hermann Eul	69	75
Georg Hansis	56	62
Robert Lasshofer	86	84
Lars Reger	56	62
Karin Schaupp	56	62
Gertrude Tumpel-Gugerell	76	73
Total	823	849

29. Expenses for the Group auditor

The expenses for the financial year for the Group auditor are as follows:

€ in thousands	2023/24	2022/23
Audit of consolidated and separate financial statements	739	589
Other assurance services	777	33
Other services	422	44
Total	1,938	666

This item also includes expenses for other network members of the Group auditor, e.g. for the audit of financial statements of subsidiaries or tax consulting services. Other assurance services include expenses for various projects. Other services primarily include expenses in connection with strategic projects.

30. Number of staff

The average numbers of staff in the financial year are as follows:

	2023/24	2022/23
Waged workers	9,046	9,854
Salaried employees	4,782	5,426
Total	13,828	15,280

The calculation of the number of staff includes an average of 309 leased personnel for the financial year 2023/24 and an average of 383 for the financial year 2022/23.

Leoben-Hinterberg, 13 May 2024

The Management Board

Andreas Gerstenmayer m.p

Peter Schneider m.p

Peter Griehsnig m.p.

Petra Preining m.p.

Ingolf Schröder m.p.

STATEMENT OF ALL LEGAL REPRESENTATIVES

We confirm to the best of our knowledge that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the Group Management report gives a true and fair view of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties the Group faces.

Leoben-Hinterberg, 13 May 2024

The Management Board

Andreas Gerstenmayer m.p.
Chief Executive Officer

Peter Schneider m.p.
Member of the Executive Board,
EVP BU Electronics Solutions,
Deputy CEO

Peter Griehsnig m.p.
Chief Technology Officer

Petra Preining m.p.
Chief Financial Officer

Ingolf Schröder m.p.
Member of the Executive Board
EVP BU Microelectronics

AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS 2023/24

This report is a translation of the German original, which is solely valid.

Auditor's report

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of AT&S Austria Technologie & Systemtechnik Aktiengesellschaft, Leoben (the Group), which comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year then ended, and notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements comply with legal requirements and give a true and fair view of the consolidated financial position of the Group as at March 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the additional requirements under section 245a UGB.

Basis for Opinion

We conducted our audit in accordance with Regulation (EU) No. 537/2014 and with the Austrian Generally Accepted Auditing Standards. Those standards require the application of the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with laws and regulations applicable in Austria, and we have fulfilled our other professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained up to the date of our report is sufficient and appropriate to provide a basis for our opinion as of that date.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Recoverability of deferred tax assets

• Description and Issue

The Group has recognised deferred tax assets in the amount of TEUR 26.349 (prior year: TEUR 19.911). Therein included are deferred tax assets from tax loss carryforwards amounting to TEUR 39.040 (prior year: TEUR 27.908) before netting with deferred tax liabilities.

The recognition of deferred tax assets is based on the assumption that within a planning period enough taxable income will be generated against which the tax loss carried forward and other deductible temporary differences can be utilised. These assumptions are based on estimates of the current as well as the planned taxable results and the taxable impact of any future measures implemented by the companies concerned.

For further information we refer to the notes to the consolidated financial statements

- Section I.B.e on accounting and measurement policies in respect of income taxes
- Section I.C. on critical accounting estimates and assumptions concerning recognition and measurement of deferred income tax and current tax liabilities
- Section III.6. note on income taxes.

The valuation of deferred tax assets requires judgement and involves significant estimation uncertainties, and therefore, constitutes a risk of material misstatement in the consolidated financial statements. Estimation uncertainties exist in particular in relation to the assumption made in the business plan and their effect on taxable results. For this reason, we identified this issue as a key audit matter.

▪ Our Response

For all material consolidated companies we have

- evaluated the process relating to the calculation of future taxable income as basis for the recognized deferred tax assets,
- retraced the changes in tax loss carryforwards on basis of the preliminary tax calculation,
- ensured that planned taxable results on which the calculation is based is in line with the business plan of the entity,
- analyzed the assumptions made concerning the usability of the loss carryforwards and the temporary differences as well as critically assessed the underlying planning assumptions, and
- audited the presentation and explanations in the notes to the consolidated financial statement.

2. Revenue Recognition over time according to IFRS 15

▪ Description and Issue

Pursuant to IFRS 15 Revenue from Contracts with Customers, the Group recognizes revenue over time for a part of the customers. According to IFRS 15.35c revenue must be recognized over time when products specifically tailored to the needs of the customers are produced and thus have no alternative use and the entity has the enforceable right to payment for performance of the service completed to date, including a margin.

Performance obligations that in accordance with over time revenue recognition criteria are already satisfied but the payment is still outstanding, shall be recognized as contract assets in accordance with IFRS 15. As of March 31, 2024, the group states contract assets in the amount of TEUR 118.756 (prior year: TEUR 135.176) after considering impairment according to IFRS 9. The revenue recognized over time in the financial year 2023/24 amounts to TEUR 982.798 (prior year: TEUR 1.015.265).

For further information we refer to the notes to the consolidated financial statements:

- Section I.B.d on the accounting and measurement policies in respect of revenues from contracts with customers
- Section III.1 Revenue
- Section IV.11. Trade and other receivables and contract assets

For the group wide analysis of the contractual and legal basis regarding the relevant accounting criteria for the identification of revenues that need to be recognized over time significant judgment from the management is involved, especially with regard to the evaluation if the enforceable right to payment for performance of the completed service exists. Furthermore because of the multitude of different types of contracts with customers, the group wide calculation of the contract assets to be recognized as of the reporting date are to be considered complex. For this reason, we identified this issue as a key audit matter.

▪ Our Response

We have

- assessed the groups accounting policies regarding revenue recognition, taking into consideration industry-specific circumstances, our understanding of the business as well as the analysis of a sample of contract assessments done by the management to verify that IFRS 15 was implemented properly,
- audited accuracy and completeness of the automatically generated reports for the calculation of the contract assets involving internal specialists and
- audited, based on samples, that revenue was actually recognised in line with the Group accounting policies on over time revenue recognition

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the consolidated management report and our auditor's report thereon. The consolidated corporate governance report and the consolidated non-financial report were made available to us before the date of the auditor's report, and the other parts of the annual report are expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If we, based on the work we did before the date of this report on the other information, conclude that the other information is materially misstated, we have to report it. In that respect, we have nothing to report.

Responsibilities of Management Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the additional requirements under section 245a UGB, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Regulation (EU) No 537/2014 and with Austrian Generally Accepted Auditing Standards, which require the application of the ISAs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Regulation (EU) No 537/2014 and with Austrian Generally Accepted Auditing Standards, which require the application of the ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Audit of the Consolidated Management Report

Pursuant to statutory provisions, the consolidated management report is to be audited as to whether it is consistent with the consolidated financial statements and whether it has been prepared in accordance with the applicable legal requirements.

Management is responsible for the preparation of the consolidated management report in accordance with the Austrian Commercial Code.

We conducted our audit in accordance with laws and regulations applicable with respect to the consolidated management report.

Opinion

In our opinion, the consolidated management report is prepared in accordance with the applicable legal requirements, includes appropriate disclosures according to section 243a UGB and is consistent with the consolidated financial statements.

Statement

In the light of the knowledge and understanding of the Group and its environment obtained in the course of our audit of the consolidated financial statements, we have not identified material misstatements in the consolidated management report.

Other Matters which we are required to address according to Article 10 of Regulation (EU) No 537/2014

We were appointed as auditors by the annual general meeting on July 6, 2023 and commissioned by the supervisory board on October 31, 2023 to audit the consolidated financial statements for the financial year ending on March 31, 2024. We have been auditing the Group uninterrupted since the financial year ending March 31, 2021.

We confirm that our opinion expressed in the section “Report on the Audit of the Consolidated Financial Statements” is consistent with the additional report to the audit committee referred to in Article 11 of Regulation (EU) No 537/2014.

We declare that we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 and that we remained independent of the Group in conducting the audit.

Engagement Partner

The engagement partner responsible for the audit is Gerhard Marterbauer.

Vienna

May 14, 2024

Deloitte Audit Wirtschaftsprüfungs GmbH

Gerhard Marterbauer m.p.
Certified Public Accountant

This report is a translation of the audit report according to section 273 of the Austrian Commercial Code (UGB). The translation is presented for the convenience of the reader only. The German wording of the audit report is solely valid and is the only legally binding version. Section 281(2) UGB applies.

We confirm to the best of our knowledge that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the Group Management report gives a true and fair view of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties the Group faces.

Leoben-Hinterberg, 13 May 2024

The Management Board

Andreas Gerstenmayer m.p.
Chief Executive Officer

Peter Schneider m.p.
Member of the Executive Board,
EVP BU Electronics Solutions,
Deputy CEO

Peter Griehsnig m.p.
Chief Technology Officer

Petra Preining m.p.
Chief Financial Officer

Ingolf Schröder m.p.
Member of the Executive Board
EVP BU Microelectronics



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KEYDATA 10-YEARS TIMELINE

IFRS	Unit	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Change prior year	Compound Annual Growth Rate 10 years
EARNINGS DATA AND GENERAL INFORMATION													
Revenue	€ in millions	667.0	762.9	814.9	991.8	1,028.0	1,000.6	1,188.2	1,589.9	1,791.3	1,549.8	(13.5%)	8.8%
thereof produced in Asia	%	79%	81%	82%	84%	85%	87%	88%	88%	90%	88%	–	–
thereof produced in Europe	%	21%	19%	18%	16%	15%	13%	12%	12%	10%	12%	–	–
Cost of sales	€ in millions	511.6	611.2	760.2	829.5	860.8	897.7	1,021.2	1,337.0	1,516.6	1,366.9	(9.9%)	10.3%
Gross profit	€ in millions	155.4	151.6	54.7	162.3	167.2	102.9	167.0	252.9	274.7	182.9	(33.4%)	1.6%
Gross profit margin	%	23.3%	19.9%	6.7%	16.4%	16.3%	10.3%	14.1%	15.9%	15.3%	11.8%	–	–
EBITDA	€ in millions	167.6	167.5	130.9	226.0	250.1	194.5	245.7	349.5	416.7	307.5	(26.2%)	6.3%
EBITDA margin	%	25.1%	22.0%	16.1%	22.8%	24.3%	19.4%	20.7%	22.0%	23.3%	19.8%	–	–
EBIT	€ in millions	90.1	77.0	6.6	90.3	117.2	47.4	79.8	126.5	146.2	31.1	(78.7%)	(10.1%)
EBIT margin	%	13.5%	10.1%	0.8%	9.1%	11.4%	4.7%	6.7%	8.0%	8.2%	2.0%	–	–
Profit for the period ⁵	€ in millions	69.3	56.0	(22.9)	56.5	89.0	19.8	47.4	103.3	136.6	(36.7)	–	n.a.
Profit for the period attributable to owners of the parent company ^{1,5}	€ in millions	69.3	56.0	(22.9)	53.6	80.7	11.5	47.4	103.3	117.9	(54.2)	–	n.a.
Cash earnings ⁵	€ in millions	146.8	146.5	101.8	189.3	213.6	158.6	205.0	318.3	387.7	222.2	(42.7%)	4.2%
ROE (Return on equity) ²	%	13.9%	9.5%	(4.1%)	9.0%	11.5%	2.7%	6.1%	10.1%	11.3%	(3.5%)	–	–
ROCE (Return on capital employed) ^{1, 2}	%	12.0%	8.2%	(0.6%)	7.7%	9.7%	2.8%	5.8%	7.8%	6.6%	0.6%	–	–
ROS (Return on sales)	%	10.4%	7.3%	(2.8%)	5.7%	8.5%	2.1%	4.0%	6.5%	7.6%	(2.4%)	–	–
Vitality Index	%	29.2%	19.6%	21.8%	40.4%	35.3%	30.9%	20.7%	44.4%	35.6%	25.9%	–	–
Cash flow from operating activities (OCF)	€ in millions	143.9	136.9	136.4	143.2	170.5	185.1	184.7	713.2	476.4	653.4	37.2%	16.3%
Net CAPEX	€ in millions	164.8	254.3	240.7	141.7	100.8	218.5	435.8	601.9	996.2	855.4	(14.1%)	17.9%
Operating free cash flow	€ in millions	(20.9)	(117.3)	(104.3)	1.5	69.7	(33.4)	(251.1)	111.3	(519.8)	(202.0)	–	n.a.
Free cash flow	€ in millions	(20.9)	(205.3)	(24.7)	(50.2)	(106.0)	68.5	(155.2)	133.5	(568.5)	(172.6)	–	n.a.
Employees (incl. leased personnel), end of reporting period	–	8,120	9,116	9,778	9,734	9,624	10,319	11,868	14,082	14,504	13,507	(6.9%)	5.2%
Employees (incl. leased personnel), average	–	7,638	8,759	9,526	9,981	9,811	10,239	11,349	13,046	15,280	13,828	(9.5%)	6.1%
BALANCE SHEET DATA													
Total assets	€ in millions	1,220.8	1,344.7	1,436.7	1,530.4	1,784.1	1,853.5	2,390.0	3,746.3	4,161.9	4,674.9	12.3%	14.4%
Total equity	€ in millions	604.4	568.9	540.1	711.4	803.5	760.3	802.0	1,252.3	1,157.5	966.6	(16.5%)	4.8%
Equity attributable to owners of the parent company	€ in millions	604.3	568.9	540.1	538.5	630.6	587.4	629.1	863.4	809.6	618.6	(23.6%)	0.2%
Equity ratio	%	49.5%	42.3%	37.6%	46.5%	45.0%	41.0%	33.6%	33.4%	27.8%	20.7%	–	–
Net debt	€ in millions	130.5	263.2	380.5	209.2	150.3	246.7	508.5	211.6	851.2	1,403.0	64.8%	26.8%
Net gearing	%	21.6%	46.3%	70.5%	29.4%	18.7%	32.5%	63.4%	16.9%	73.5%	145.2%	–	–
Net working capital	€ in millions	95.3	88.4	24.4	72.4	160.5	144.4	200.9	271.5	278.7	143.6	(48.5%)	4.2%
Net working capital per revenue	%	14.3%	11.6%	3.0%	7.3%	15.6%	14.4%	16.9%	17.1%	15.6%	9.3%	–	–
STOCK EXCHANGE DATA													
Shares outstanding end of reporting period	–	38,850,000	38,850,000	38,850,000	38,850,000	38,850,000	38,850,000	38,850,000	38,850,000	38,850,000	38,850,000	–	–
Weighted average number of shares outstanding	–	38,850,000	38,850,000	38,850,000	38,850,000	38,850,000	38,850,000	38,850,000	38,850,000	38,850,000	38,850,000	–	–
Earnings per shares outstanding end of reporting period ⁵	€	1.78	1.44	(0.59)	1.38	2.08	0.30	1.01	2.39	3.03	(1.39)	–	n.a.
Earnings per average number of shares outstanding ⁵	€	1.78	1.44	(0.59)	1.38	2.08	0.30	1.01	2.39	3.03	(1.39)	–	n.a.
Cash earnings per average number of shares ⁵	€	3.78	3.77	2.62	4.87	5.50	4.08	5.28	8.19	9.98	5.72	(42.7%)	4.2%
Dividend per share ³	€	0.36	0.36	0.10	0.36	0.60	0.25	0.39	0.90	0.40	–	n.a.	n.a.
Closing price	€	14.62	12.90	10.29	22.00	15.30	13.41	30.60	50.40	28.35	19.35	(31.7%)	2.8%
Dividend yield (at the closing price) ³	%	2.5%	2.8%	1.0%	1.6%	3.9%	1.9%	1.3%	1.8%	1.4%	–	–	–
Market capitalisation, end of reporting period	€ in millions	568.0	501.2	399.8	854.7	594.4	521.0	1,188.8	1,958.0	1,101.4	751.7	(31.7%)	2.8%
Market capitalisation per equity ⁴	%	94.0%	88.1%	74.0%	158.7%	94.3%	88.7%	189.0%	226.8%	136.0%	121.5%	–	–

¹ 2018/19: Adjusted taking into account IAS 12 revised

² Calculated on the basis of average values

³ 2023/24: Proposal for the Annual General Meeting

⁴ Equity attributable to owners of the parent company without hybrid capital

⁵ 2019/20: Adjustment Hedge Accounting previous years

GLOSSARY

AT&S Toolbox

Combination of existing and new technologies which enables new interconnect solutions and the functional integration at all connection levels.

CMRT

Conflict Minerals Reporting Template – standardised reporting template of the Responsible Minerals Initiative (RMI) for collecting information on conflict minerals.

COSO-Standard

Internationally recognised standard for Internal Control Systems (ICS) and risk management published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

CSDDD

Corporate Sustainability Due Diligence Directive – Directive on supply chain due diligence; a compromise text of the Directive was adopted by the European Parliament in May 2024.

CSRD

Corporate Sustainability Reporting Directive – EU Directive on corporate sustainability reporting.

Embedding

Integrating active and/or passive electronic components inside printed circuit boards.

ESG

Environment, Social, Governance – another term for sustainability or corporate social responsibility.

ESRS

European Sustainability Reporting Standards – harmonised European standards for sustainability reporting and an integral part of the CSRD.

Functional integration

Refers to the integration of several functions of an electronic system in a module.

GRI

Global Reporting Initiative – a non-profit institution, which provides a global framework for sustainability reporting.

GVA

Gross value added – it is the measure of value added in the production process and is derived from the total value of goods and services produced minus the value of intermediate consumption.

IIA Standard

Standards for measures and the assessment of the quality of internal auditing specified by the Institute of Internal Auditors (IIA).

ILO

International Labour Organization.

Intellectual property

In contrast to tangible property, intellectual property is the right to intangible property such as a technical invention.

mSAP

Modified semi-additive process.

NaDiVeG

Sustainability and Diversity Improvement Act – Austrian implementation of EU Regulation 2014/95/EU.

Net CAPEX

Capital expenditure net of receipts from the disposal of property, plant and equipment and intangible assets.

NOPAT

Net operating profit after tax represents annual profit adjusted to exclude net finance costs. For calculation, please refer to the Group Management Report.

OPEX

Operational expenditures: recurring expenses which are usually paid on a monthly or yearly basis. They are allocated to the accounting period in which the costs are incurred and the full amount is recognised in this period.

PFAS

Per- and polyfluoroalkyl substances (non-biodegradable).

RBA

Responsible Business Alliance – Code of Conduct (formerly Electronic Industry Citizenship Coalition (EICC)) for working conditions in the supply chain of the electronics industry.

REACH

European Regulation on Registration, Evaluation, Authorisation and Restriction of Chemicals.

RMI

Responsible Minerals Initiative – Principles for the responsible sourcing of conflict minerals.

RoHS

Restriction of Hazardous Substances in electrical and electronic Equipment.

Science Based Targets initiative

Drives ambitious climate action in the private sector by enabling organizations to set science-based emissions reduction targets.

SDGs

Sustainable Development Goals of the United Nations.

Vitality Index

The Vitality Index represents the share of total revenue generated from products that feature new, innovative technologies and have been introduced in the past three years.

WACC

Weighted Average Cost of Capital represents the average cost that a company has to pay to obtain equity or debt capital.

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