Sense the power of light

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“The company’s refocusing is starting to bear fruit”

Interview with CEO Aldo Kamper, CFO Rainer Irle, and Chair of the Supervisory Board Margarete Haase

Dear Aldo Kamper, what was decisive for ams OSRAM looking back on the 2024 business year?
Aldo Kamper: 2024 was both a difficult and a successful year. We made key advances wherever things were in our own hands, and that was despite the weak economic trends. We’re proud of that. We consistently pressed ahead with our strategic ‘Re-establish the Base’ efficiency program, and in part lowered run-rate costs faster than initially planned. That impacted very beneficially on profitability and the free cash flow. We had to take tough decisions, and, as promised, we shed our less profitable units along with those that are no longer part of our core semiconductor business. We successfully spun off our passive optical components operations and restructured other units. Furthermore, we simply let the remaining legacy business phase out more or less completely. At the same time, the structural growth trends remain intact. We actually grew our core semiconductor business in 2024 pretty much in line with our target operating model. Moreover, our streamlined business structure shows already improved profitability. Which all means our refocusing is starting to bear fruit. However, that success has been overshadowed by difficult macroeconomic conditions.

Namely?
A.K.: Instead of surfing on the tailwind of the global economy, we actually faced an increasing headwind. Weak demand from the key industries that use our products has now persisted for an unusually long time – this applies in particular to the automotive industry and industrial automation, not to mention next-generation medical technology. This was thankfully offset by the consumer business, which picked up also thanks to the ramp-up of new products. Given the decrease in our non-core

business, however, the revenues posted for our semiconductor business remained almost flat. Political uncertainty on both sides of the Atlantic was not helpful either, and this continues to be the case. Furthermore, the realignment of our microLED strategy involved a lot of effort after our key customer surprisingly canceled the joint project in spring 2024. All of that slowed down the ams OSRAM recovery.

You just mentioned 'Re-establish the Base', which you first presented just a few months after taking office. For all the success, is it sufficient in view of the challenges ahead?
A.K.: As a result of the ongoing weak economic prospects in key markets, last November we further beefed up the program substantially, and extended it to run until the end of 2026. We want to secure the financial recovery achieved to date …
Rainer Irle: … and it was in fact a massive recovery we made in 2024. A firm hand in portfolio management enabled us to considerably scale back investments and thus significantly boost cash flow and profitability. In 2023, our free cash flow was still deep in the red at minus EUR 350 million. Last year – and this includes the interest load for our financing – we were already EUR 12 million in the black. And 'Re-establish the Base' also played a strong part in the turnaround. On the back of the sharp strategic focus and cost-cutting introduced by the program we have fundamentally and profitably transformed our CSA business unit, previously a severe loss maker, while both our other business units, OS and L&S, both performed solidly overall even in a difficult operating environment. Thanks to the efficiency program, we've boosted our EBITDA margin by four percentage points, something that may not be immediately apparent on a 1:1 basis. We are aware that we must continue the path to enhanced financial health, and for that reason we have given greater precision to our promise for the current financial year 2025 when we published our 2024 results. And we have raised the yardstick: We are now looking at free cash flow after interest payments totaling more than EUR 100 million. Only in this way will we hit our medium- and long-term target of further reducing our heavy debt burden and thus gaining financial room for maneuver, something that is demanded in the interests of our shareholders, staff, customers, and partners.
Margarete Haase: In the opinion of the Supervisory Board, this promise is absolutely key, and we have great confidence in the Management Board that it will indeed be kept. After all, ams OSRAM has managed to persist in difficult business conditions and lay the foundations for future profitable growth. The Supervisory Board participated very closely in developing the refocused strategy and in particular understood the expansion of the 'Re-establish the Base' efficiency program, seeing it as an urgent measure to restore financial health. The focus here is also on more agile processes and greater R&D efficiency. We will be engaging closely with implementation of further portfolio decisions and cost-cutting measures and monitoring them carefully.

To date, the progress has not yet had a positive impact on the ams OSRAM share price. In fact, in 2024 the shares continued notably to shed value …
M.H.: The Supervisory Board is likewise not happy with the share price performance. In our estimation, the capital market has not yet appropriately rewarded the progress ams OSRAM has made in giving its portfolio a sharper edge, in consistently lowering our structural costs, and in diversifying our customer base.
R.I.: Whenever we talk to existing or potential investors, we encounter great interest in how we are developing the company. That said, many are still waiting on the sidelines for the right entry time. A lot of investors are particularly curious to find out what is happening with our latest factory in Kulim.

Let's address that topic in greater depth. The share price tanked when the microLED strategy had to be recalibrated, because that meant a heavy burden. How has that been absorbed thus far and what are the plans for the factory?
M.H.: The termination of the microLED project by the key customer gave rise to considerable challenges for the entire organization, and from the Supervisory Board's viewpoint these have been mastered well. In particular, lessons from the project were learned for the future, with the company's risk management structures being strengthened further, for example.
R.I.: And on the financial side of things, we booked the relevant write-downs on the machines, for instance, that we had already installed or those where we could no longer cancel the orders for them. This did not eat into our cash, but it did reduce our equity capital. There continues to be a couple of parties interested in acquiring the specially outfitted, ultra-modern factory building in Kulim, but they are hesitating due to the current weak chip industry. Not that there can be any doubting the value of the factory building, which is why we are taking the time required to find a good solution. That's in the interest of our shareholders, but needless to say also leads to the above-mentioned restraint among new investors.

And so what's the next step with regard to microLED technology?
A.K.: We learned an enormous amount from the project, and we want to tap that knowledge in new projects with new partners. We're in highly productive talks and

observe great interest in the technological opportunities afforded by microLED. The focus is on applications where its specific advantages can make all the difference, such as extreme brightness and minimal component size for projector solutions. These advantages could be nicely exploited, for example, in innovative, super-bright head-up displays, or for new, super-high-res headlights for vehicles. And by the way, we notice across countless application fields just how interested our customers are in our highly innovative solutions. They consider us essential to their success. Our customer relationships are very positive, and we are seeing great value from them. Last year, for example, one customer already made down payments on products we will only be supplying from 2026. Others have paid cash supplements toward our R&D costs, so-called NREs, even if it is not yet clear whether the joint projects will be successful. We are seen as the innovation leader and partner and are held in high esteem in this regard.

What would you see as an outstanding example of this in 2024?
A.K.: What personally really moved me was when we were awarded the Deutscher Zukunftspreis, which the German Federal President bestows each year in Berlin for technology and innovation. On the one hand, we were delighted for the team, some of its members had been working for more than a decade on the project. We succeeded in developing highly pixelated, digital light, and the technology is already being used in EVIYOS, our highly innovative, dynamic automobile front headlamp solution that is being adopted for an ever-growing number of models by the major carmakers worldwide. And in future, completely different fields of application are also conceivable for this technology, such as in augmented reality goggles or for data transmission purposes. On the other hand, the goal we set ourselves in our new vision and mission statements last year becomes tangible: We inspire people with our innovative lighting and sensor technology solutions. And we have done that successfully with EVIYOS. You could truly feel up on stage at the awards ceremony what a positive impact light and sensor technology can have on people. That's something our new slogan likewise expresses: 'Sense the power of light.'

As a rule, however, innovations also need investments. How are you securing the necessary resources given the current backdrop of ongoing cost-cutting?
R.I.: We most certainly do not want our ongoing efficiency measures to jeopardize our innovative prowess, but to focus it better. Innovation will remain ams OSRAM's strength going forward, the one that gives us a critical advantage over the competition. That said, we definitely need to boost our R&D efficiency considerably. We plan on scaling back our R&D expenses to a level that is typical for our industry. That again is to buttress our competitiveness and our future successes. Our objective is to be either the # 1 or the # 2 in the product fields in which we are active.

Investments in R&D are one side of things. The other is ams OSRAM's own production plant. What's the policy in that regard?
R.I.: We continue to invest in our own production facilities wherever this strengthens our position in the market. We are thus expanding our capacities at our site in Premstaetten, Austria, an undertaking that is also receiving financial support from the Republic of Austria in the context of the European Chips Act. Moreover, and likewise in Premstaetten, in fall 2024 we successfully launched production of a new, highly innovative light sensor for a key customer. And in Regensburg in Bavaria, Germany, we are bolstering our expertise in light with a grant within the framework of IPCEI, an 'Important Project of Common European Interest'. We seek balanced investments across all regions of the world. Which is why, over the next few years, we will be strengthening our expertise at our sites in Asia in particular. That will again contribute to improving our R&D efficiency.

Public debates about sustainability tend to be fiery. What role does the subject play in the ams OSRAM strategy?
R.I.: Sustainability remains a key strand of our corporate strategy. We aspire to develop innovations that contribute to a sustainable future, for example in the form of energy-efficient products or solutions that provide people with greater safety or wellbeing. We also continue to seek to achieve carbon-neutral operations by 2030. Last year, for example, we managed to reduce our CO_2 emissions by a further 26 percent.

Does that pay off?
R.I.: Sustainability is not some sideshow, but is economically relevant and has long been deeply rooted in our corporate culture. For us, the topic includes ecological issues just as it does social and governance aspects, meaning the entire gamut of ESG. Our customers expect us to meet their standards, and that applies just as much to the performance of one of our products as it does to the underlying degree of its sustainability. And the rating agencies duly reward us for this, too. For example, Ecovadis awarded us platinum status for our pioneering role here. In this context, however, it has to be said that the policymakers have set stipulations that in part go far beyond what would be an economically reasonable level. The effort required to

gather the necessary data is often extremely high. We would like to see the whole topic also being revisited in Europe and analyzed in the sober light of day and then adapted accordingly.

Let’s look forward to the 2025 business year. What can ams OSRAM shareholders expect to see?
M.H.: For all the global uncertainty, we can look to the year with confidence. We’ve laid the foundations for long-term success, and the strategic focus of the company’s portfolio was given a keener edge last year. The Supervisory Board believes that ams OSRAM is in a good position to benefit to an above-average extent from a broad economic recovery thanks to the company’s careful disinvestments and its strengthening of its core business in the automotive, industry and medicine segments as well as selected consumer applications coupled with optimized cost structures. We will consistently continue on the path we have embarked on in 2025 and will further improve the company’s operating revenues.
A.K.: That is exactly what we are all working on, by which I mean in close collaboration across all the business units, with our highly disciplined and superbly qualified colleagues, who deserve the highest praise for remaining so proactively committed despite all the necessary changes and for having worked on developing solutions that make a real difference. We have set ourselves the objective of significantly growing our earnings and free cash flow this year, despite the fact that market conditions will probably remain muted. ams OSRAM is the innovation partner of choice for many, often long-standing customers. This in itself will unleash even greater momentum once the market bounces back.

Executive Bodies

Management Board

Aldo Kamper (CEO, since April 1, 2023)
Rainer Irle, MSc (CFO, since July 1, 2023)

Supervisory Board

Guido Klestil (Honorary Chairperson)

Dr. Margarete Haase (since June 2, 2021; Chairperson since June 24, 2022)
Andreas Mattes (since June 23, 2023; Deputy Chairperson since September 27, 2023)
Brigitte Ederer (since June 2, 2021; independent member)
Andreas Gerstenmayer (since June 24, 2022; independent member)
Dr. Monika Henzinger (since June 6, 2018; independent member)
Kin Wah Loh (since June 2, 2016; independent member)
Arunjai Mittal (since October 20, 2023; independent member)
Yen Yen Tan (since June 6, 2018; independent member)
Wolfgang Koren (since June 21, 2023; employee representative)
Michael Krainz (since June 21, 2023; employee representative)
Dr. Nadine Raidl (since June 21, 2023; employee representative)
Patrick Reinisch (until September 4, 2024; employee representative)
Martin Bauer (since September 4, 2024; employee representative)

Our Company

Our business

Our strategy

Our focus on research, development, and innovation

Our global manufacturing network

Our talents

Our approach to sustainability

Our business

Leaders in the fields of lighting and sensor technology

ams OSRAM's passion for pioneering innovations is what has made it a leading global provider of lighting and sensor technology solutions. Our customers can rely on us to develop products that continuously expand the technological limits of lighting, visualization, and sensor technologies. Together, we create novel applications that make our world a safer, smarter, and more sustainable place.

ams OSRAM stands for innovative prowess, extensive technological expertise, and a global network of ultra-modern industrial manufacturing facilities. Our unique portfolio includes high-quality semiconductor-based light-emitting sources (LEDs and laser diodes), sensors, CMOS-ICs (complementary metal-oxide-semiconductors) and software, classic lighting technologies as well as LED-based lighting solutions for automotive and specialty applications. We deploy visible and invisible wavelength ranges to grasp our surroundings and enable information about them to be seen and processed.

Our innovative semiconductor technologies shape people's lives: Together with our customers, we develop lighting and sensor technology solutions that help improve people's quality of life as regards health, safety, and mobility and contribute to sustainable development. ams OSRAM lamps and lighting systems combine classic lighting know-how with cutting-edge technology. Our lighting solutions and specialty lamps for the automotive, industrial, and entertainment sectors are market leaders and are to be found the world over in many different areas of life.

The expertise we have accumulated down through the decades in light-emitting components, sensor technology, and light processing as well as our grasp of systems ensure we are the reliable partner at our customers' side. For more than 110 years now, we have been setting industry standards with our technologies and laying the foundations for innovative functions in the fields of mobility, industry, medicine, and handheld devices.

Our strategy

Abreast of the megatrends in society

As a global leading provider of lighting and sensor technology solutions, ams OSRAM aligns its business, product, and innovation strategy to key megatrends in society. These include digitization, smart living, energy efficiency, and sustainability, each of which offers a broad range of opportunities in the various end markets.

Although they are often invisible, our lighting and sensor technology solutions are omnipresent in everyday life:

- They make driving cars safer and more comfortable by ensuring the street is perfectly illuminated, communication with other traffic participants is possible, and drivers are supported by in-car monitoring and assistance functions.
- They enable robots to measure their surroundings with the utmost precision and interact with humans safely.
- They illuminate streets and buildings efficiently and make them safer and more pleasant to use.
- They improve health and wellbeing with countless small, precise, and affordable solutions, be it in modern computer tomography or in fitness trackers.
- They provide for optimal plant growth in controlled environments.
- They disinfect public spaces efficiently and safely.
- They unlock our smartphones, let our cameras capture the world better, and make new experiences possible such as projections using smart glasses.

The above is but a selection, as there are almost unlimited opportunities for applications driven by lighting and sensor technology systems. There are almost 4,700 ams OSRAM engineers, who devote themselves constantly to finding pioneering solutions that make life better.

The strategic setting

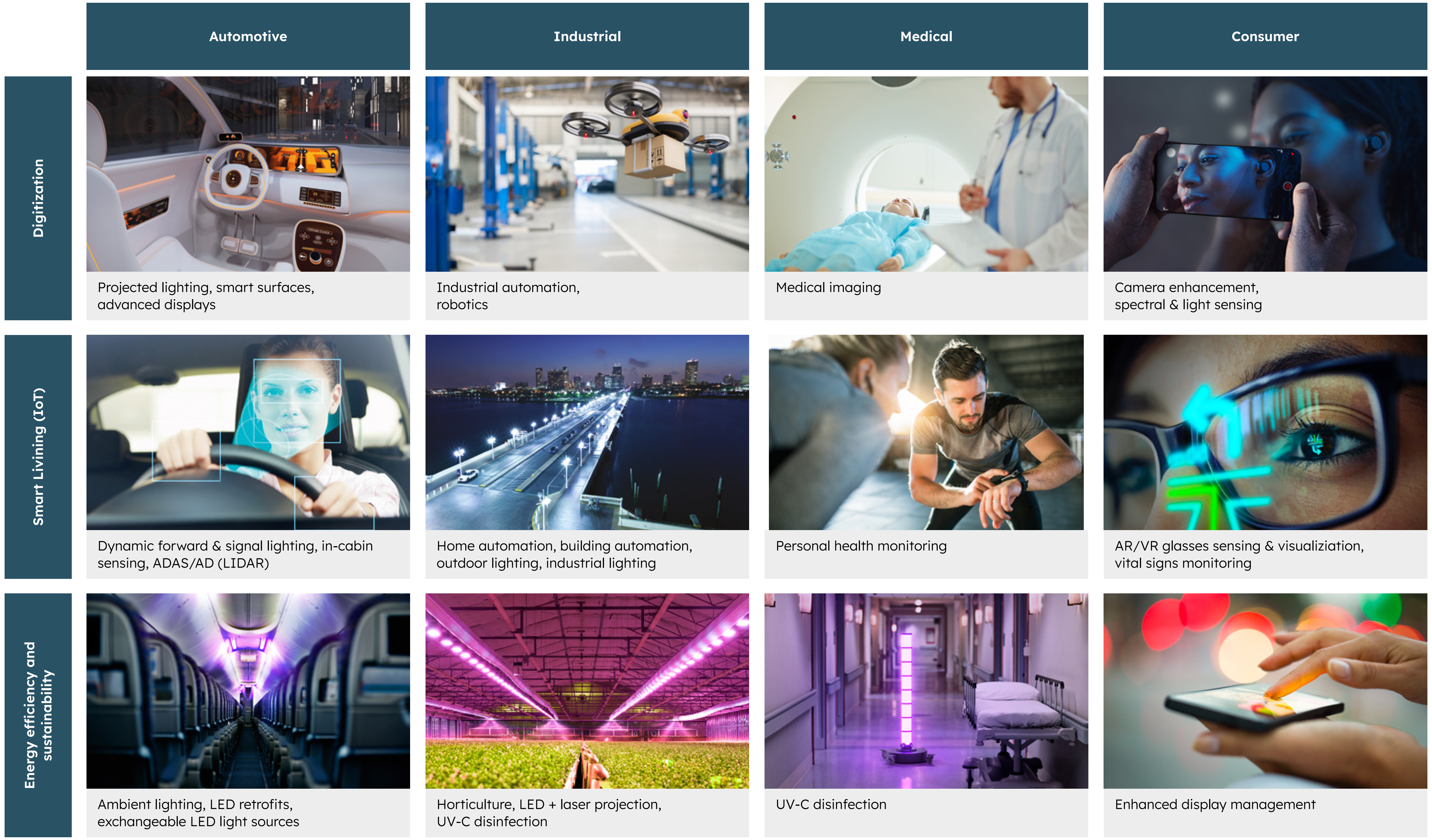
“Sense the power of light” – all our corporate actions start with a fascination for light, from its generation to its detection. We want to have enthusiastic customers and partners who are thrilled by the immense potential innate to the combination of innovative lighting and sensor technologies, and by its positive contribution to people’s lives.

ams OSRAM’s exceptional expertise and systems understanding are based on its long-standing market leadership in different sectors:

- We are the world’s no. 1 for light sensors.[1]
- We are the no. 2 for LEDs overall and the no. 1 for LEDs for the automotive industry.[2]
- We are the no. 1 for auto lamps.[3]

In the field of lighting, we are busy shoring up our leading position in traditional lamps and at the same time locking into new strong-growth fields. In the semiconductor business, ams OSRAM focuses consistently on structurally expanding segments of the market. Our growth strategy rests on solid foundations: technology leadership and a strong position in the important markets of tomorrow.

Megatrends and markets for a safer, smarter, and more sustainable world



[1] OMNIA, 2023
[2] Trendforce, 2024
[3] In-company market model, 2024; this covers halogen lamps, LED retrofits, and replaceable LED light sources

‘Re-establish the Base’ program: progress made in 2024

In July 2023, we further sharpened the focus of our business with our strategic ‘Re-establish the Base’ efficiency program. In this context, we are strengthening our leading position in the market, sharpening our cutting edge in technology, streamlining processes and structures, and saving costs. We have reviewed our portfolio and have shed unprofitable product lines or had largely terminated them by the end of 2024. On balance, business with a total sales volume of about EUR 350 million (in 2023 terms) was discontinued.

We have also made great advances in streamlining processes and structures: By year-end 2024, run-rate costs of approx. EUR 100 million were cut, appreciably more than the figure of EUR 75 million originally budgeted for the year.

We intend to strengthen the long-term path to boosting profits still further given rising market uncertainties and economic risks. For this reason, in November 2024 we resolved to extend the program. By the end of 2026, we plan to have reduced run-rate costs by an additional EUR 75 million. We now seek to make savings of approx. EUR 225 million by year-end 2026. Hitherto, the target figure was EUR 150 million by year-end 2025. These measures will, however, affect a further figure of some 500 employees, as about one third of the functions will have to be relocated to countries with lower wage costs.

Updated and adjusted mid-term target operating model

By extending and expanding the ‘Re-establish the Base’ program, we have adjusted the medium-term target operating model to economic conditions and lent it greater precision. First, we have now based our growth model solely on the core semiconductor portfolio, which in the year 2024 accounted for around EUR 2.2 billion (adjusted revenues minus approx. EUR 200 million for the old portfolio). Second, given the shift in the target achievement corridor, we have factored in economic conditions in the year 2027, meaning the model has a reach that is one year longer. The target KPI for profitability has been changed and is now adjusted EBITDA, since this better reflects how our cashflow performs.

All in all, ams OSRAM is now targeting a CAGR of 6–10% for our core semiconductor portfolio. It relies on a strong design-win base and assumes an adjusted EBITDA margin of 20–24% by 2027. The model is based on a CAPEX-to-sales ratio of around 8% over this period. As regards free cashflow, which improved appreciably in 2024 (incl. interest payments), we aspire to achieve a clearly positive figure for 2025. On this bedrock, we plan to reduce our long-term debt load and achieve an investment-grade profile with a ratio of net debt to adjusted EBITDA of less than 2.

Our business model

Our market leadership relies on strong foundations: our broad coverage of the value-added chain, our superior technological know-how, and a strong grasp of applications in the business fields we serve. These factors put us in a position to create technologically discerning and intelligent products, from their design and development through to their manufacture. The result is a portfolio that is unique in the market in terms of its flexible combination of lighting and sensor technologies.

Our business units bear the entrepreneurial responsibility for achieving this; they boast outstanding technological expertise and have a clear focus on their core business. Two business units are active in the semiconductor sector, with one specialized in emitters and the other in sensor technology and analog mixed-signal ICs. Our classic lamps and lighting products are handled by our Lamps & Systems business unit. Each business unit possesses its own global network of applications and technology experts, laboratories, and leading-edge manufacturing facilities.

Our semiconductor operations are spread across two business units:

Opto Semiconductors (OS)
The OS business unit's core competence is in semiconductor light sources such as LEDs and lasers. OS is the world leader for optoelectronic products for the automobile industry, with a product portfolio that ranges from standard components through to smart solutions. It includes single-chip LEDs and infrared LEDs, infrared and visible lasers, multi-chip packages and multi-pixel components. With our LEDs for visible and invisible light as well as our laser diodes, our business is aligned to highly promising growth trends in the fields of mobility, mobile handhelds, augmented reality systems, medical technology, and horticulture.

CMOS Sensors and ASICs (CSA)
Our CSA business unit is one of the global market leaders in light and medical imaging sensors and specializes in sensor-based and analog mixed-signal ICs. Its core business is with CMOS-based sensors and sensor components. Our technological expertise encompasses light, proximity, ranging, position, imaging, and vital sign sensors and drivers. With our standard and customer-specific products, CSA is spearheading trends in the mobile devices and wearables, mobility, computer tomography, smart home, robotics, and automation markets.

Our traditional automotive and specialty lamp businesses are combined into one business unit:

Lamps & Systems (L&S)
Our L&S business unit can look back on a long history of innovation and market leadership in automotive and specialty lamps. The broad portfolio extends from classic lighting (halogen or xenon-based) technologies to LED-based lighting solutions. We cover an extensive range of automotive applications, from lamps and lights to automotive components. We likewise offer special lamps for entertainment, medical, and industrial applications. Our customers include both OEMs[1] and corporations in the retrofit market (e.g. retailers) as well as distributors who sell our products on to these groups.

Customer focus and development partnerships are decisive in innovation-driven markets. As a leading innovator, we nurture long-standing relationships with our key accounts, and through close cooperation ensure optimized solutions are found for their applications. We monitor the technological trends, anticipate developments, and thus offer state-of-the-art solutions.

ams OSRAM Group

- Cutting-edge solutions in lighting and sensing
- Comprehensive portfolio of standard and tailored key components
- Advanced technologies for lighting, visualization, and sensing
- Global footprint in R&D, production, design, and sales

Lamps & Systems

- Focus on automotive and specialty lighting
- Over 110 years of innovation leadership in lighting
- Approx. 30% of total revenue
- Portfolio spans traditional and LED-based lighting solutions
- Products include traditional lamps, LED retrofits, and fixtures as well as LED modules

Semiconductors

- Focused on LEDs, lasers, ICs, and sensors
- Over 70 years of innovation leadership in opto semiconductors
- Over 40 years of innovation leadership in sensing
- Approx. 70% of total revenue

Opto Semiconductors

- World market leader in automotive optoelectronics
- Specializing in semiconductor light sources in the visible, UV and infrared spectrum
- Product portfolio includes single-chip LEDs, lasers, multi-chip packages, and high-pixelated LEDs

CMOS Sensors and ASICs

- Global market leader in light and medical imaging sensors
- Focused on analog and mixed-signal CMOS sensor ICs, both highly customized (ASICs) as well as for mass markets
- Product range includes light, proximity, ranging, position, imaging, and vital sign sensors and drivers

[1] Original Equipment Manufacturer (OEMs) and component suppliers

Our focus on research, development, and innovation

Innovations for the megatrends in society

ams OSRAM develops powerful and efficient technologies that tap into the full potential of light – from the focused generation of light through to its highly sensitive detection. We are driven by our mission to make the world safer, more intelligent, and more sustainable with our innovations. Our lighting and sensor solutions lay the foundations for sustainable mobility, affordable medical care, and smooth interaction between humans and technology. They offer new perspectives and help press the pedal on progress in many areas of life.

Mobility tomorrow will be smart, featuring more sets of functions as well as greater safety and comfort. The more artificial intelligence and complex driving safety systems make motoring easier, the freer we are to use the travel time. In such settings, we expect to receive personalized real-time information in high-quality images, a pleasant passenger-cabin atmosphere, and smart user interfaces, not to mention secure data quality and privacy. Our highly integrated lighting and sensor technologies provide solutions to these requirements in the form of gesture recognition, user authentication, and display and projection systems.

With life expectancy rising and growing interest in a healthy lifestyle, new technologies for personal health-tracking are becoming ever more popular, both in medical contexts and for private use. Today, smartphones and smartwatches are intelligent assistants available at any time and any place, making a whole raft of information and services accessible. Our precise lighting and sensor technologies take the representation and precision of the data measured to the next level and thus enable a more exact measurement of a person's vital functions – technologies that deliver ever more information and require ever less power to run them.

Rendering visible what was previously hidden enhances safety. Progress in digital Xray technology and computer tomography (CT) is setting new standards, especially when backed up by AI-supported image analysis. Our innovative photon counting technology provides spatial resolutions up to four times greater than conventional CT technology. This is hugely significant specifically for medical diagnostics but also in industrial applications such as monitoring batteries or controlling foods. Other digital Xray technology and computer tomography applications include optimizing materials analysis, improving building surveillance, or examining archaeological artefacts.

Given the changes in society's demographics, technology will play an ever-greater role, providing assistance in our learning and working worlds. With the experience gained from their uses today, robots will in future be able to handle many additional and more complex tasks, helping to bring in the harvest or waiting at table. Intelligent lighting and sensor technologies courtesy of ams OSRAM connect humans and machines, and thus today already make it possible for us to interact with digital devices.

R&D at ams OSRAM

With our innovative semiconductor-based lighting and sensor technologies, we join forces with our customers to devise innovative solutions finetuned to the megatrends in society. The semiconductor market is the central driver underpinning the technology industry and decisively helps define the innovations of the 21st century. Indeed, our broad product portfolio addresses a relevant market in the double-digit billions.

Our most valuable asset is the expertise of our committed R&D teams the world over. We can look back on a long tradition in developing both classic lighting technologies and chips and packaging for emitters and sensors. By bringing all the decisive technological steps together under a single roof, we can bring innovations to bear in each and every phase and sustainably further develop the system as a whole. Partners and customers alike benefit from this comprehensive development chain that covers not only high-grade components but also integrated products. In addition, our Foundry Services team provides support in conceptualizing and developing customer-calibrated products.

With our long-term technology and product roadmaps, we focus on highly promising and differentiating innovations. We frequently round out our R&D activities with publicly funded programs and network closely with various corporations in industry and the broader research community. We cooperate with universities, research institutes, and corporations on interdisciplinary projects in order to tread new paths and expand the limits of what is technologically feasible.

The outcomes are outstanding: Together with the Fraunhofer Institute IZM[1], the ams OSRAM research team won the Deutscher Zukunftspreis – Preis des Bundespräsidenten für Technik und Innovation in 2024[2]. The award was in recognition of the technological realization of an LED matrix consisting of individually controllable micropixels. The solution has the potential to massively foster future-oriented applications and functionalities, from intelligent automobile headlamps (already integrated into our award-winning EVIYOS® technology) through to interactive displays in augmented reality goggles.

In the context of our strategic realignment, we have appreciably streamlined our R&D efforts. ams OSRAM conducts R&D work at 25 sites in Europe, Asia/Pacific, and North America. This ensures access to the pool of experts in the respective region and closer links to our customers and markets. As is usual in the industry, we also engage external R&D partners in our product development effort in order to cover peak workloads and be able to respond more flexibly overall.

Our teams' innovative prowess is also reflected in the number of our patents, copyrights, and brands as well as our recognized know-how. Globally speaking, we hold over 13,000 patents and patent filings spread across about 5,000 patent groups, including in important markets such as China, Germany, Japan, South Korea, Taiwan, and the United States.[3]

We are firmly convinced that our development model with its strong customer focus is one of ams OSRAM's greatest strengths. As innovation leaders in many fields and with our consistent R&D strategy, we are our customers' preferred partner the world over. With our combination of applications know-how and technological abilities, we create not only standard but also customized solutions for our customers.

[1] Fraunhofer Institute for Reliability and Microintegration IZM
[2] German Future Prize – Federal President's Award for Technology and Innovation
[3] Status: December 31, 2024

Our global manufacturing network

ams OSRAM is also a market leader thanks to its global network of highly specialized manufacturing facilities for conventional lighting technologies and for semiconductor-based sensor and emitter products. With our 16 production plants, 25 major R&D centers, and our sales offices, we are close to our customers in the global markets and can respond precisely to specific customer requirements.

We possess extensive expertise in the field of lamp manufacturing and innovative semiconductor production technologies. Our internal manufacturing know-how covers frontend, backend, and testing processes, not to mention all the key process technologies for manufacturing chips, such as epitaxy, wafer fabrication, wafer post-processing, die-sorting, chip assembly, encapsulation/coating, testing, and calibration as well as quality control and management.

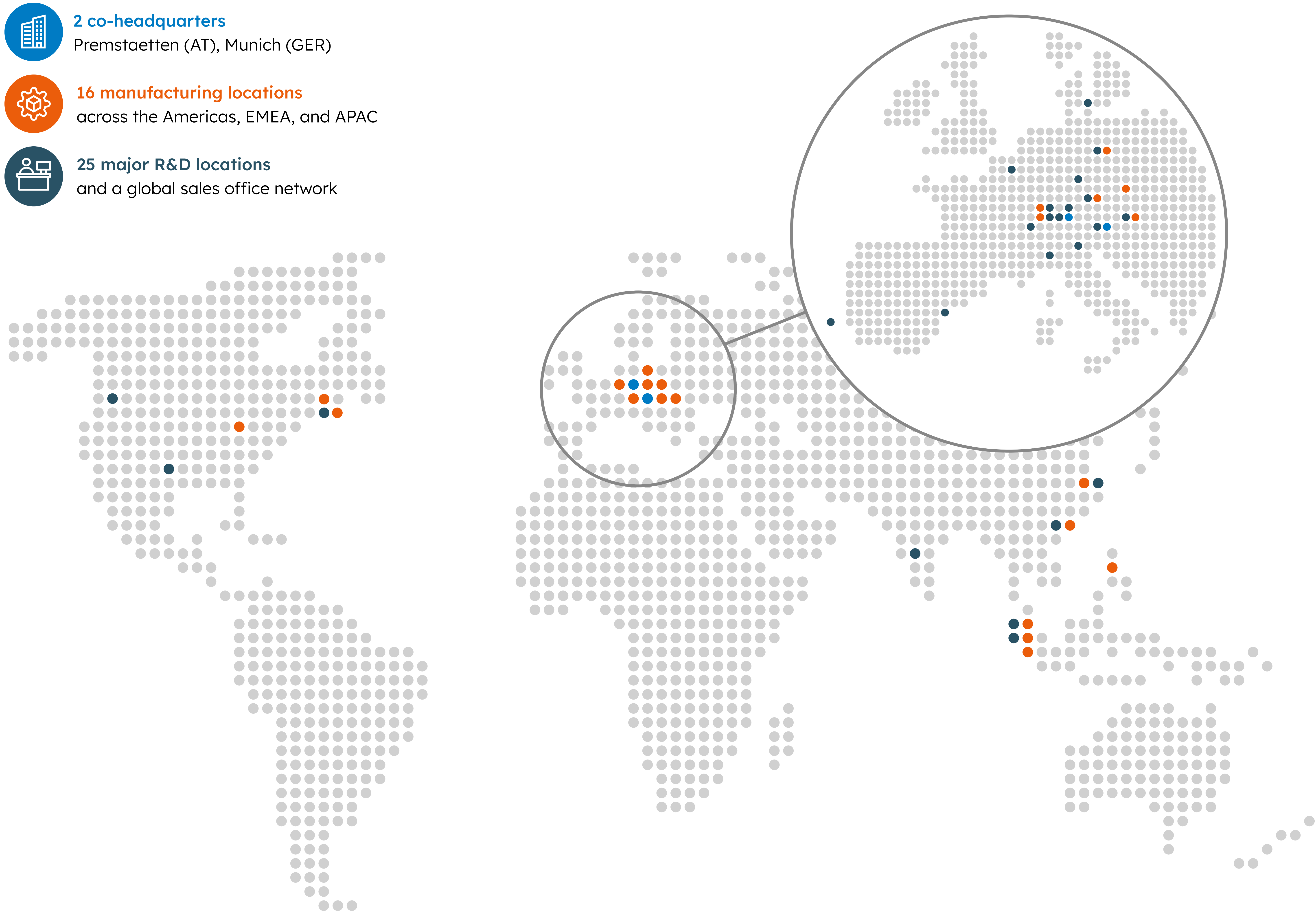
Through a hybrid approach, we combine an integrated in-house manufacturing strategy with selective outsourcing support for manufacturing steps where we are not differentiated by our manufacturing technology. At the same time, we maintain our in-house manufacturing capacity for some high-volume outsourced products in order to be able to respond flexibly to changes in demand. For example, we can manufacture our mixed-signal and analog semiconductors both in our own facilities or together with contract manufacturers.

We develop and manufacture our products using precise, highly complex processes and to this end invest considerable sums in ultra-modern equipment. We regularly enhance these production processes in order constantly to boost yields and performance alike. Our processes are subject to strict quality requirements in order to make certain that our partners receive reliable and long-lasting solutions even for tough application environments. As an industrial manufacturer, we take our responsibilities with regard to environmental impact and climate change extremely seriously. Please consult our Sustainability Report to find detailed information on our sustainability targets and initiatives in the field of manufacturing: > click here.

2 co-headquarters
Premstaetten (AT), Munich (GER)

16 manufacturing locations
across the Americas, EMEA, and APAC

25 major R&D locations
and a global sales office network



Our talents

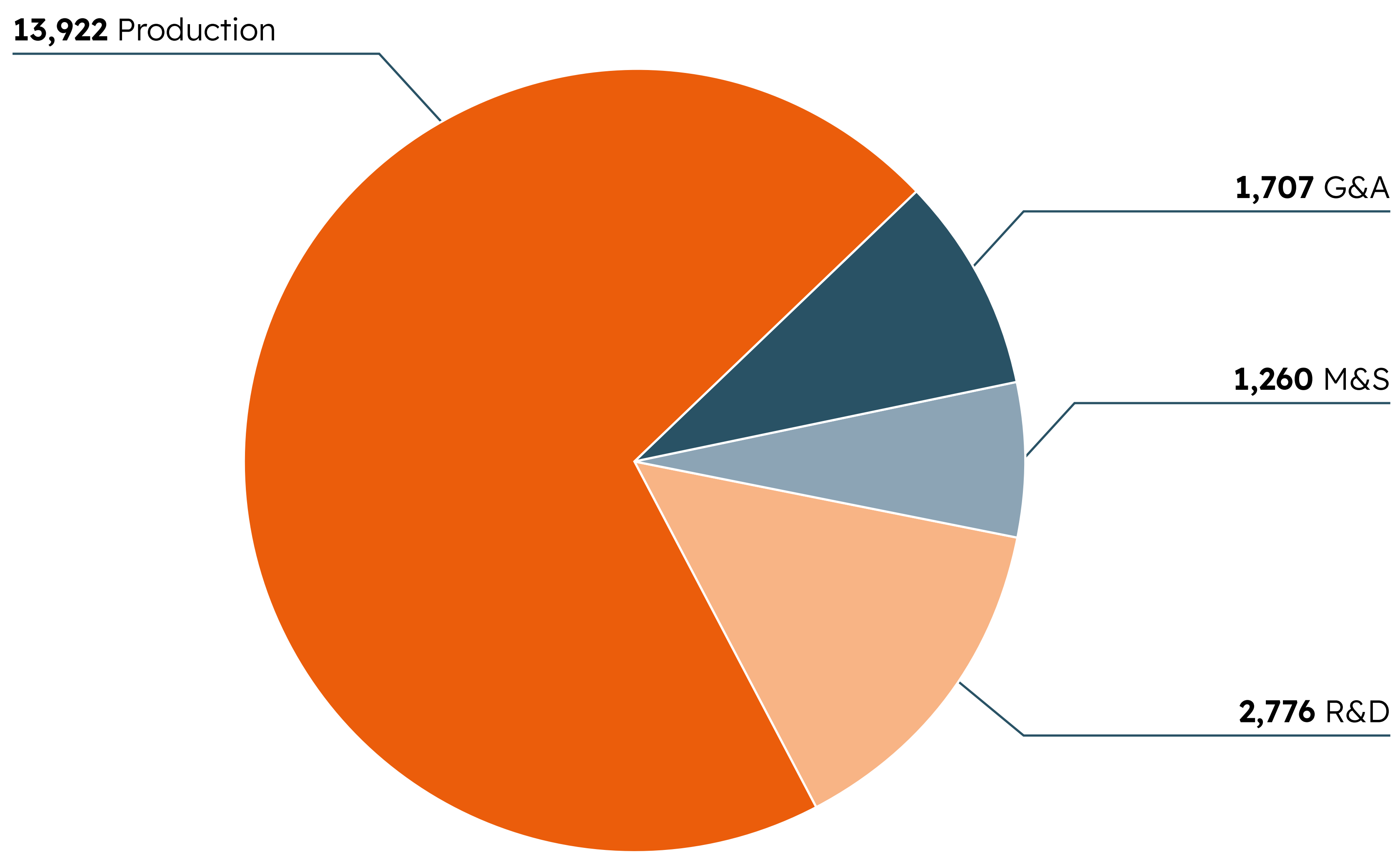
ams OSRAM employs around 19,700 staff members of 84 different nationalities in 40 countries, who are all united in their passion for innovation.

Our innovative prowess rests on the bedrock of our staff's wide-ranging expertise in development and production. Almost 4,700 engineers are busy working to enhance our production portfolio of almost 1,400 lighting and sensor solutions. Our global patents portfolio features more than 13,000 patents and patent filings, underscoring our strength and depth in innovations.

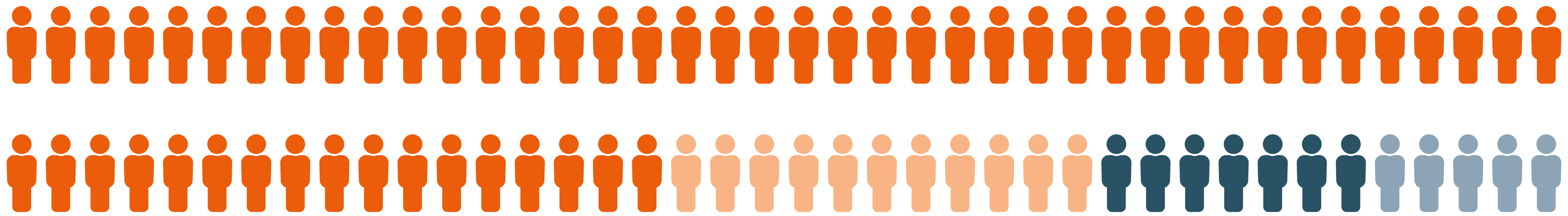
A matter especially close to our hearts is enabling the personal development of our talents, because only in that way we can foster their lasting commitment and loyalty. What is likewise crucial in our view is to offer an outstanding working environment in order to attract and retain the best talents. In 2024, we conducted a global OHI survey (Organizational Health Index). With a 75% participation ratio, we obtained a representative overview of ams OSRAM's organizational health. Initiatives launched on the back of the survey are destined to establish an even more powerful and resilient organization.

We can rely on our teams' pronounced ability to pull together in challenging times, too. With our 'Re-establish the Base' strategy and efficiency program, we have taken a decisive step towards mastering the current challenges and strengthening our market position. Our staff devote much effort to creating innovative solutions and buttressing our position in the market.

Our corporate culture is built on trust, respect, cohesion, and recognition. It enables our staff to act with an entrepreneurial mindset, take decisions swiftly, and consistently expand their expertise and skills. Because what we do know is that their efforts and passion are the key to our long-term and sustainable success.



G&A: General & Administration
M&S: Marketing & Sales
R&D: Research & Development



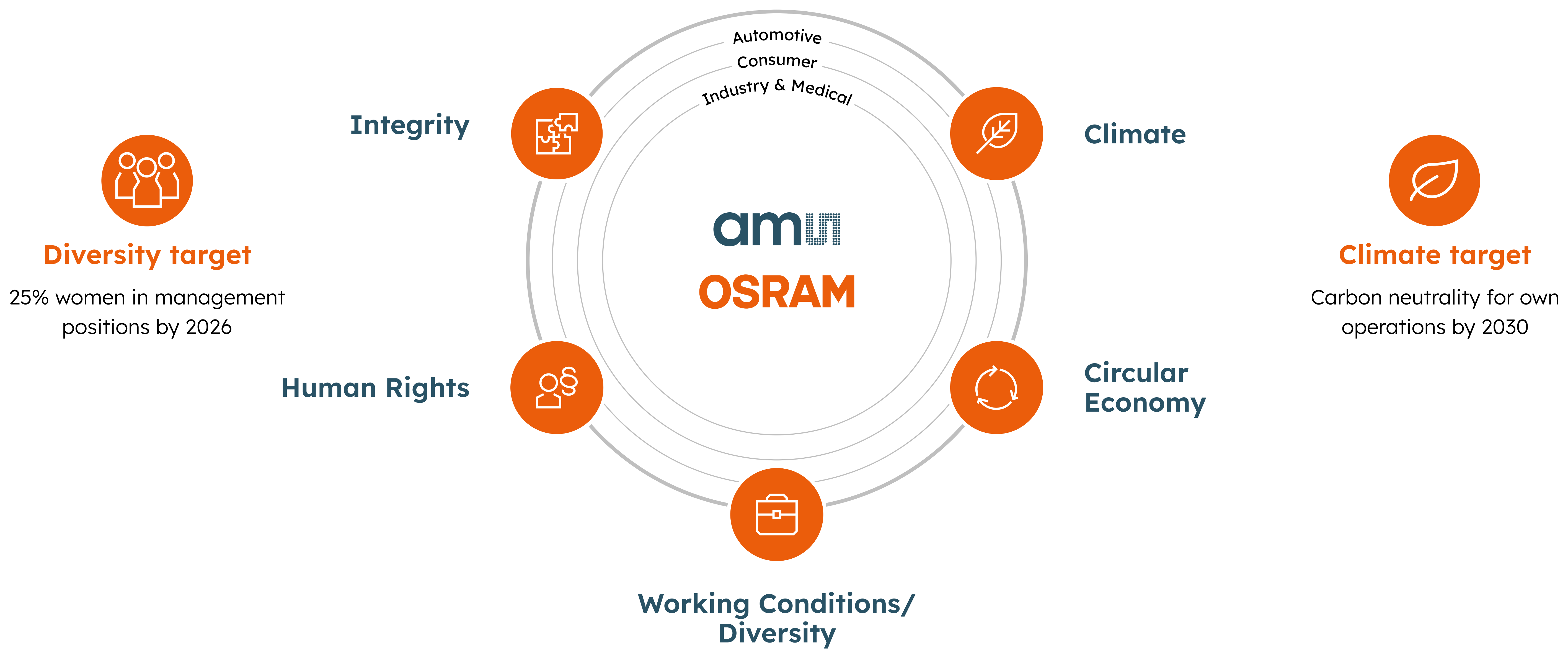
19,665 employees

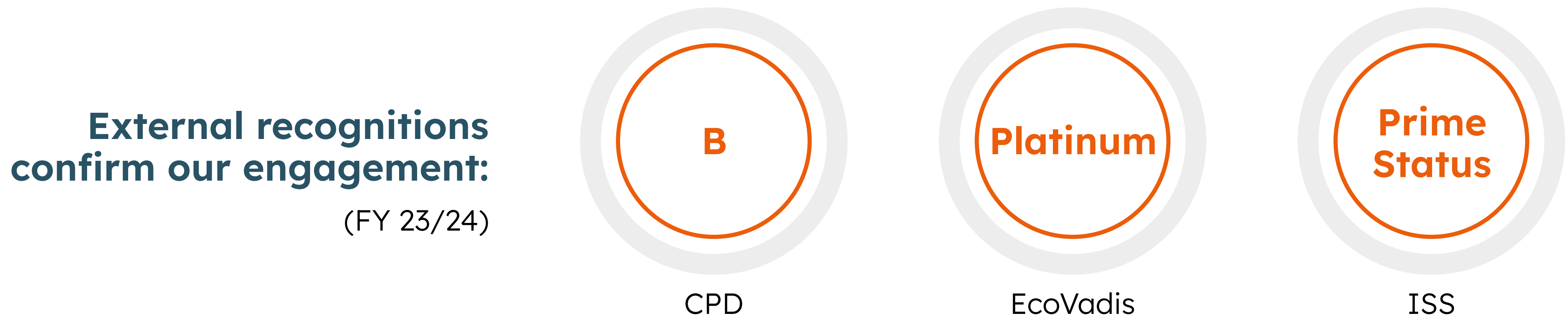
84 nationalities

40 countries

Our approach to sustainability

For us, sustainability means responsibility – to our customers, our staff, our shareholders, society, and the environment. In this context, we prioritize sparing resources, protecting the environment, providing fair working conditions, and adhering to human rights along the entire value chain. Our aspiration is to achieve carbon-neutral business operations for ourselves by the year 2030. As of year-end 2024, we had managed to appreciably reduce carbon dioxide emissions by 44% on the 2021 baseline year and thus already achieved a major milestone as a manufacturing industrial corporation. Please consult our Sustainability Report for more details on our sustainability strategy, our targets, and our ESG ratings: > Sustainability Report.





Supervisory Board Report

Supervisory Board Report

Dear Shareholders,
In business year 2024, weak demand in the industries that are important for ams OSRAM dampened business developments. Moreover, the Company also had to cope with the ongoing political uncertainties, including those caused by the wars in Ukraine and the Middle East. Considerable progress in our consumer business thanks to the launch of innovative new products was compensated by the continuing weakness of the industrial and medical business and the dwindling automotive economy.

In addition to the Company's ongoing business, the Supervisory Board's work in fiscal year 2024 concentrated on the discussion over adapting the ams OSRAM microLED strategy following the termination of a key customer project. Moreover, we intensively debated the future strategic focus, actively tracked the turnaround of the CSA business unit, and assessed the Company's major technological innovations.

Alongside further streamlining of the Company's portfolio, the swift and consistent expansion of the Group-wide 'Re-establish the Base' efficiency program makes an important contribution to enduringly boosting ams OSRAM's value. The Supervisory Board is convinced that the Company will be better able to make use of its power to innovate, outstanding customer relationships, and good position in growing markets if structures and processes are rendered more efficient and are geared to core issues with a strong future. Here, the Company can exploit its broad international footprint and conduct certain activities close to our customers and at a lower cost. The Supervisory Board expressly supports the fact that in 2024 the Management Board and the management team actively addressed these topics and moved them forward. It also welcomes the fact that ams OSRAM's finances are now on a more stable footing and the maturities profile of long-term financing has been improved further. We believe that in many fields the Company is in a good position to benefit to an above-average extent from a recovery in overall economic conditions.

Supervisory Board activities

At its meetings during business year 2024, the Supervisory Board took regular written and verbal reports from the Management Board on the business policy and the performance of the Company and the Group, and deliberated at length on matters relating to the company. The Supervisory Board convened a total of eight times in 2024, including the strategy meeting held as in previous years, and for one informal session. Chairperson Dr. Haase and the Deputy Chairperson of the Supervisory Board held scheduled monthly videoconferences with the two Management Board members in order to discuss ongoing business developments and strategic issues. Between Supervisory Board meetings, members of the Management Board also reported in personal meetings on the Group's business, on financial developments, and on selected special topics.

The Company's Annual General Meeting was held in 2024 as an in-person meeting, as in the previous year, at the Company's registered office in the presence of the shareholders. At this AGM, Dr. Margarete Haase and Ms. Brigitte Ederer were each elected for another period in office as shareholder representatives on the Supervisory Board. At a Supervisory Board meeting held directly after the AGM, Dr. Haase was confirmed in the office of Supervisory Board Chairperson and Ms. Ederer in that of Chairperson of the ESG Committee.

In the year under review, in a total of eight Supervisory Board meetings (both with and without the Management Board's participation) the Supervisory Board closely analyzed and discussed the Company's economic position, its business portfolio, and its future potentials, and took the necessary decisions. Focal topics in this context were: adjusting the Company's microLED strategy following termination of a key customer project and its impact on long-term ams OSRAM Group business planning; measures to secure the ams OSRAM Group's financing; implementation of the change to the structure of the Company's capital stock (reverse share split) resolved by the Annual General Meeting; optimization of R&D processes; implementation and expansion of the 'Re-establish the Base' efficiency program, and other cost optimization measures.

Alongside the above-mentioned topics, the Supervisory Board also addressed the adjustments to the conditions for the long-term share-based incentive plan (LTIP 2023) as a result of the Company's changed capital structure, decisions governing employee profit participation, and discussed geopolitical risks and their impact on ams OSRAM business. Furthermore, in July 2024, the Supervisory Board members took part in a training session on the new sustainability reporting duties (CSRD). A full one-day strategy meeting in the fall, held together with the management team, discussed the longer-term technological and commercial development of the individual fields and the medium-term planning that forms the basis of the annual budget. In addition, in December 2024 the Supervisory Board evaluated its own procedures and structures. In that context, among other things it discussed ways for the Supervisory Board to more efficiently support Company portfolio measures. Moreover, in future the Supervisory Board will continue to attend regular training sessions on the latest regulatory developments, and new members will complete compliance training measures.

Committee activities

The Audit Committee held six regular meetings in 2024, with each lasting an average of two hours. Five meetings were held in person, and one was a virtual meeting held as a videoconference. Among other things, the Audit Committee discussed the procedure for the preparation and audit of the annual financial statements, mostly in close cooperation with and in the presence of the auditor, with whom the Chair of the Audit Committee was in regular contact, as well as with the company's CFO and the members of the finance departments (in particular Accounting and Controlling). Other matters discussed were the quality and independence of the audit and the audit methodology. The results of the internal audits, the structure and functionality of the internal control and audit systems, and oversight of the accounting process were further important topics discussed at the Audit Committee meetings. Moreover, the Audit Committee concerned itself with the Company's risk management, in particular as regards significant project risks. It also discussed risks in the field of data security (cyber security). The Audit Committee also received regular reports on important compliance matters, the compliance system, and on major litigation.

The Technology Committee convened three times in the 2024 business year, with the meetings also attended by the heads of the central R&D unit and the strategy unit. The meetings lasted an average of two hours. Among other things, the Technology

Committee discussed key product innovations, optimization of R&D processes, and the findings of the ams OSRAM Innovation Conference.

The Remuneration Committee convened a total of four times, with the meetings lasting about one hour on average. Some of the meetings were held jointly with the LTIP Committee. One focal point of its work was the goals and parameters of the annual variable management compensation for the 2024 business year. It also discussed the multi-year targets for performance-oriented share-based instruments (performance share units) as per LTIP 2023 for the period 2024–26.

The LTIP Committee convened three times during the reporting period (in part jointly with the Remuneration Committee), with the meetings lasting around one hour on average. The key topics discussed were assessing the fulfillment of the established performance criteria for the long-term stock-based compensation plans, allocating stock-based instruments to Management Board members, and approving the Management Board's annual allocation of such instruments to other beneficiaries in accordance with the terms of the currently valid stock-based LTIP 2023 compensation plan. The committee also discussed the consequences that the changed sub-division of the Company's capital stock (resulting from the resolution of the June 2024 Annual General Meeting for a reverse share split) would have on the share-based remuneration instruments as issued, and thereupon recommended corresponding adjustment measures be adopted by the plenary meeting of the Supervisory Board.

The ESG Committee met twice in the 2024 business year, with each meeting lasting about one hour. In particular, the committee concerned itself with the sustainability strategy, the sustainability report for business year 2023, the European regulations on future sustainability reporting (CSRD), external sustainability ratings, and the key sustainability issues at ams OSRAM, specifically in the fields of Diversity & Inclusion, and Environment, Health, and Safety (EHS).

At each of its full meetings, the Supervisory Board was informed about the work of its committees and the key results of their deliberations.

For further information on the work of the Supervisory Board, in particular the attendance rates of individual members at the full Board meetings and at committee meetings, please also consult the Corporate Governance Report, which is part of the company's Annual Report and is posted on the Company's website.

Consolidated and annual financial statements 2024

The Management Board presented the annual financial statements for the year ended December 31, 2024. The ams-OSRAM AG annual financial statements and the management report, prepared as per the Austrian Commercial Code UGB, were audited by KPMG Wirtschaftsprüfungs- und Steuerberatungs- GmbH, Porzellangasse 51, 1090 Vienna, Austria, which issued an unqualified audit opinion thereon. Moreover, the Management Board presented the consolidated annual financial statements for the year ending December 31, 2024, to the Supervisory Board. The consolidated annual financial statements prepared as per IFRS and the consolidated management report were audited by KPMG Wirtschaftsprüfungs- und Steuerberatungs- GmbH, Porzellangasse 51, 1090 Vienna, Austria, who likewise issued an unqualified audit opinion on them.

At its meeting of March 18, 2025, the Supervisory Board examined the documents presented to it, also on the basis of detailed preliminary reviews by the Audit Committee, and raised no objections in the course of this examination. The Supervisory Board approved the annual financial statements for the year ended December 31, 2024, and the Management Board's proposal on releasing unallocated reserves of EUR 564,411,655 to cover the loss for the year of EUR 564,411,655. This translates into a net result of EUR 0.00 for fiscal year 2024. Moreover, the Supervisory Board also approved the consolidated Group annual financial statements for the year ending December 31, 2024, prepared as per IFRS, which show a net loss for the year of EUR 785 million and equity of EUR 1,235 million.

The Supervisory Board would like to thank the members of the Management Board, the employees and the employee representatives of ams-OSRAM AG and all Group member companies for their tremendous efforts in the 2024 business year.

Dr. Margarete Haase
Chairperson of the Supervisory Board

Corporate Governance

Corporate structure and shareholders

Capital structure

Supervisory Board

Management Board

Remuneration, shareholdings, and loans

Shareholder participation rights

Change of control and defensive measure

Auditor

Policy on information and disclosure

No-trade periods

Corporate Governance

ams-OSRAM AG (ams OSRAM) is a joint stock corporation under Austrian law, publicly listed in Switzerland on the SIX Swiss Exchange. It is subject to the mandatory regulations laid out in the "Guideline of SIX Exchange Regulation AG on the Directive on Information relating to Corporate Governance" (Swiss Corporate Governance Directive). All information given in this Corporate Governance Report refers to the balance-sheet closing date (December 31, 2024), unless stated otherwise. Moreover, this chapter also contains the statements required for the Corporate Governance Report, as per the regulations under Austrian law and to the extent that these are applicable to ams OSRAM.

In this context, we would like to point out that Austrian corporation law is not consistent with the Swiss model as regards the structure of the Company's bodies, their tasks, and their responsibilities. We shall hereinafter use the Austrian terms for these bodies. Corporations that are not constituted in line with the Swiss Code of Obligations shall analogously fulfill the stipulations of the Swiss Corporate Governance Directive, which are drawn up closely referencing the Swiss Code of Obligations. We therefore present below a brief description of the idiosyncrasies of corporate structures under Austrian law:

- The Management Board (Vorstand) is tasked with the Company's management and representation. It holds a monopoly on management and representation. It is not subject to any instructions from either shareholders or the Supervisory Board, but is entirely responsible for its own actions without outside instructions. Where the Swiss Corporate Governance Directive calls for information on the executive board (Geschäftsleitung), analogous details are provided on the Management Board. However, the function of the Management Board does not correspond exactly with that of the executive board under Swiss law.

- The Supervisory Board (Aufsichtsrat) is in charge of appointing and dismissing Management Board members and, in particular, supervising its management activities. Furthermore, specific legal transactions also require the approval of the Supervisory Board. Where the Swiss Corporate Governance Directive calls for information on the board of directors (Verwaltungsrat), analogous details are provided on the Supervisory Board. However, the function of the Supervisory Board does not correspond exactly with that of the Swiss board of directors.

- The Annual General Meeting (Hauptversammlung) functions as the supreme decision-making body of the Company. It is responsible for appointing and dismissing the members of the Supervisory Board and the appointment of the auditor. Where the Swiss Corporate Governance Directive calls for information on the general meeting (Generalversammlung), analogous details are provided on the Annual General Meeting. There are differences between the Swiss and Austrian legal systems with regard to these two institutions.

1. Corporate structure and shareholders

1.1 Corporate structure

ams-OSRAM AG, based in Premstätten, Austria, has been listed since May 17, 2004, on the main segment of the SIX Swiss Exchange (securities no. 24924656; ISIN AT0000A3EPA4). The Company had a market capitalization of approximately CHF 593 million on the reporting date. ams OSRAM's business activities are spread across the Opto Semiconductors (OS), CMOS Sensors & ASICs (CSA), and the Lamps & Systems (L&S) segments. The OS and CSA segments cover semiconductor-based products and solutions (incl. LEDs) for customers in the automotive, consumer, industrial, and medical technology end markets. The Lamps & Systems segment includes lamps and lighting systems; it focuses on the automotive and industrial end markets.

The ams OSRAM Management Board is responsible for managing the ams OSRAM Group and is supported in this task by the Executive Committee, which includes the responsible heads of the three segments and of the Corporate Development unit; in their respective business area, these persons implement the strategy set out by the Management Board. The respective managers report direct to the ams-OSRAM AG Management Board. For further information on the segments, please consult > item 2 of the Notes to the Consolidated Annual Financial Statements.

The Company has active direct subsidiaries that are not publicly listed. There are no such listed (direct or indirect) subsidiaries.

The following table lists the Company's direct active subsidiaries:

Company	Registered office	Equity capital in EUR	Stake held
ams Italy S.r.l.	Milan / IT	127,123	100 %
ams International AG	Rapperswil / CH	94,418,899	100 %
ams R&D UK Ltd.	Launceston / UK	706,216	100 %
ams Asia Inc.	Calamba City / PH	31,117,093	100 %
ams Semiconductors India Private Ltd.	Hyderabad / IN	668,994	100 %
ams Sensors Belgium	Berchem / BE	42,029,591	100 %
ams Sensors Germany GmbH	Jena / DE	25,287,431	100 %
ams-OSRAM Asia Pacific Pte. Ltd.	Singapore / SG	670,898,569	100 %
ams Offer GmbH	Munich / DE	1,484,270,187	100 %
ams-OSRAM Sensors S.R.L	Bucharest / RO	67,634	100 %
ams-OSRAM France	Nancy / FR	128,754	100 %

For further details on all Group member companies, please consult the annex to this Annual Report entitled consult the annex > 34 Group Companies to this Annual Report.

1.2 Significant shareholders

Since January 1, 2016, ams OSRAM has been subject to Article 120 of the Swiss Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (Financial Market Infrastructure Act, FinfraG), including the Ordinance of the Swiss Financial Market Supervisory Authority on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (FinfraV-FINMA).

Ownership interests in companies domiciled outside Switzerland whose holdings are in shares that are mainly listed in whole or in part in Switzerland must also be reported to the Company and to SIX Swiss Exchange accordingly when the holder's voting rights reach, exceed, or fall below the following thresholds: 3 %, 5 %, 10 %, 15 %, 20 %, 25 %, 33 1/3 %, 50 %, and 66 2/3 % of voting rights (irrespective of whether these rights can be exercised or not).

As at the reporting date, ams OSRAM had been notified of the following ownership interests:

UBS Fund Management (Schweiz) AG – Switzerland	6.77 %
Fidelity Funds SICAV – Luxembourg	6.04 %
FIL Limited – Bermuda	5.01 %
BlackRock, Inc. – USA	3.48 %

Notifications by significant shareholders or shareholder groups filed with ams OSRAM and the Disclosures Office at SIX Exchange Regulation (SER) pursuant to Article 120 FinfraG can be consulted at any time at the Disclosures Office Publication Platform.

1.3 Cross shareholdings

No cross shareholdings exist.

2. Capital structure

2.1 Capital

The table below outlines ams-OSRAM AG's capital structure in terms of ordinary, authorized, and conditional capital as at the reporting date of the last two financial years. As at the reporting date, all the shares represent no-par-value bearer shares with an arithmetic nominal value of EUR 10.00 per share. The change in the arithmetic nominal value was the result of the 10:1 reverse share split described described in > Item 2.4 (ten shares form one new share).

No. of shares	Dec. 31, 2024	Dec. 31, 2023
Ordinary capital	99,844,394	998,443,942
Authorized capital	-	-
Conditional capital	13,571,529	63,299,838

Further information on the Company's capital stock is given in the section on > 26 Equity in the Notes section of this Annual Report as well as on the Company website. The ams OSRAM Articles of Association are likewise posted on the Company website in the section on Corporate Governance and provide further details on the Company's capital stock and authorized capital.

2.2 Details of the authorized capital and conditional capital

The figures given describe the situation at the time of authorization unless otherwise stated.

Authorized capital
In financial 2024 there was no authorized capital.

Conditional capital
In recent years, the Annual General Meeting has on several occasions authorized the Management Board to issue new shares for a specific purpose, whereby the number was limited in each case (conditional capital increases as per Section 159 para. 2 of the Austrian Stock Corporation Act, AktG). At present, three such conditional capital increases are entered in the Commercial Register, each of them in connection with financial instruments pursuant to Section 174 AktG:

At the Annual General Meeting in June 2024, a resolution was passed authorizing a conditional increase in the share capital as per Section 159 para 2 item 1 AktG of up to EUR 99,844,394 through the issuing of up to 99,844,394 no-par-value bearer shares to creditors of financial instruments pursuant to Section 174 AktG, to the extent that the creditors of the financial instruments exercised their conversion or subscription rights to shares in the Company (Conditional Capital 2024). In the course of the reverse share split in a ratio of 10:1, the Conditional Capital 2024 was adjusted allowing the issue of up to 9,984,439 no-par value bearer shares.

The Annual General Meeting of June 2023, passed a resolution authorizing a conditional increase in the share capital as per Section 159 para. 2 item 1 AktG of up to EUR 27,428,928.00 through the issuing of 27,428,928 no-par-value bearer shares to creditors of financial instruments pursuant to Section 174 AktG, to the extent that said creditors of the financial instruments exercised their conversion and/or subscription rights to shares in the Company (Conditional Capital 2023). The Annual General Meeting of June 14, 2024, resolved to revoke Conditional Capital 2023.

Moreover, an authorization exists that was resolved by the 2020 Annual General Meeting for a conditional increase in the share capital pursuant to Section 159 para. 2 item 1 AktG of up to EUR 27,428,928.00 through the issuing of a maximum of 27,428,928 no-par-value bearer shares to creditors of financial instruments as per Section 174 AktG, to the extent that said creditors exercised their conversion and/or subscription rights to shares in the Company (Conditional Capital 2020). In the course of the reverse share split described under Item 2.4 below in a ratio of 10:1, Conditional Capital 2020 was adjusted to cover a maximum of 2,742,892 no-par-value bearer shares. These possible shares are reserved for the Company's EUR-denominated convertible bond issued in 2020.

In addition, the Annual General Meeting in June 2017 authorized a conditional increase in the share capital pursuant to Section 159 para. 2 item 1 AktG of up to EUR 8,441,982.00 through the issuing of up to 8,441 no-par-value bearer shares to creditors of financial instruments pursuant to Section 174 AktG, to the extent that said creditors of the financial instruments made use of their conversion and/or subscription rights to shares in the Company (Conditional Capital 2017). In the course of the reverse share split described under Item 2.4 below in a ratio of 10:1, Conditional Capital 2017 was adjusted to the issuance of a maximum of 844,198 no-par-value bearer shares. These possible shares are reserved for the Company's EUR-denominated convertible bond floated in 2018, which, in September 2022, redeemed the USD-denominated convertible bond issued in 2017.

2.3 Changes in capital

In total, the ams OSRAM Group equity capital came to EUR 1,904.99 million (incl. non-controlling interests of EUR 5.67 million) as at December 31, 2023, and to EUR 1,235.34 million (incl. non-controlling interests of EUR 6.42 million) as at December 31, 2024. The main reason for the reduction in the Group equity capital in 2023 was the negative total earnings after taxes, in particular owing to the goodwill impairment totaling EUR 1,312.61 million. As at December 31, 2024, total Group equity capital for the ams OSRAM Group came to EUR 1,235.34 million (incl. non-controlling interests of EUR 6.42 million). The reduction in Group equity capital in 2024 stems from the negative earnings after taxes, in particular owing to the value impairments charged as a result of discontinuation of a key project in our microLED strategy. In addition, the obligation for annual compensation payments (including interest) to the minority shareholders of OSRAM Licht AG was recognized as a liability in 2024, reducing the capital reserves by EUR 49 million. For further details on the changes in capital in the last two reporting years, please consult the section > 26 Equity in the Financial section of this Annual Report.

2.4 Shares and participation certificate

The ams-OSRAM AG share capital was increased by EUR 724,154,662.00 to EUR 998,443,942.00 on the basis of a resolution by the Extraordinary General Meeting of October 20, 2023, in the course of a subscription rights issue through the issuing of 724,154,662 no-par-value bearer shares. On the basis of the authorization granted it by the Annual General Meeting of June 23, 2023, the Management Board, with the approval of the Supervisory Board, resolved to withdraw two Company shares held by it and thus reduce the number of no-par-value bearer shares by two units from 998,443,942 to 998,443,940 and the Company's capital stock by EUR 2.00 to EUR 998,443,940.00 in order to ensure that the number of bearer shares issued could be divided by a factor of ten. At the General Meeting of June 14, 2024, a resolution was passed to restructure the Company's capital stock by a reverse share split in a ratio of 10:1, so that every ten existing bearer shares in the Company were combined to form one no-par-value share. Through the requisite withdrawal and subsequent reverse share split, the number of no-par-value shares issued has fallen from 998,443,942 units to 99,844,394 units. The capital stock remained unchanged by the reverse share split and consists currently of 99,844,394 no-par-value bearer shares with an arithmetic nominal value of EUR 10.00 each. After the reverse share split, the shares were listed and admitted to trading on the SIX Swiss Exchange on September 30, 2024. The bearers of the no-par-value shares are entitled to receive dividends on the basis of the net retained profits, as recognized in the annual financial statements of the parent company prepared in accordance with the Austrian Commercial Code (UGB); the Annual General Meeting decides on the appropriation of the profits. At the Company's Annual General Meeting, bearers of the no-par-value shares hold one vote per share. All shares hold equal rights as regards the Company's residual assets.

2.5 Dividend-right certificates

No dividend-right certificates exist.

2.6 Restrictions on transferability and nominee registrations

The Company has only issued bearer shares. There are neither restrictions on their transferability nor rules governing nominee registrations.

2.7 Convertible bonds and option plans

Convertible bonds
In February 2018, the Management Board resolved to float another convertible bond (EUR 2018, see also section 2.2 above). In line with this, the Company issued a zero-coupon convertible bond (0 % interest rate) for a total nominal sum of EUR 600 million; it was to mature after seven years in March 2025 and offered a conversion premium of 45 percent, which translated into a conversion price of EUR 136.04 per share. Conditional Capital 2017 is reserved for subscription rights to shares from this convertible bond. Based on the Company's 2019 convertible bond buyback program, the outstanding amount of the convertible bond decreased to EUR 524.4 million. Following initiation of a further buy-back program in 2021, the outstanding amount of the EUR 2025 convertible bond declined further to EUR 447.4 million.

In October 2020, the Management Board passed a resolution to place another convertible bond (EUR 2020, see also section 2.2 above). In line with this, the Company issued a convertible bond with a total nominal sum of EUR 760 million, maturing after seven years in October 2027; it bore an interest rate of 2.125 % p.a. and offered a conversion premium of 47.5 %, which results in a conversion price of EUR 27.72 per share. Conditional Capital 2020 is destined to cover the subscription rights to shares from this convertible bond.

As a result of the capital increases carried out in April 2020 and in December 2023 respectively, the conversion prices for the afore mentioned EUR 2018 and EUR 2020 convertible bonds were adjusted to reflect the defined dilution protection, which consequently reduced the conversion price of the respective convertible bonds and correspondingly increased the number of underlying shares required to cover a potential conversion. The reverse share split described under section 2.4 above on a 10:1 basis led, in September 2024, to an increase in the respective conversion price by a factor of 10 and a corresponding decrease in the respective number of underlying shares required to cover a potential conversion. The relevant conversion prices as of the 2024 reporting date are published on the Company website at (Convertible bond 2027 | Convertible bond 2025).

For an overview of the Company's conditional capital, please consult section 2.2.

Holders of the Company's outstanding convertible bonds can convert them into ams-OSRAM AG shares at any time without this being subject to any further conditions.

For details on the convertible bonds, please consult the Company website.

Stock-based remuneration plans / employee stock-option programs
The ams OSRAM Group makes use of stock-option remuneration agreements as part of the total remuneration package of the Management Board and selected groups of executives, on the basis of which, depending on compliance with predefined conditions, a set number of stock awards or options are issued for the acquisition of ams OSRAM shares. ams OSRAM can choose to satisfy the stock-based remuneration offered in this way by awarding equity instruments or cash payments in its stead.

Impact of equity measures
In first-half 2024 we concluded the measures to offset dilution effects on stock-based remuneration that we announced in the wake of the capital increase in December 2023. An offer of cash disbursements was made for all outstanding options for plans predating and including the LTIP (Long Term Incentive Plan) 2019. For LTIP 2023, a new issue was offered with a higher number of awards.

Moreover, following the September 2024 reverse share split outlined in section 2.4 above, all the granted options and awards were annulled at the point in time of the reverse share split on a 10:1 ratio and were replaced with new instruments reflecting the same ratio.

For further details please consult the item on > 4 Expenses in the Finance section of the present Annual Report.

Long Term Incentive Plan 2014

The Long Term Incentive Plan (LTIP 2014) was launched in October 2014 and entitles the participants (members of the Management Board, senior executives, and selected staff members) to one share in ams-OSRAM AG for every exercisable option they hold for an exercise price of EUR 6.76 (adjusted to reflect the capital measures stated in section 2.4). As of December 31, 2024, 14,266 options under the LTIP 2014 were still outstanding (after the reverse stock split at a 10:1 ratio described in section 2.4). All options can already be exercised, and no further options will be granted. All options granted must be exercised within ten years after the date on which they were issued.

Special Stock Option Plan 2017

The Special Stock Option Plan (SSOP 2017) was adopted in June 2017 and entitles the participants (members of the Executive Board, senior executives, and selected staff members) to one share in ams-OSRAM AG for every exercisable option they hold for an exercise price of EUR 186.30 (adjusted to reflect the capital measure outlined in section 2.4). As of December 31, 2024, 122,384 options under the SSOP 2017 were still outstanding (in the wake of the reverse stock split at a 10:1 ratio outlined in section 2.4). All options can already be exercised, and no further options will be granted. All options issued must be exercised by June 30, 2027, at the latest.

Special Long Term Incentive Plan 2018

The Special Long Term Incentive Plan (SLTIP 2018) was launched in October 2018 and entitles the participants (members of the Management Board, senior executives, and selected staff members) to one share in ams-OSRAM AG for every exercisable option they hold at an exercise price of EUR 293.40 (adjusted to reflect the capital measure outlined in section 2.4). As of December 31, 2024, 3,046 options under the SLTIP 2018 were still outstanding (in the wake of the reverse stock split at a 10:1 ratio outlined in section 2.4). All options can already be exercised, and no further options will be granted. All options issued must be exercised by October 11, 2028, at the latest.

Special Stock Option Plan 2019

The Special Stock Option Plan (SSOP 2019) was launched in February 2019 and entitles the participants (members of the Management Board, senior executives, and selected staff members) to one share in ams-OSRAM AG for every exercisable option they hold at an exercise price of EUR 139.40 (adjusted to reflect the capital measure outlined in section 2.4). As of December 31, 2024, 26,390 options under the SSOP 2019 were still outstanding (in the wake of the reverse stock split at a 10:1 ratio outlined in section 2.4). All options can already be exercised, and no further options will be granted. All options issued must be exercised by February 5, 2029, at the latest.

Long Term Incentive Plan 2019

The Long Term Incentive Plan 2019 (LTIP 2019) was launched in June 2019, whereby the last allocation of options under LTIP 2019 took place in 2022.

In the framework of LTIP 2019, three different options were granted: performance share units (PSUs), restricted share units (RSUs), and special performance share units (SPSUs). The PSUs are pegged to the performance of the total shareholder return (TSR, defined as the change in the ams-OSRAM AG share price plus reinvested dividends over the performance period) relative to a peer group as well as achieving a specific Earnings per Share (EPS) target in the year the option is granted. PSUs can be exercised at the earliest three years after they were granted. The RSUs and SPSUs can be exercised within four years of being issued. Each year, one quarter of the total allocation of RSUs and/or SPSUs can be exercised respectively.

Each PSU and RSU granted entitles the participant to acquire one no-par-value ams-OSRAM AG share at an exercise price of EUR 1.00. An SPSU entitles the participant to acquire one such share at a price that depends on the average share price over the last 60 days prior to the issue date of the option. In the framework of capital measures, the exercise price for the PSUs and RSUs issued to date was increased to EUR 6.78 per share, and that for the SPSUs to EUR 166.36 per share on average.

All options granted can be exercised at the latest ten years after their allocation. As at December 31, 2024, a total of 199,922 options under LTIP 2019 were still outstanding (in the wake of the reverse stock split at a 10:1 ratio outlined in section 2.4).

Long Term Incentive Plan 2023

On May 25, 2023, the Supervisory Board and the Management Board resolved a new Long Term Incentive Plan (LTIP 2023) in place of LTIP 2019.

LTIP 2023 covers a maximum of 27,428,928 share awards (the figure was set prior to the reverse stock split at a 10:1 ratio outlined in section 2.4), which is equivalent to approx. 10 percent of the Company's capital stock at the point in time of the launch of LTIP 2023. The awards issued under LTIP 2023 are granted within five years of approval of the plan and were allocated for the first time in July 2023.

Every share award granted entitles the participant to one no-par-value ams-OSRAM AG share without payment of consideration (exercise price: EUR 0.00) subject to the terms of the LTIP 2023. The awards are broken down into the following two categories: PSUs (performance share units) and RSUs (restricted share units). The PSUs are pegged to the following performance criteria being achieved: (a) the cumulative adjusted EBIT set for the performance period (for grants in 2025 and subsequent years, adjusted EBITDA will be used), (b) the relative total shareholder return (relative TSR) of the Company compared with a defined peer group over a specific performance period, and (c) fulfillment of environment, social, and governance (ESG) targets as set by the Company.

If the performance criteria for the PSUs are exceeded (achievement ratio of 100–150 percent), the participant may receive up to 50 percent more shares per PSU when redeeming the PSUs. However, if the performance criteria are not achieved, the participant may receive fewer shares.

The PSUs issued become redeemable three years after the issue date, with the exception of the first allocation, for which the vesting period ends on March 31, 2026. The Management Board members are also subject to a one-year blocking period after the end of the vesting period. In the case of RSUs issued, one third of those allocated are redeemable respectively on each of the first, second, and third anniversaries of the issue date, with the exception of the first issue, for which the vesting period is shorter; each one third of the RSUs will be redeemable on March 31, 2024, 2025, and 2026 respectively. PSUs and RSUs require uninterrupted employment at the Company for the duration of the vesting period in order to be redeemed.

All awards granted can be exercised at the latest ten years after their allocation.

In business 2024, a total of 23,019,191 share awards were made under the LTIP 2023 scheme (number prior to the reverse share split at a 10:1 ratio outlined under section 2.4). As at the reporting date, a total of 2,901,952 awards under LTIP 2023 were still outstanding (in the wake of the reverse share split at a 10:1 ratio outlined under section 2.4).

For further details on the stock-option plans, please consult the > 4 Expenses in the Finance section of the present Annual Report.

3. Supervisory Board

As at the reporting date, the Company's Supervisory Board (SB) had 12 members, of whom eight were elected by the Annual General Meeting (shareholder representatives) and four appointed by the Works Council (employee representatives). None of the SB members were employed either as managers or as executive members of the Company or one of its subsidiaries over the last four years and therefore have a solely non-executive function. Moreover, no SB member has a material business relationship with the Company.

3.1 / 3.2 / 3.3 / 3.4 Members of the Supervisory Board, other activities and vested interests, cross-involvements, elections, and terms of office

Insofar as nothing to the contrary is stated below, no material activities, vested interests, or cross-involvements exist between the Company and the SB members. Under the Corporate Governance Directive and the relevant SIX Swiss Exchange Regulation guideline, activities and vested interests shall only be disclosed as regards listed Swiss and foreign organizations and those that operate in the same industry sector as the Company, or in a related sector.

The information stated below shows the composition of the SB committees as at the reporting date and also names former members who belonged to the Supervisory Board during the year under review. The Supervisory Board members have been classified as independent or non-independent members in accordance with Section 15 of the Swiss Code of Best Practice for Corporate Governance. Moreover, new members are appointed in line with the criteria on "Board Composition and Diversity Policy" determined by the Supervisory Board and concerning the independence of Supervisory Board members, which have been in effect since December 2022.

The Supervisory Board's principles for assessing the independence of its members include, in particular, the following criteria for independence:

- No Supervisory Board member may have been a member of the Company's Management Board or of its management team in the last five years.
- No member of the Supervisory Board is allowed to maintain, or to have maintained in the past year, a business relationship with the Company or one of its subsidiaries to an extent of significance concerning the member. The same applies to transactions with companies in which a member has a significant economic interest. The approval of individual transactions by the Supervisory Board does not mean that the member in question is deemed not independent.
- No member is allowed in the last three years to have served as an auditor of the Company, or to have held an interest in the auditing company or to have been active there as a staff member.
- No member is allowed to be a member of the management board of another company in which a member of the Company's Management Board is a supervisory board member.
- A member who has served on the Supervisory Board for 12 years may not be re-elected.
- No member may be a close relative of a member of the Management Board or the management team.

The full version of these principles on Supervisory Board membership are available as the Board Composition and Diversity Policy on the Company website.

The current composition of the Supervisory Board, including the corresponding personal resumes, is available at all times on the Company website.

Dr. Margarete Haase, born in 1953, Austrian national, independent member. Chairperson, member of the Supervisory Board since 2021, current term of office until 2028.
Margarete Haase started her career in 1979 in the key account business of Raiffeisenbank and went on to take up a managerial position. From 1987 to 2009, she held various global management positions in the Daimler Group in the areas of finance, strategy, controlling, corporate audit, human resources, and production, among others as a member of the Management Board of Daimler Financial Services. From 2009 until she retired in 2018, she was a member of the Management Board and CFO of Deutz AG. Until 2018, she was a member of the Supervisory Board and Chairperson of the Audit Committee at ZF Friedrichshafen and until 2015 at ElringKlinger. She has been a member of the German Commission for the Corporate

Governance Code since 2016 and Chairperson of the employers' association koeln-metall since 2014. She was also a member of the Supervisory Board of OSRAM Licht AG. Dr. Haase graduated from Vienna University of Economics.
Other supervisory board positions with publicly listed companies:
- Fraport AG (Germany)
- ING Bank NV (Netherlands)

Andreas Mattes, born in 1961, dual German and US national, independent member. Deputy Chairperson. Supervisory Board member since 2023, current term of office until 2027.
Andreas Mattes spent the first 20 years of his career in the Siemens Group, emerging as CEO of Siemens Communications Inc. in the USA. He then spent more than five years in management positions at Hewlett-Packard, where his responsibilities included global sales for the Technology Solutions Group and the Enterprise Services business in North and South America. Subsequently, Andreas Mattes was President and CEO of Diebold Inc., where he was responsible for the acquisition of Wincor Nixdorf AG, and subsequently of Diebold Nixdorf Inc. He then worked as Senior Advisor at McKinsey before he successfully served as President and CEO of Coherent, Inc., where he executed the sale of the company to II-VI Incorporated. Moreover, Andres Mattes has more than 20 years of experience on the supervisory boards of listed companies on three continents. He holds a degree in business administration from the University of Munich.
Other supervisory board positions with publicly listed companies:
- Cohu (USA)

DI (FH) Andreas Gerstenmayer, born in 1965, German national, independent member. Supervisory Board member since 2022, current term of office until 2026.
Andreas Gerstenmayer started his career at Siemens AG in Germany in 1990 at its Lighting Systems business unit and held various management positions within the Siemens Group in the years that followed. In 2003, he was appointed Managing Director of Siemens Transportation Systems GmbH Austria and CEO of the Drive Technology business unit in Graz, the global headquarters of the business unit. After moving to corporate consultants FOCUSON, he was appointed CEO of AT&S Austria Technologie & Systemtechnik AG (AT&S) in 2010. During his almost 15 years there as CEO, he also acted as Interim CFO for several periods with a cumulative term of more than three years. His term as CEO at AT&S ended in September 2024. He is currently Chairperson of the Board of Industriellenvereinigung (IV) for Austria and for Styria. Andreas Gerstenmayer graduated in production engineering from Rosenheim University of Applied Sciences in Germany.
Other supervisory board positions with publicly listed companies: none

Kin Wah Loh, born in 1954, Malaysian national, independent member. Supervisory Board member since 2016, last re-elected in 2022, current term of office until 2025.
Kin Wah Loh has over 40 years' experience in management positions in leading global semiconductor corporations. He was Executive Vice President Global Sales and Marketing at NXP Semiconductors, President and Chief Executive Officer at Qimonda AG, and Executive Vice President Communication Group at Infineon Technologies AG. At present, Kin Wah Loh is independent director at AEM Holdings Ltd. and Chairperson of the Board of Directors of Kinergy Corporation Ltd. He holds an honors degree in chemical engineering from the University of Malaya, Kuala Lumpur, and a Postgraduate Certified Diploma in Finance and Accounting from ACCA (UK).
Other supervisory board positions with publicly listed companies:
AEM Holdings Ltd. (Singapore)
Kinergy Corporation Ltd. (Singapore)

Yen Yen Tan, MBA, born in 1965, Singapore national, independent member. Supervisory Board member since 2018, last re-elected in 2023, current term of office until 2027.
Yen Yen Tan's current non-executive board roles include her positions as a director of OCBC Bank, director at Jardine Cycle & Carriage Ltd, and director at EdgeConnex Inc. Yen Yen Tan has held various senior executive positions in the technology and telecoms sector, among them President Asia Pacific at Vodafone Global Enterprise, Senior Vice President of Applications at Oracle Asia Pacific, Vice President and Managing Director at Hewlett-Packard Singapore (HP), and Regional Vice President and Managing Director of Asia Pacific (South) at SAS Institute. In 2024 she was appointed a member to the Reviewing Tribunal under Significant Investment Review Act, Singapore by the Ministry for Trade and Industry. She graduated in computer science from the National University of Singapore and holds a Hanken Executive MBA from the Helsinki School of Economics.
Other supervisory board positions with publicly listed companies:
- OCBC Bank (Singapore)
- Jardine Cycle & Carriage Limited (Singapore)

Prof. Monika Henzinger, born in 1966, Austrian national, independent member. Supervisory Board member since 2018, last re-elected in 2022, current term of office until 2025.
Monika Henzinger gained her PhD from Princeton University and was Director of Research at Google. From 2005 to 2009 she was Professor at the School of Computer & Communication Sciences at EPFL (École Polytechnique Fédérale de Lausanne) and from 2009 to 2023 at the University of Vienna's Faculty of Computer Science. In 2013, she was awarded an honorary doctorate by TU Dortmund University. She has published over 150 scholarly articles, is co-inventor of over 80 patents, a Fellow of the ACM and of the EATCS as well as a member of the Austrian Academy of Science and the German Academy of Sciences, Deutsche Akademie der Naturforscher Leopoldina. Prof. Monika Henzinger currently teaches at the Institute of Science and Technology (ISTA), Austria.
Other supervisory board positions with publicly listed companies:
- UNIQA Insurance Group AG

Mag. Brigitte Ederer, born in 1956, Austrian national, independent member. Supervisory Board member since 2021, current term of office until 2028.
After studying at Vienna University of Economics and Business, she embarked on a political career in 1983 as a Member of the Austrian Parliament. From 1992 to 2005 she was, among other things, Minister of State for European Integration in Austria and Secretary General of the Social Democratic Party of Austria, as well as the City of Vienna Councilor for Finance, Economics, and Public Enterprises. She moved to the private sector from 2005 to 2013, taking on management positions at Siemens Austria (including that of CEO from 2005 to 2010) and then served as a member of the Management Board of the Siemens AG Group until 2013. From 2014 to 2018, she was Chairperson of the Supervisory Board at Austrian Federal Railways.
Other supervisory board positions with publicly listed companies:
- Boehringer Ingelheim Austria RCV GmbH (Austria)
- ÖBB Personenverkehr AG (Austria)
- Chairperson of the Supervisory Board of ÖBB-Holding AG (Austria)
- Deputy Chairperson of the Supervisory Board of Marinomed Biotech AG (Austria)
- Deputy Chairperson of the Supervisory Board of Schoeller Bleckmann Oilfield Equipment AG (Austria)
- TTTech Computertechnik AG (Austria)
- W.E.B. Windenergie AG (Austria)

DI Arunjai Mittal, born 1971, Singapore national. Supervisory Board member since 2023, current term of office until 2026.
Arunjai Mittal graduated in electrical engineering at the Walchand Institute of Technology, India, and participated in management programs at INSEAD, the Harvard Business School, and the IMD in Lausanne. He has over 30 years' experience in the electronics industry, starting in engineering and sales and marketing. He has worked in the semiconductor industry since 1994. With positions in Singapore, Austria, and Germany, he gained wide-ranging experience in business development and management. Until 2011, he held various general management positions at Infineon Technologies AG in Germany and Austria. In 2012, he was appointed to the Management Board of Infineon Technologies AG, where he was responsible for regions, sales, marketing, strategy development, and M&As. He left Infineon in September 2016.
Other supervisory board positions with publicly listed companies:
- TESA SE (Germany), a Beiersdorf AG subsidiary

DI Dr. Nadine Raidl (staff representative as a delegate of the Works Council), born in 1990, Austrian national. Supervisory Board member since 2023, current term of office until 2028. Nadine Raidl gained a PhD from Montanuniversität Leoben in the field of material sciences and has been on the ams OSRAM payroll since 2017. Until 2023, she was active in the fields of error analysis and product quality engineering before taking up her current role as CMOS Process Integration Engineer. Nadine Raidl has been a member of the Works Council since June 2023.
Other supervisory board positions with publicly listed companies: none

Ing. DI (FH) Wolfgang Koren (staff representative as a delegate of the Works Council), born in 1966, Austrian national. Supervisory Board member since 2023, current term of office until 2028.
Wolfgang Koren began his career in 1981 as a communications technology apprentice at Siemens AG Austria. He then moved to the Austrian Academy of Science, where he worked in the Institute for Space Research and took a sandwich degree course in automation technology. In 2004, Wolfgang Koren came on board at ams OSRAM, first as a product engineer and since 2011 as an engineer in the Operations section. Since 2007, he has also lectured at a university of applied sciences, where he was made an honorary professor in 2017. Wolfgang Koren has been a staff representative on the Works Council since March 2011.
Other supervisory board positions with publicly listed companies: none

DI Michael Krainz (staff representative as a delegate of the Works Council), born in 1965, Austrian national. Supervisory Board member since 2023, current term of office until 2028. After studying telematics at Graz University of Technology, Michael Krainz embarked on a career as a partner in a software solutions company. In 1998 he moved to AVL as a software developer in the field of medical technology. After the division was spun off to Roche Diagnostic, he worked for the latter as a software developer and project manager for 13 years. In 2014, Michael Krainz joined ams OSRAM, where he has been a project manager in optical sensor development ever since.
Other supervisory board positions with publicly listed companies: none

Martin Bauer (staff representative as a delegate of the Works Council), born in 1988, Austrian national. Supervisory Board member since September 2024, current term of office until 2028.
Martin Bauer joined ams OSRAM in 2013. Until 2016 he worked as a frontend FAB operator in the production plant in Premstätten. Since 2016, he has continuously been a foreman on the CMOS and Filter line. Since July 1, 2023, Martin Bauer has been active as a staff representative on the Works Council.
Other supervisory board positions with publicly listed companies: none

Former members

Patrick Reinisch, born in 1991, Austrian national. Supervisory Board member from June 2021 to September 2024.
Patrick Reinisch joined the Company in 2012 and worked forthwith as a test operator in the backend at the Premstätten plant. Patrick Reinisch was active as a member of the Works Council from June 2018 onwards. He passed away in September 2024.

Unless decided otherwise by the Annual General Meeting, election periods for members of the Supervisory Board are for the longest period admissible pursuant to Section 87 para. 7 AktG, i.e. until the end of the Annual General Meeting that approves their actions for the fourth business year after the election. The business year in which they were elected is not included here. In accordance with AktG, each candidate must be elected in person in elections to the supervisory board of a listed company. The Articles of Association do not stipulate any staggering of the Supervisory Board members' terms of office.

3.5 Internal structure

3.5.1 Distribution of tasks within the Supervisory Board
Both the Management Board and the Supervisory Board (SB) have their by-laws. The latter has a chairperson and a deputy chairperson. The SB can establish one or more committees made up of members for the purpose of preparing its deliberations and resolutions or of monitoring execution of its resolutions. The ams-OSRAM AG Supervisory Board has established the following committees: a Remuneration Committee, an Audit Committee, a Nominations Committee, a Technology Committee, a Long Term Incentive Plan Committee, and (since December 2022) an ESG Committee. Furthermore, during the elaboration of a comprehensive refinancing concept, in summer 2023 a Financing Committee was set up. The SB Rules of Procedure were amended accordingly.

3.5.2 Composition, tasks, and responsibilities of all Supervisory Board committees

The information below outlines membership of the SB committees as at the reporting date.

– Audit Committee:
The Audit Committee is tasked with examining the annual financial statements, the Management Report, and the proposal on the appropriation of profits. It monitors the selection of the Company's auditor and submits a recommendation to the SB and the Annual General Meeting. It is instrumental in preparing the annual audit; it supervises the process and prepares the reports to be submitted to the Annual General Meeting. Together with the auditor, the Audit Committee specifies the main focus of the audit activities. In addition, the Audit Committee monitors the accounting process and makes recommendations for its improvement. It monitors the internal control and risk management system and the internal audit. Together with the Management Board, it sets the annual priorities for the work of the internal audit.
The committee has the following members: Andreas Gerstenmayer (Chair/financial expert), Yen Yen Tan, Brigitte Ederer, Wolfgang Koren, and Michael Krainz.

– Nominations Committee:
The Nominations Committee is responsible for preparing proposals to the SB to appoint members to the Management Board and for devising strategies for succession planning. In addition, the shareholder representatives of the committee prepare proposals for the Annual General Meeting to elect new members to the SB. In certain cases, the committee cooperates with international executive search consultants to identify and evaluate qualified candidates.
The committee has the following members: Margarete Haase (Chairperson), Andreas Mattes, Arunjai Mittal (since October 2023), Monika Henzinger, Wolfgang Koren, and Martin Bauer (since September 2024).

– Remuneration Committee:
The Remuneration Committee is responsible for preparing the remuneration policy and negotiates as well as monitors the contractual relationship between the Company and the members of the Management Board. It sets the compliance standards for executive management and supports the SB in resolutions on the appointment and dismissal of members of the Management Board; it is also tasked with keeping the relevant documentation. On behalf of the SB, the Remuneration Committee prepares the relevant sections of the Annual Report on Management Board and SB remuneration. Furthermore, it sets the annual targets for short-term variable incentives and reviews the related performances and disbursements, based on the audited Financial Report. The Remuneration Committee actively follows the development of executive compensation systems in comparable companies and liaises with remuneration advisors and shareholders and their representatives to align the Company's remunerations system to international standards and expectations.
The committee has the following members: Margarete Haase (Chairperson) and Andreas Mattes.

– Technology Committee:
The Technology Committee is responsible for reviewing and assessing the Company's technological strategy and evaluating the achievement of short and long-term R&D objectives and the attendant business outcomes. It advises on important technology strategies, including R&D developments, as well as protection of the Company's intellectual property, and evaluates future technology trends.
The committee has the following members: Kin Wah Loh (Chairperson/technology expert), Andreas Mattes (technology expert), Monika Henzinger, Nadine Raidl, and Wolfgang Koren.

– Long Term Incentive Plan Committee:
The Long Term Incentive Plan Committee (the “LTIP Committee”) is tasked with preparing the general policy and parameters of the long-term incentive plan (the “LTIP”) of the ams OSRAM Group for final decision by the SB and the Annual General Meeting to the extent required by law. Moreover, the committee regularly appoints an external expert to review general market conditions and advise on changes to the LTIP. The committee decides on behalf of the SB regarding the approval and granting of long-term remuneration instruments to ams OSRAM Group staff members and decides on and approves the annual remuneration instruments granted to Management Board members. The LTIP Committee consists of at least three members. The Chairperson of the Supervisory Board and their deputy are always members of the LTIP Committee, and the Chairperson of the Supervisory Board also chairs the LTIP Committee.
The committee has the following members: Margarete Haase (Chairperson), Andreas Mattes, and Michael Krainz.

– ESG Committee:
Ensuring the Company's sustainable development is of crucial importance in all ams OSRAM management decisions. To achieve this strategic corporate goal, at the end of 2022 the SB established a committee for environmental, social, and governance matters (“ESG Committee”). The ESG Committee consists of at least three members and must include the Chairperson of the Audit Committee and an expert on sustainability. Among other things, the ESG Committee monitors the development and implementation of the Company's ESG strategy, including the related governance structures and its integration into the corporate strategy. Furthermore, the ESG Committee supervises the development of ESG-related KPIs, including periodic measurement of the corresponding achievement of targets. In addition, the ESG Committee monitors compliance with statutory and other regulatory requirements relating to ESG, including any relevant auditing and reporting obligations. In the latter context, the ESG Committee specifically cooperates closely with the Audit Committee.
The committee has the following members: Brigitte Ederer (Chairperson), Yen Yen Tan, Andreas Gerstenmayer, Nadine Raidl, and Martin Bauer (since September 2024).

- Financing Committee:
In 2023, the Supervisory Board established a Financing Committee made up of at least three Supervisory Board members and always including the Chairpersons of the Supervisory Board and the Audit Committee. The Supervisory Board Chairperson chairs the Financing Committee, which meets at least twice a year.
The Financing Committee is tasked with advising and monitoring the Management Board's actions as regards all significant Company and Group financing issues, in particular in relation to bonds, stock-based financial instruments, capitalization matters, and Group liquidity management, as well as granting credit and assuming liability outside normal business operations. In this context, the Financing Committee is also responsible for preparing the relevant proposals for resolution by the Supervisory Board.
The committee has the following members: Margarete Haase (Chairperson), Andreas Gerstenmayer, Andreas Mattes, Wolfgang Koren, and Michael Krainz.

Committee	Chairperson	Other members
Audit Committee	Andreas Gerstenmayer	Yen Yen Tan, Brigitte Ederer, Wolfgang Koren, Michael Krainz
Nominations Committee	Margarete Haase	Andreas Mattes, Arunjai Mittal, Monika Henzinger, Wolfgang Koren, Martin Bauer
Remuneration Committee	Margarete Haase	Andreas Mattes
Technology Committee	Kin Wah Loh	Andreas Mattes, Monika Henzinger, Nadine Raidl, Wolfgang Koren
LTIP Committee	Margarete Haase	Andreas Mattes, Michael Krainz
ESG Committee	Brigitte Ederer	Yen Yen Tan, Andreas Gerstenmayer, Nadine Raidl, Martin Bauer
Financing Committee	Margarete Haase	Andreas Gerstenmayer, Andreas Mattes, Wolfgang Koren, Michael Krainz

3.5.3 Supervisory Board and SB committee operating procedures
Supervisory Board meetings are presided over by the Chairperson and, in their absence, by the Deputy Chairperson. Resolutions are passed by simple majority of the votes cast. In the case of a tie vote, the Chairperson's vote is decisive. The SB is entitled to request written reports on corporate affairs and managerial issues from the Management Board at any time. The Management Board generally attends the meetings of the SB and its Audit, Technology, LTIP, and ESG Committees in an advisory capacity. The members of the SB receive the meeting agenda, decided in con-

sultation with the Chairperson, seven to ten days in advance of an SB meeting, along with extensive information on each agenda item. SB members can submit questions to the Management Board and request additional information via an internal communications tool in advance. In the SB meeting, the Management Board reports on business developments, HR trends, the financial performance, capital expenditure, and progress made on longer-term technical and commercial projects. Sufficient time is allocated and used for discussions with the Management Board and by the Supervisory Board on its own. In accordance with the Management Board's by-laws, resolutions on capital expenditure, acquisitions, and other proposals by the Management Board requiring approval are a further important element of each SB meeting.

The SB committees are entitled to adopt resolutions which are binding for the SB only in cases where the committee has been granted such decision-making power by the SB. The SB appoints a committee member as Committee Chairperson. Committee resolutions are passed by simple majority of the votes cast. In case of a tie vote, the Committee Chairperson's vote is decisive.

The SB customarily convenes for five scheduled meetings each year. In 2024, the SB convened for a total of eight meetings and also for one informal discussion session. One of the meetings took place directly after the Annual General Meeting, at which the Chairperson of the Supervisory Board and the Chairperson of the ESG Committee were re-elected. Furthermore, as in previous years, the Supervisory Board conducted one additional strategy session. The ordinary SB meetings convened each lasted about five hours on average; the additional strategy meeting lasted around seven hours. The informal discussion took approx. one hour. In addition to discussions on the current business situation and discharging its statutory duties, other important topics addressed by the SB included: adapting the corporate microLED strategy following the termination of a key customer project and the impact of this on the long-term ams OSRAM Group business plans; measures to secure the financing of the ams OSRAM Group; implementing the change in the subdivision of the Company's share capital (reverse share split) as resolved by the Annual General Meeting; optimizing the R&D processes as well as the implementation and intensification of the 'Re-establish the Base' efficiency program and other cost optimization steps.

In addition to the topics mentioned above, the Supervisory Board also dealt with the adjustment of the conditions of the LTIP 2023 in the wake of the Company's changed capital structure; decisions governing employee profit participation and geopolitical risks and their impact on the business development of ams OSRAM. At the strategy meeting, the Supervisory Board dealt with the longer-term technical and commercial development of the individual business areas as well as medium-term planning, which forms the basis of the annual budgets. Furthermore, the Supervisory Board attended a training session on the changed sustainability reporting duties as per the European CSRD guidelines. The SB also discussed the efficiency of its work procedures and structures, defined topics for training sessions for its members to attend in the course of 2025, and discussed steps enabling the SB to more efficiently support the Company's portfolio measures.

The Remuneration Committee convened a total of four times, with an average meeting duration of around one hour. Some of the meetings were held jointly with the LTIP Committee. One focus of the committee's work was on the targets and parameters of the annual variable management remuneration for business year 2024. In addition, the Remuneration Committee discussed the multi-year targets for the period 2024–2026 for the performance stock units according to the LTIP 2023.

The Audit Committee held six regular meetings in 2024 with an average duration of two hours. Five of these were physical meetings, and one was a virtual meeting via video conference. Among other things, the Audit Committee dealt with matters including the schedule for the preparation and audit process for the annual financial statements, primarily in close cooperation with, and in the presence of, the auditor, with whom the Chairperson of the Audit Committee was in regular contact, just as they were with the Company's CFO and the members of the financial departments (in particular Accounting and Controlling). This involved discussing the quality and independence of the audit and the audit methodology. Other important matters covered in Audit Committee meetings included the results of the internal audits, the structure and work procedures of the internal control, internal audit and risk management systems, and the monitoring of the financial reporting process. The Audit Committee also dealt with the Company's risk management, particularly with regard to significant project risks. It also dealt with risks in the area of information security (cyber security). The Audit Committee also took regular reports on material compliance matters, the compliance system, and significant legal disputes.

The members of the Nominations Committee consulted informally in spring 2024 and agreed on the proposal to the Supervisory Board plenary on the election of two representatives of the shareholders by the Annual General Meeting. In the process, they assessed the extent to which the proposals met the principles the SB had defined in 2022 for the composition and diversity of the Supervisory Board.

The Technology Committee convened three times in the business year 2024, and these meetings were also attended by the heads of the central research and development department and the strategy department. Each meeting lasted an average of two hours. Among other things, the committee dealt with key product innovations, the optimization of R&D processes, and the results of the ams OSRAM Innovation Conference.

The LTIP Committee met three times during the reporting period (in some cases together with the Remuneration Committee) with an average meeting duration of around one hour. The main topics were to assess whether the established KPIs for the long-term remuneration had been met, to resolve the allocation of share options to Management Board members, and to approve the annual allocation of share-based instruments to other beneficiaries by the Management Board in accordance with the terms of the currently valid LTIP 2023 share-based remuneration program. The committee also discussed the consequences of the change in the subdivision of the company's share capital as a result of the reverse share split resolved by the Annual General Meeting in June 2024 on the share-based remuneration instruments issued and recommended corresponding adjustment measures to the plenary meeting of the Supervisory Board.

The ESG Committee convened twice in the past business year, each meeting lasting around one hour. Its work focused in particular on the Company's sustainability strategy, the Sustainability Report for the 2023 financial year, the European stipulations on future sustainability reporting (CSRD), external sustainability ratings, and the key sustainability issues for ams OSRAM, in particular in the fields of diversity and inclusion, the environment, health, and safety at work (EHS).

The Supervisory Board plenary was regularly informed by the committee chairpersons on the work of the various committees.

The Chairwoman and the respective acting Deputy Chairmen of the Supervisory Board held scheduled monthly video conferences with all members of the Management Board and regular one-on-one meetings with individual members of the Management Board to discuss current business developments and strategic issues, e.g. the adjustment of ams OSRAM's microLED strategy.

The Chairman of the Audit Committee was in regular contact with the CFO, the members of the finance department and the company's auditors.

The following overview shows the attendance rates of the members of the Supervisory Board at meetings of the full Supervisory Board and the committees in the 2024 financial year in %:

SB Member	Attendance: SB meetings	Attendance: SB committees' meetings
Margarete Haase (Chairperson)	100 %	100 %
Andreas Mattes (Deputy Chairperson)	100 %	100 %
Brigitte Ederer	88.89 %	100 %
Andreas Gerstenmayer	100 %	100 %
Monika Henzinger	100 %	100 %
Kin Wah Loh	100 %	100 %
Arunjai Mittal	100 %	100 %
Yen Yen Tan	88.89 %	100 %
Patrick Reinisch (until August 2024)	66.67 %	66.67 %
Wolfgang Koren	100 %	100 %
Michael Krainz	100 %	100 %
Nadine Raidl	100 %	100 %
Martin Bauer (since September 2024)	100 %	100 %

3.6 Definition of duties

The Management Board of ams OSRAM is solely responsible for its actions and is not subject to instructions from the shareholders or the Supervisory Board. In accordance with the Austrian Stock Corporation Act, the SB has defined a list of items of business and measures that require its approval. In addition to other responsibilities, including succession planning and the appointment and remuneration of Management Board members, the SB monitors the management of the Company by the Management Board. This includes discussing regularly updated information on the Company's financial and business performance both by the SB as well as with the Management Board and approving the Company's budget for the following year. The Management Board coordinates the Company's strategic orientation with the SB, and at regular intervals discusses the status of the strategy's implementation with the latter. Both the Management and Supervisory Boards have their by-laws. The SB's decisions on capital investments, acquisitions, and other material items of business or measures taken in accordance with the by-laws of the Management Board are another focus of cooperation between the Supervisory and Management Boards.

3.7 Information and control instruments pertaining to the Management Board

The company has a risk management system (Enterprise Risk Management, ERM), a Management Information System (MIS), and an internal audit function in place. ams OSRAM conducts systematic risk management to identify, assess, and control risks. The intention is to identify risks that could threaten the ams OSRAM Group as a going concern or its achievement of its strategic, operational, financial, and compliance-related objectives at an early stage and initiate risk-mitigating measures. The central risk management function is part of the Corporate Audit section and coordinates the risk management process and risk reporting. The head of the Corporate Audit section reports directly to the Management Board and also has a direct reporting line to the SB's Audit Committee, which monitors the effectiveness of the risk management system.

In the context of the risk management system, risks in numerous areas of the Company are listed and assessed at least twice a year. Key findings are subsequently evaluated by the Management Board and the head of the Internal Audit unit brings them to the attention of the Audit Committee. In addition, the effectiveness of the internal control system is reviewed annually. The ams OSRAM Group Management Board determines whether risks, either individually or in their entirety, represent an existential threat and establishes that there is no substantial threat to the Group as a going concern. From the 2025 business year onwards, the regular reporting schedule will be switched to a quarterly basis.

If necessary, internal controls are revised to eliminate any weaknesses identified. Ongoing, Group-wide audits enable the ams OSRAM Internal Audit unit to ensure adherence to Group-wide guidelines and the reliability and functional appropriateness of the control system. The Audit Committee approves the Internal Audit unit's audit plan. Regular reporting to the Management Board and to the SB Audit Committee is on a quarterly basis; regular reports are submitted to the Supervisory Board on an annual basis and are, if required, supplemented by ad hoc reports. As a result, the Management and Supervisory Boards are kept fully and promptly abreast of all material risks.

The ams OSRAM MIS bundles a whole host of KPIs from various areas of the Company as well as comprehensive financial information, works the data up, and makes them available to management promptly in electronic form. The SB receives monthly and quarterly reports based on information from the MIS. Further details on the Group's risk management system are to be found in > section 8 of the Group Management Report. In addition, details of the Group's risk management are provided in > chapter 3.2 of the Company's Sustainability Report (on the Company website).

In addition to the above, the Company pursues an integrated compliance management system based on three pillars: Prevent, Detect, and Respond. It includes regulations, measures, and processes to prevent legal violations in the areas of anti-corruption, competition and antitrust law, money laundering prevention, data privacy protection, and export controls. In organizational terms, the compliance management system consists of experts at various locations worldwide. The Head of Compliance reports directly to the CFO, who is the Management Board member responsible for compliance. The Management Board receives quarterly and ad hoc reports on relevant compliance issues. As part of the Management Board's control of the corporate management function, the SB also monitors the functioning and appropriateness of the compliance management system. Within the SB, the Audit Committee is tasked with this function and takes reports from the Head of Compliance on a quarterly and on an ad hoc basis on current issues and potential risks.

3.8 Supervisory Board composition and diversity policy

The “Board Composition and Diversity Policy for the SB” sets out the fundamental principles of the SB of the Company as regards its fields of expertise and its approach to diversity, as well as the envisaged requirements and individual capabilities for the composition of the group of the shareholder representatives on the SB. Within the framework of this policy, the SB strives for a balanced composition as regards various diversity criteria. Accordingly, it was stipulated that at least 30 percent of the shareholder representatives’ seats on the SB should be held by women and at least 30 percent by men. This quota was met in the reporting year. The “Board Composition and Diversity Policy for the SB” also contains further information on the desired expertise of the members, which is based on the three pillars “General Knowledge,” “Expertise & Experience,” and “Diversity Criteria”. In addition, it states that at least 30 percent of the members should have international experience in line with the Group’s global structure. The complete policy on the composition of the SB can be downloaded here.

4. Management Board

4.1 / 4.2 Management Board members, other activities, and vested interests

Insofar as nothing to the contrary is stated below, there are no activities or vested interests subject to disclosure requirements as regards members of the Management Board.

The current Management Board composition, including the corresponding personal data, can be consulted at all times on the Company website.

The ams OSRAM Management Board in business 2024 had the following members:

Aldo Kamper, born 1970, Dutch national. Member of the Management Board and CEO (Chief Executive Officer) since April 1, 2023, and from May 1 to June 30, 2023, also interim CFO (Chief Financial Officer).
Aldo Kamper began his career in 1994 at OSRAM in Regensburg and occupied various management positions in Europe and the USA in the area of visible LEDs and specialist lighting. In 2010, he was appointed CEO of the Opto Semiconductors business unit. In that position, he pioneered the development of microLED technology, dynamic forward lighting, and roadmaps for high-performance LEDs for new applications such as horticultural lighting. From 2018 to 2023, he was CEO of Leoni AG, a global provider of products, solutions, and services for energy and data management in the automotive industry. Aldo Kamper studied business administration in Maastricht (Netherlands) and Trier (Germany), and holds an MBA from Stanford University.
The CEO is responsible for overall Company strategy, business development, and the business performance of the ams OSRAM Group and its business segments and also heads up the following business areas and functions: Global Semiconductor Sales (GSS); commercial, technical, and organizational aspects (including Product R&D and Product Marketing) of the various business units; Human Resource Management (HR); Corporate Communications (CC); Corporate R&D & Quality, and from 2024 also Corporate Development (CD) including Mergers & Acquisitions.
Other supervisory or management board positions with publicly listed companies in the reporting year: none.

Rainer Irle, born 1970, German national. Member of the Management Board and CFO (Chief Financial Officer) since July 1, 2023.
Rainer Irle has long-standing experience in the semiconductor industry and, prior to moving to ams OSRAM, was CFO of Siltronic AG from 2013. He previously held various management positions in finance at Siltronic and at Wacker Chemie AG. He played a key role in establishing Siltronic, one of the world’s largest manufacturers of hyper-pure silicon wafers for the semiconductor industry, as a publicly listed corporation on the German MDax index. Rainer Irle began his professional career at A.T. Kearney and Deutsche Bank. He holds an MSc. in Engineering from the Chalmers University of Technology, Gothenburg, Sweden, as well as a degree in industrial engineering from the University of Siegen.
The CFO is tasked with managing the following business areas and functions: Controlling; Information Technology; Corporate Finance & Treasury; Accounting, Country Finance & Global Business Services; Tax & Customs; Procurement; Legal & Intellectual Property; Audit, Compliance & Risk; Corporate Sustainability; and Investor Relations.

Other supervisory or management board positions with publicly listed companies in the reporting year: none.

4.3 Number of permissible activities

There are no statutory rules in the Company’s Articles of Association regarding the number of activities a Management Board member is permitted to handle.

4.4 Management contracts

There are no management contracts in place at present.

5. Remuneration, shareholdings, and loans

5.1 Content and method of determining remuneration and share ownership programs

The responsibility and process for determining the remuneration of the Management and Supervisory Boards are regulated separately under Austrian stock corporation law.

The Annual General Meeting is responsible for deciding the remuneration of the Company's Supervisory Board. The remuneration policy for the Supervisory Board was last adopted at the Company's Annual General Meeting of June 2, 2021. This policy remains in place until such a time as the Annual General Meeting should adopt a different resolution. A regular resolution on the remuneration policy for the Supervisory Board is planned for the Annual General Meeting on June 26, 2025. No material changes to the current remuneration policy are currently being pursued.

The Supervisory Board is responsible for the remuneration of the members of the Management Board – within the bounds of the remuneration policy adopted for the Management Board. The SB Remuneration Committee sets the fixed compensation and the criteria for the variable remuneration of the individual Management Board members for the terms of their respective contracts. The performance targets for the variable remuneration on an annual basis are also determined by the Remuneration Committee at the beginning of each year. After the end of the fiscal year, it then assesses whether targets have been met and determines the amounts to be disbursed as variable remuneration to the Management Board. The targets and parameters for the stock-based remuneration programs for the members of the Management Board are set by the Supervisory Board on the basis of proposals tabled by the LTIP Committee. The latter also resolves the stock-based remuneration instruments granted each year to the individual Management Board members. The Supervisory Board is regularly informed about the work of the Remunerations and the LTIP Committee.

The remuneration of the Management and Supervisory Boards was enshrined in a remuneration policy; the latter was adopted for the Management Board by the Annual General Meeting of June 23, 2023, and for the Supervisory Board at that of June 2, 2021. Detailed information on the principles and scale of remuneration of the Management Board and Supervisory Board can be found in the Remuneration Report as of page 43 as well as in the remuneration policy, which can be consulted on the Company's website.

5.2 / 5.3 Remuneration Report as per Sections 734a to 734d of the Swiss Code of Obligations

For exhaustive information on remuneration of the Management Board please consult the Remuneration Report as of page 43 of the current Annual Report. As regards the clauses on changes of control, please see > section 7.2 below.

Management Board shareholdings and stock options as at December 31, 2024[1]

Name	Function	Number of shares held	Number of stock options held
Aldo Kamper	CEO	0	283,592
Rainer Irle	CFO	11,250	109,176
Total		**11,250**	**392,768**

Management Board shareholdings and stock option as at December 31, 2023[2]

Name	Function	Number of shares held	Number of stock options held
Aldo Kamper	CEO	0	325,470
Rainer Irle	CFO	112,500	90,409
Mark Hamersma	CBO	161,250	1,172,610
Total		**273,750**	**1,588,489**

For the conditions, criteria, objectives and components, and valuations of the awards and stock call options for ams-OSRAM AG shares according to the respective stock-based remuneration programs, please refer to the Remuneration Report on page 46 or Note > 4 Expenses of the Notes to the Consolidated Financial Statements. Persons related to the Management Board members held neither shares nor options to acquire ams-OSRAM AG shares as of December 31, 2024 (0 shares and 0 options as of December 31, 2023).

[1] after the reverse stock split on a 10:1 ratio
[2] prior to the reverse stock split on a 10:1 ratio

For detailed information on the structure and scale of remuneration of the Supervisory Board, please consult the Remuneration Report as of page 43.

Supervisory Board shareholdings and stock options as at December 31, 2024

Name	Function	Number of shares held as at Dec. 31	Number of stock options held as at Dec. 31
Margarete Haase	Chairperson, shareholder representative	0	0
Andreas Mattes	Deputy Chairperson, shareholder representative	0	0
Yen Yen Tan	Shareholder representative	0	0
Monika Henzinger	Shareholder representative	0	0
Kin Wah Loh	Shareholder representative	0	0
Brigitte Ederer	Shareholder representative	0	0
Andreas Gerstenmayer	Shareholder representative	0	0
Arunjai Mittal	Shareholder representative	0	0
Martin Bauer	Staff representative (since September 2024)	0	0
Wolfgang Koren	Staff representative	0	0
Nadine Raidl	Staff representative	0	0
Michael Krainz	Staff representative	0	0
Total		**0**	**0**

Supervisory Board shareholdings and stock options as at December 31, 2023

Name	Function	Number of shares held as at Dec. 31	Number of stock options held as at Dec. 31
Margarete Haase	Chairperson, shareholder representative	0	0
Andreas Mattes	Deputy Chairperson, shareholder representative (since June 2023)		
Yen Yen Tan	Shareholder representative	0	0
Monika Henzinger	Shareholder representative	0	0
Kin Wah Loh	Shareholder representative	0	0
Brigitte Ederer	Shareholder representative	0	0
Andreas Gerstenmayer	Shareholder representative	0	0
Arunjai Mittal	Shareholder representative (since 2023)	0	0
Patrick Reinisch	Employees representative	0	0
Wolfgang Koren	Employees representative	0	761
Nadine Raidl	Employees representative	0	52
Michael Krainz	Employees representative	0	1,409
Total		**0**	**2,222**

As at December 31, 2024, persons related to the Supervisory Board members held no shares or financial instruments to acquire ams-OSRAM AG shares (0 shares and 0 financial instruments as at December 31, 2023).

6. Shareholder participation rights

6.1 Voting rights – restrictions and representation

All shareholders of ams-OSRAM AG hold no-par-value bearer shares. Each share entitles the holder to one vote at the Annual General Meeting. There are no restrictions on voting rights. Voting rights can only be exercised by a proxy who holds a written power of attorney deposited with the Company.

6.2 Statutory quorums

Annual General Meeting resolutions are passed by a simple majority of the votes cast insofar as Austrian stock corporation law or the Articles of Association do not call for a larger majority or impose other requirements. The ams-OSRAM AG Articles of Association do not envisage majority requirements that go beyond those stipulated by Austrian stock corporation law.

6.3 Convening the Annual General Meeting

In line with the Austrian Stock Corporation Act, the Management Board convenes the Annual General Meeting. In accordance with the Company's Articles of Association, the Annual General Meeting must be convened no later than the 28th day prior to the planned date. The convocation is no longer published in the "Wiener Zeitung" newspaper, but rather on the EVI electronic announcement and information platform, Austria's new digital official gazette. For further details on the Annual General Meeting, please consult the Company website.

6.4 Compiling the agenda

According to the Austrian Stock Corporation Act, the proposed agenda shall be published in the context of convening the Annual General Meeting. A minority of at least 5 percent of the capital stock can demand that additions be made to the agenda of an Annual General Meeting for which the convocation announcement has been issued. Those filing the demand must have held the bearer shares for at least three months prior to submitting it. The agenda as well as further details on the Annual General Meeting are posted on the Company website.

6.5 Stock register

All Company shares outstanding are bearer shares, and the Company therefore does not maintain a stock register.

7. Change of control and defensive measure

7.1 Duty to make a public offer

As a company domiciled in Austria and whose stock is mainly listed in Switzerland, at December 31, 2024, ams OSRAM came under the regulations of the Swiss Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (Financial Market Infrastructure Act, FMIA) covering public takeover offers. As per Article 135 (1) FMIA, anyone acquiring participation rights constituting 33 1/3 percent or more of all voting rights must mandatorily tender a public offer. The Articles of Association of ams OSRAM contain neither an opt-up clause (i.e. they do not stipulate a higher percentage threshold) nor an opt-out clause (i.e. they do not waive the requirement to tender an offer). Moreover, Austrian takeover law regulations relating to offer obligations do not apply to ams-OSRAM AG.

7.2 Change-of-control clauses

On principle, the Management Board members have no specific entitlements related to possible changes of control or comparable structural changes to the Company. However, stock-based instruments may be subject to accelerated vesting in case of a change of control, given that the conditions for KPIs under the long-term incentive plans typically change significantly, and measurement of the targets set may become impossible in such a scenario.

8. Auditor

8.1 Mandate period and term of office of the lead auditor

The existing audit mandate was awarded to KPMG Austria GmbH, Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, in 2005. Its election as lead auditor for the year under review was confirmed by the Annual General Meeting on June 14, 2024.

The audit partner responsible for exercising this mandate, Johannes Bauer, assumed the task as of fiscal 2020 and was already responsible for auditing the former ams Group in the past.

8.2 Audit fees

The auditing firm charged EUR 0.9 million in fees during the reporting year for the audit of the consolidated financial statements and the financial statements of the parent company. For the audits of the financial statements of the individual consolidated subsidiaries, across the entire Group audit fees of approximately EUR 2.2 million were incurred resulting in total audit fees of EUR 3.1 million charged by the KPMG network.

8.3 Additional fees

The auditor charged fees of EUR 0.2 million during the reporting year for additional advisory services.

8.4 Supervisory and control instruments pertaining to the auditor

The auditor reports to the Supervisory Board's Audit Committee both orally and in writing on a regular basis, typically several times in the course of the year. In the reporting year, the auditor reported at five Audit Committee meetings, which were held in February, March, April, October, and December 2024.

The auditor's work is monitored and evaluated by the Supervisory Board's Audit Committee at regular intervals. The auditor's remuneration is regularly reviewed to ensure it is in line with market rates. The lead audit partner for the company rotates every seven years. In July 2024, the Supervisory Board's Audit Committee decided to put the mandate for auditing the individual and consolidated financial statements for financial year 2026 out to tender. The Supervisory Board will present the decision on the auditor for the 2026 financial year at the Annual General Meeting in 2026.

9. Policy on information and disclosure

ams OSRAM is committed to an open and transparent information and disclosure policy towards its stakeholders. All the important information on the development of business and the share price (financial news, annual reports, quarterly reports, financial calendar, presentations, and share price data) is available on the Company website in the Investor Relations section.

The Company's ad hoc notifications pursuant to article 53 KR of the SIX Swiss Exchange on events relevant to the share price are posted here on the Company website (pull system); they can be subscribed to using the contact form (push system) and are published promptly in the appropriate media in accordance with applicable regulations of the SIX Swiss Exchange. ams OSRAM issues quarterly business performance reports. The publications on quarterly results as well as the Annual Report can be found in digital form here.

In addition, ams OSRAM has a policy of extensive investor relations activities, specifically including regular presentations to equity analysts and the press, and in-depth meetings with institutional investors. Information on the Annual General Meeting is available on the Company website. For the Company's contact details, please refer to the > imprint at the end of this Annual Report. The ams OSRAM Investor Relations unit can also be contacted at investor@ams-osram.com.

Key financial dates[1]

Feb. 11, 2025	Publication of the results for Q4 2024 and the full year 2024
Feb. 11, 2025	Annual press conference on the full year 2024
March 21, 2025	Publication of the Annual Report 2024
April 30, 2025	Publication Q1 2025 results
June 26, 2025	Annual General Meeting 2025
July 31, 2025	Publication Q2 and H1 2025 results
July 31, 2025	Publication of H1 2025 results
Nov. 18, 2025	Publication of Q3 2025 results

[1] provisional, valid at the time of publication

10. No-trade periods

ams OSRAM has put in place comprehensive guidelines for staff members relating to trading in ams OSRAM shares, other securities of the Company, or derivatives related to them. In addition, ams OSRAM has established a clear set of rules specifying no-trade periods or trading windows for the members of the executive bodies and specific staff categories. The members of the executive bodies and the staff members involved are informed of this in writing on at least a quarterly basis and are also obliged to sign a corresponding one-time declaration.

ams OSRAM Group staff members who, by virtue of their work or function, have access to financial results or other material information that is not yet public may not, as a matter of principle, enter into transactions in ams OSRAM securities during a period running from seven trading days before the end of a quarter or fiscal year until two calendar days after the publication of quarterly, half-yearly, or full-year results. The no-trade periods for the aforementioned persons were as follows in financial 2024:
January 1 to February 8, 2024; March 21 to April 29, 2024; June 20 to July 29, 2024; September 20 to November 10, 2024; December 15 to 31, 2024.

Even shorter trading periods (three weeks after publication of the quarterly or full-year results) apply to the ams OSRAM Group Supervisory Board, Management Board, and extended management team.

There are no exceptions to the no-trade periods.

Remuneration Report

Overview

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Setting of targets

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Change in remuneration of the Management Board compared to the workforce

Supervisory Board remuneration

Principles for the remuneration of the Supervisory Board

Total remuneration of the members of the Supervisory Board

I. Overview

Based on the general principles set out in the remuneration policy, the remuneration report summarizes the principles used to determine the remuneration of the members of the Management Board for the 2024 financial year and explains the structure and amount of the remuneration of the members of the Supervisory Board. In addition, the remuneration for each member of the Management Board and Supervisory Board for the 2024 financial year is presented individually.

Key points in the reporting year

- The current remuneration system of ams-OSRAM AG, including the remuneration policy adopted at the Annual General Meeting on June 23, 2023, is based on strengthening the “pay-for-performance” principle and focuses in particular on a long-term orientation of the Long Term Incentive Plan (LTIP) and a sustainable increase in the value of the company in the interests of the shareholders.
- The contracts and remuneration of the members of the Management Board of ams-OSRAM AG active in the 2024 financial year are in line with this remuneration system. In previous financial years, members of the Management Board were still active whose contractual conditions were based on older remuneration systems.
- In dialog with shareholders, no additional comments on the further revision of the remuneration system or the remuneration policy have been made to date.
- Total expenditure for the Management Board decreased by 36% to EUR 6.3 million in the reporting period compared to 2023 (2023: EUR 9.8 million)
- The calculated target achievement for short-term variable remuneration amounted to 84% in the reporting year. After the microLED project was canceled by a key customer, high expenses were incurred in the course of the strategy adjustment, some of which did not affect the bonus-relevant key figures. Unforeseeable, positive one-off effects such as advance payments or cost assumptions (NREs) from customers were also significant for target achievement. In order to take this into account and due to the generally difficult business and market development, the Management Board voluntarily waived the portion that exceeds a target achievement of 65%.
- The awards granted under the 2023 LTIP were adjusted accordingly (pro rata) in 2024 as part of the 10:1 reverse stock split.
- Prior to this measure, 3,100,766 new long-term awards were granted to the Management Board in the reporting year under LTIP 2023. The number was adjusted in the same ratio in line with the share allocation and amounted to 310,077 as at the reporting date.
- Due to the unsatisfactory performance of the share price in the reporting period, the value of the share-based remuneration granted to the Management Board in the 2023 and 2024 financial years under the LTIP 2023 has fallen sharply as at the balance sheet date (residual value averaging only around 21% of the value at the time of the respective grant). The performance of the long-term instruments granted, which is linked to the company’s success, is therefore in line with the pay-for-performance principle.

Key business developments in the reporting period

ams OSRAM successfully managed the ramp-up of new products in the semiconductor business in 2024, both for applications in consumer end devices and in the automotive sector. At the same time, non-core businesses that were loss-making were removed from the portfolio as part of the strategic and efficiency program ‘Re-establish the Base’. The positive effects of these measures were overshadowed by economic developments in key sales markets over the course of the year. In automotive applications, the most important business for ams OSRAM, the company recorded good demand in the first six months of 2024. In the second half of the year, the significant economic slowdown led to a year-on-year decline in sales. Demand for industrial and medical technology products remained weak due to ongoing inventory adjustments. One exception was professional lighting technology and products for growing plants in greenhouses, which performed well.

The business with traditional halogen lamps for automotive applications recorded a typical annual trend. Business with lamps for special applications, particularly in the industrial sector, remained subdued, in line with the overall economic trend and particularly in view of the weakening semiconductor cycle.

Group sales fell by 5% to EUR 3,428 million in 2024 compared to EUR 3,590 million in 2023.

This was due to portfolio effects from divestitures in the L&S segment and the planned decline in the areas in the semiconductor segment CSA that are no longer part of the core business. Sales in the remaining core semiconductor portfolio were increased.

Adjusted EBITDA (adjusted earnings before interest, taxes, depreciation and amortization, M&A-related expenses, transformation costs including expenses for the microLED adjustment, expenses for share-based payments and the result from investments in associates (i.e. excluding non-operating special effects)) decreased slightly year-on-year from EUR 604 million to EUR 575 million in 2024.

Adjusted EBIT (adjusted earnings before interest, taxes and M&A-related expenses, transformation costs including expenses for the microLED adjustment, expenses for share-based payments, and earnings from investments in associates (i.e. excluding non-operating special effects) increased slightly by EUR 8 million to EUR 241 million compared to the previous year.

EBIT reported in accordance with IFRS improved from EUR -1,430 million to EUR -547 million. Expenses of EUR 576 million due to the adjustment of the microLED strategy were the main reason for the continued negative result.

Net debt increased slightly compared to the previous year.

The total shareholder return (TSR) amounted to -71.85% in 2024, which is mainly due to the decline in the share price. The fall in the share price primarily reflects investors’ concerns about the industry-specific environment and the company’s low short-term profitability.

II. Principles and objectives

The remuneration of the members of the Management Board and the Supervisory Board of ams-OSRAM AG is based on the new remuneration policy for the Management Board for the period 2023 - 2027, which was adopted by the Annual General Meeting of the company on June 23, 2023. The remuneration of the members of the Supervisory Board of amsOSRAM AG continues to be based on the remuneration policy adopted by the Annual General Meeting of the company on June 2, 2021.

The Management Board contracts with the Management Board members Aldo Kamper and Rainer Irle were structured in accordance with the basic principles of the new remuneration policy.

The remuneration report for the financial year 2024 is based on the requirements of Section 78c of the Austrian Stock Corporation Law, respective rules of the Swiss stock exchange (SIX Swiss Exchange), and additional best practice standards for the disclosure of remuneration. It also continues the adjustments to remuneration reporting introduced by the Annual General Meeting of the company on June 23, 2023, and incorporates recent developments, including the development of Management Board remuneration over several years. Additional graphics are intended to make the report easier to understand.

The remuneration policy for the Management Board approved by the Annual General Meeting on June 23, 2023, has significantly enhanced the previous Management Board remuneration system and adapted it to current requirements. The long-term share-based compensation plan introduced in 2023 (LTIP 2023) ensures that all LTI instruments for the Management Board are linked to the achievement of predefined performance criteria and are therefore fully performance-related (performance stock units, PSUs). At the same time, the overachievement of long-term targets was incentivized more strongly to create additional performance incentives (ranging between 0 and 150% of the target amount). The vesting period of the PSUs is four years (three-year performance period and one-year waiting period). An ESG target as a fixed component of the LTIP also ensures that the company-wide ESG strategy is closely linked to the long-term incentive targets. The remuneration system also provides for a broader possibility of reclaiming Management Board remuneration by means of claw-back clauses. Further details can be found directly in the remuneration policy for the Management Board, which is available on the company's website. The Supervisory Board decides on the remuneration system for the Management Board by defining the respective remuneration policy, which is submitted to the Annual General Meeting of ams-OSRAM AG for approval. The remuneration policy is intended to ensure that the total remuneration of the members of the Management Board is commensurate with the company's performance and the level of remuneration customary in comparable positions in the global semiconductor and technology industry and supports the company's business strategy and long-term development. The Supervisory Board has established a Remuneration Committee to prepare remuneration-related decisions, which includes the Chairwoman of the Supervisory Board, her deputy and up to one other member of the Supervisory Board. This committee is responsible for passing resolutions on the conclusion, amendment and termination of employment contracts with the members of the Management Board and, in particular, for determining their remuneration. As part of this responsibility, the committee regularly reviews the appropriateness of Management Board remuneration and the remuneration system in general, considering legal requirements and the development of corporate governance standards as well as investors' expectations regarding Management Board remuneration. An external independent consultant regularly supports the committee. Based on this evaluation, the committee recommends adjustments to the Management Board remuneration system or policy. It also sets the targets for the annual variable remuneration at the beginning of each financial year and determines target achievement at the end of the respective period.

In addition, the Supervisory Board has established a Long-Term Incentive Plan Committee (LTIP Committee), which is responsible for preparing the general policy and parameters of the long-term incentive plans for final decisions by the Supervisory Board and the Annual General Meeting, to the extent required by law. The long-term incentive plans are intended to increase the value of the company in the interests of shareholders and are therefore generally based on share-based compensation. Furthermore, (i) the LTIP Committee periodically commissions an external expert to review the general market conditions, (ii) the LTIP Committee advises on changes to the LTIP, and (iii) the LTIP Committee decides, reviews, amends, and approves the Management Board's proposal to grant long-term incentives to senior managers and employees of the company.

When designing the remuneration system and determining the remuneration of the Management Board, the Supervisory Board is guided in particular by the following principles (as set out in the remuneration policy):

- **Supporting the strategic development of ams OSRAM:** The primary objective of Management Board remuneration at ams OSRAM is to promote the business strategy and long-term development of the company in the interests of shareholders. The remuneration reflects the further development of the ams OSRAM Group by setting ambitious targets for the Management Board and adapting them to the current business situation and the dynamic requirements of the business environment. The ams OSRAM Group aims to achieve a leading market position through innovative solutions in the fields of sensor technology and lighting and to create long-term value for customers and investors. To achieve this leading position, ams OSRAM invests extensively in forward-looking innovations and continuous transformation. At the same time, it is important that the interests of shareholders in a sustainable increase in the value of the company are always considered in the business strategy. As part of our remuneration policy, we therefore ensure that long-term and strategic decisions are appropriately incentivized.

- **Considering the overall situation of the company:** The Supervisory Board considers the economic situation as well as the success and future prospects of the company when deciding on structure and level of remuneration.

- **Offering competitive conditions for managers:** As ams OSRAM operates in a highly competitive environment, executive compensation should be attractive compared to competitors' offers and thus provide an incentive for the best-qualified executives from around the world to join the company and contribute to its long-term success.

- **Reflecting different experiences, skills, and responsibilities of the Management Board members:** The remuneration of the Management Board members reflects the responsibility as legal representatives of ams OSRAM and the scope of activities of the respective member as determined by the functional assignment. In addition, relevant professional experience and qualification profile are taken into account to a significant extent.

- **Linking remuneration strictly to performance:** To ensure a clear focus on performance, remuneration is focused on variable elements for which performance targets are set at the beginning of each financial year and cannot be changed later. The base salaries of the members of the Management Board are moderate, i.e. on average below those of comparable companies in the peer group defined below, and additional benefits such as retirement benefits are not granted. The remuneration system for the Management Board therefore places a strong emphasis on both the (financial) long-term performance and the sustainable strategic development of the company.

- **Considering peer group companies, comparing vertical remuneration, and obtaining expert advice:** When regularly reviewing whether remuneration is at a competitive level, the Remuneration Committee looks at the structure and level of remuneration in peer companies. In order to define the relevant peer group, an independent expert analyzed the data of the most important competitors in the relevant markets for semiconductors and optical components and also took into account revenue, the number of employees, market capitalization, the company's registered office in Austria and the listing of the shares of ams-OSRAM AG in Switzerland. In addition, the peer groups used by proxy advisors, where available, were used as a guide. In addition, a peer group was defined for the purposes of the relative share price performance of ams-OSRAM AG compared to the competition (measurement of total shareholder return/TSR as a component of long-term share-based remuneration, see IV.3 below). In 2024, the resulting peer group consisted of the following companies unchanged from the previous year:
  - Analog Devices Inc.
  - Elmos Semiconductor SE
  - Ennostar, Inc.
  - Infineon Technologies AG
  - Melexis N.V.
  - Knowles Corp.
  - NXP Semiconductors N.V.
  - ON Semiconductor Corp.
  - Renesas Electronics Corp.
  - Rohm Co, LTD
  - STMicroelectronics N.V.
  - U-Blox Holding AG
  - X-Fab Silicon Foundries SE
  - Vishay Intertechnology Inc.
  - Coherent Corp.
  - LARGAN Precision Co. Ltd.
  - Seoul Semiconductor Co. Ltd.
  - Sharp Corp.

When defining the peer group, care was taken to ensure that all of the company's business areas and markets are represented in as balanced a manner as possible. The group therefore includes companies from Europe, Asia, and the USA. This group is regularly updated on the basis of independent expert recommendations. In this context, structural changes due to M&A transactions, delisting, etc. are taken into account for the peer companies. Further information can be found in the remuneration policy.

Furthermore, the Remuneration Committee considers the remuneration of the Management Board in relation to the remuneration of relevant parts of the ams OSRAM Group workforce (vertical comparison) in order to prepare its decisions. For this purpose, the data of employees worldwide is analyzed. Further information can be found in Chapter V.5.

The Remuneration Committee regularly seeks advice from external remuneration experts. In recent years, such consultants have been involved in the preparation of the 2019 long-term incentive plan (LTIP 2019) and 2023 long-term incentive plan (LTIP 2023) and in adjustments to the remuneration policy of the Management Board. When engaging these experts, the established independence requirements for remuneration consultants are strictly adhered to.

3. Dialogue with shareholders on the remuneration system

As part of its regular capital market communications, ams-OSRAM AG is in close contact with institutional and private investors. The alignment of the remuneration system with the long-term performance of the company and the selection and weighting of short-term targets were regularly welcomed by investors. Investors also emphasized the importance of appropriate, long-term incentives for the Management Board in order to ensure a clear alignment of interest in long-term value enhancement between company management and investors.

4. Key elements of the Management Board remuneration

The remuneration system applied in the financial year is fully in line with the current remuneration policy for the Management Board and consists of three main elements:

- fixed base remuneration,
- short-term variable remuneration (annual performance bonus), and
- long-term remuneration based on equity incentive plans.

Regarding weighting of these elements, the fixed base remuneration (together with other benefits in kind) shall account for around 10-30% of total remuneration, while the variable components (short-term variable remuneration and fair value of long-term remuneration at the grant date) should account for around 70-90% of total remuneration. Fluctuations may result from the achievement of targets for the variable remuneration elements in the respective financial year. The clear focus on variable, performance-related components is intended to provide a strong incentive to create value through continuous profitable growth and dynamic strategic and technological development of the company.

1. Fixed base remuneration

The yearly fixed base remuneration of the members of the Management Board is a non-performance-related remuneration that is generally paid out in 14 installments (twelve installments at the end of each month and one additional installment every six months, as is customary in Austrian companies). The Supervisory Board has decided to set the basic remuneration in line with international peer group companies. The Chief Executive Officer (CEO) receives a higher base remuneration due to his particular responsibility and importance for the management of the ams OSRAM Group.

2. Short-term annual variable remuneration (performance bonus)

The short-term annual variable remuneration (performance bonus) incentivizes the successful implementation of the strategy, which is broken down into annual financial and non-financial targets in each financial year. At the beginning of each financial year, the Remuneration Committee of the Supervisory Board sets clearly defined, quantifiable targets for specific performance indicators. The target categories and their weighting are intended to ensure that the annual focus supports profitable growth and the generation of free cash flows to strengthen the company's liquidity and financial strength. The targets also consider important commitments to investors and are aligned with the company's long-term strategic development.

Target achievement is measured after the end of the financial year. The target bonus for each member of the Management Board amounts to one year's base salary. If the overall target achievement is 100%, 100% of the target bonus is paid. If the target achievement is 0%, the performance bonus is not paid. The maximum bonus payout is generally 200%.

All disbursements are subject to claw-back provisions (see Chapter IV. Section 4 lit. c) below).

Further information can be found in > Chapter V.

3. Long-term remuneration

The long-term remuneration consists of a share-based compensation plan and makes up a significant part of the medium and long-term remuneration of the members of the Management Board. Under this plan, the Management Board and selected employees and executives are given the opportunity to participate in the success of ams OSRAM. The objectives of this participation plan are to strengthen the alignment of interests between shareholders and employees, to incentivize value creation, to retain employees in the long term, and to provide a motivating remuneration system that offers additional income opportunities.

The vesting of awards under the plan is partly, for members of the Management Board fully, linked to the achievement of performance criteria of KPIs being TSR (total shareholder return) compared to a defined peer group (see above for the composition of this group), the adjusted EBIT target (from the 2025 financial year, this KPI will be replaced for future tranches by adjusted EBITDA as an externally established measure of the company's operating profitability) and the fulfillment of long-term ESG targets.

The LTIP 2023 applicable for the 2024 financial year grants the members of the Management Board solely performance-oriented share-based remuneration instruments (performance stock units – "PSUs"). The annual grant amount is limited to 300% of the fixed salary for the CEO and 250% for the other member of the Management Board who is the CFO in the reporting period.

The long-term share-based remuneration is linked to external and internal targets, whereby sustainability aspects are also taken into account. At the grant date, the Supervisory Board sets financial targets for the relative total shareholder return (TSR) compared to a peer group as well as for operating profitability in the performance period; these targets are each included in the target achievement assessment with a weighting of 40%. The Supervisory Board also defines one or more ESG targets derived from the company's current sustainability strategy (weighting of 20%).

Target achievement is measured once every three years, whereby the degree of target achievement can fluctuate between 0% and 150%. The performance period is followed by a one-year holding period, meaning that all share-based compensation elements for the Management Board vest at the earliest four years after they are granted. The instruments due are generally settled by transferring treasury shares; in exceptional cases, cash settlement may also be granted at the company's discretion.

4. Other elements of the remuneration system

a) Term and termination of the mandate
The employment contracts of the members of the Management Board are concluded for the duration of their mandate. Members of the Management Board are generally appointed by resolution of the Supervisory Board for a period of three years; reappointments are permitted. In accordance with Section 75 (4) of the Austrian Stock Corporation Act (AktG), members of the Management Board can be dismissed for good cause or may be dismissed if there is a reason within the meaning of Section 27 of the Austrian Employees Act (AngG). Consequently, the employment contract is terminated at the time of dismissal. In these cases or in the event of resignation from office without the consent of the Supervisory Board, the Management Board member concerned is not entitled to a severance payment or other compensation in connection with the termination of the employment relationship.

In the absence of good cause or in the event of illness or accident, if the Management Board member is prevented from performing their duties for three months and the impediment is not expected to be remedied within the next three months, as well as in the event of occupational disability within the meaning of Section 273 of the Austrian General Social Insurance Act (ASVG), any severance payment is due in connection with the termination of the employment relationship. This severance payment is limited in total to the compensation due pro rata temporis for the remaining term of the mandate and is capped at 200% of the fixed base annual remuneration for the last financial year of the employment relationship. No general compensation for the termination of the respective mandate is provided for any share-based compensation granted that continues to exist. However, it is possible for a member of the Management Board to retain parts of the share-based remuneration instruments (depending on the individual case) in the event of a mutually agreed early termination of the Management Board mandate.

In addition, ams-OSRAM AG makes contributions to an employee pension fund in the statutory amount under the Austrian Corporate Staff and Self-Employed Pension Act (BMSVG).

Generally, there are no specific entitlements for Management Board members in connection with possible changes of control or comparable structural changes to the company. In the event of a change of control, however, the LTIP 2023 provides for a pro rata temporis settlement of awards to Management Board members (as for all other plan participants).

No loans or similar obligations are granted to members of the Management Board.

b) Share ownership requirements
The members of the Management Board are obliged to have a qualifying interest in shares of the company. The amount of this qualifying interest is measured on the basis of the average weighted share price over the last twelve months and amounts to 300% of the base salary for the CEO and 200% of the base salary for the other members of the Management Board. The shareholding can be acquired solely through participation in share-based remuneration programs over time. There is no obligation to acquire shares privately.

c) Claw-back provisions
Under the rules of the LTIP 2023, the LTIP Committee is authorized to cancel or claw back all or part of a participant's awards under predefined circumstances, in particular, but not exclusively, in the event that

- the company's financial results were significantly misstated,
- the person has breached a material duty of care or disregarded a material guideline of the company (e.g. Code of Conduct) or
- administrative penalties or fines have been imposed on the company and the conduct of the member of the Management Board has demonstrably contributed to this

Such a claw-back may take the form of a direct repayment or a reduction in unvested shares of future vested awards, a reduction of future awards or a reduction in other payments that would otherwise be payable by the company to the individual (including outstanding bonus payments).

Comparable provisions have been part of all of the company's long-term incentive plans since 2014.

There was no withdrawal of share-based compensation instruments from acting members of the Management Board using the claw-back provisions in the financial year 2024.

d) Other benefits
There are no pension or early retirement arrangements for members of the Management Board.

The members of the Management Board are entitled to a luxury or upper mid-range car for business and private purposes. Alternatively, Management Board members can opt for mileage allowance.

The company may conclude D&O insurance contracts for the members of the Management Board for the duration of their respective Management Board mandate. In addition, ams OSRAM may, under certain circumstances, take out private accident insurance for the benefit of the members of the Management Board or for the benefit of a third party named by the respective Management Board member.

In order to ensure compliance with complex tax regulations, the company may assume the costs of tax advice for the members of the Management Board, particularly if tax laws of different countries are involved.

5. Remuneration of the Management Board

1. Setting of targets

When setting the targets for the 2024 financial year, the Remuneration Committee focused primarily on the development of the organization in terms of growth, increasing profitability compared to the previous year, and optimizing financial resources (free cash flow and generating proceeds from divestments), with the aim of limiting capital expenditure (capex) as strictly as possible, improving net working capital management, and implementing the planned portfolio measures, despite the difficult economic conditions.

Consequently, the targets for the 2024 financial year focused on revenues (weighting 20%), adjusted EBIT (weighting 40%), the optimization of free cash flow (weighting 30%), and the generation of proceeds from the divestments planned as part of the strategic and efficiency program 'Re-establish the Base' (10%). The free cash flow target takes into account subsequent cash outflows due to investments in the new production facility in Malaysia made in previous years.

The long-term targets in the LTIP 2023, each with a weighting of 40%, are the cumulative adjusted EBIT over the next three financial years and the relative total shareholder return measured in comparison to a peer group defined in the LTIP 2023. The LTIP Committee of the Supervisory Board has specified the ESG target (weighting of 20%) set out in the LTIP 2023 for the tranche granted in 2024 – while retaining the concept already applied in 2023 – in such a way that the reduction in CO_2 emissions is to be achieved in the period from 2024 to 2026 in accordance with ams OSRAM's climate strategy.

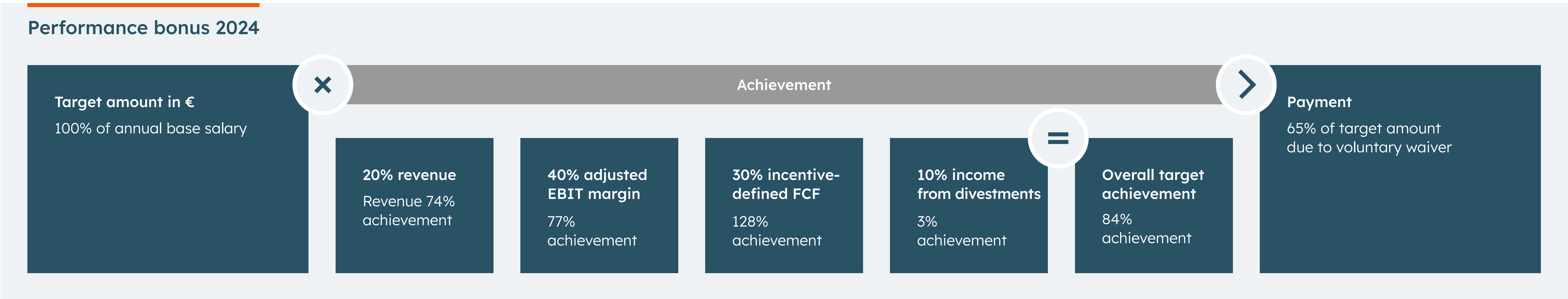
The calculated target achievement for short-term variable remuneration amounted to 84% in the reporting year. After the microLED project was canceled by a key customer, there were high expenses in the course of the strategy adjustment, some of which did not affect the bonus-relevant key figures. Unforeseeable, positive one-off effects such as advance payments or cost transfers (NREs) from customers were also significant for target achievement. Due to these special effects and the generally difficult business and market development, the Management Board voluntarily waived the portion that exceeds a target achievement of 65%.

Specifically, the following annual targets for short-term variable remuneration were set for the Management Board for the 2024 financial year:

Targets and target values[1,2]	0%	100%	200%	Weighting of the target
Revenue	3,224	3,500	3,776	20%
Adjusted EBIT margin	5.0%	8.0%	11.0%	40%
Adjusted free cash flow[3]	-380	-280	-180	30%
Income from divestments	50	150	250	10%

Based on the results for the 2024 financial year, the following target achievement was determined

Goals[1,2]	Amount at the end of the reporting period	Target achievement	Weighting of the target	Calculated contribution to overall target achievement
Revenue	3,428	74%	20%	15%
Adjusted EBIT margin	7.0%	77%	40%	31%
Adjusted free cash flow[3]	-252	128%	30%	38%
Income from divestments	53	3%	10%	0%
Overall target achievement				84%
Payout-relevant overall target achievement[4]				65%



[1] All figures in EUR million.
[2] Revenue and adjusted EBIT-margin based on externally reported figures. Adjusted EBIT was adjusted due to currency effects.
[3] The adjusted free cash flow for target achievement includes cash flows from operating activities, payments for the acquisition of intangible assets and property, plant and equipment as well as proceeds from the disposal of financial assets, intangible assets and property, plant and equipment. However, the adjusted free cash flow does not take into account any "special effects" that could influence target achievement. Customer prepayments (e.g. for securing or providing capacity) are therefore not taken into account. This is why the adjusted free cash flow also differs from the reported free cash flow, which includes all contributions according to the definition applicable to the company.
[4] The calculated target achievement for short-term variable remuneration amounted to 84% in the reporting year. Due to special effects and the generally difficult business and market development, the Management Board voluntarily waived the portion that exceeds a target achievement of 65%.

2. Arrangements related to changes in the Management Board

In the 2024 financial year, there were no changes on the Management Board of ams-OSRAM AG:

3. Total remuneration of the members of the Management Board

With the remuneration system introduced in 2023 for the newly appointed Management Board with Aldo Kamper (CEO) and Rainer Irle (CFO), ams-OSRAM AG has taken full account of the criticism voiced by proxies and individual shareholders and further strengthened the "pay-for-performance" principle, in particular by focusing on the long-term value development of the company. The changes resulting from the new remuneration system can be seen in particular in a comparison between the remuneration of former members of the Management Board and current members of the Management Board in the 2024 financial year.

Table 1. Total remuneration granted[1]

In kEUR	Fixed remuneration								Variable remuneration[3]						Total remuneration	
	Base salary		Other benefits[2]		Severance payments		Subtotal		Performance bonus		LTI[4]		Subtotal			
Name (position)	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Current members of the Management Board																
Aldo Kamper (CEO from April 1, 2023)	1,001	751	9	12	-	-	1,010	762	651	804	2,670	869	3,321	1,673	4,330	2,436
Rainer Irle (CFO from July 1, 2023)	501	250	9	6	-	-	509	256	325	276	1,113	241	1,438	518	1,947	774
Former members of the Management Board																
Alexander Everke (CEO until March 31, 2023)	-	259	-	25	-	2,231	-	2,515	-	387	-	-	-	387	-	2,902
Ingo Bank (CFO until April 30, 2023)	-	217	-	12	-	-	-	229	-	237	-	-	-	237	-	466
Thomas Stockmeier (CTO until September 30, 2023)	-	600	-	9	-	-	-	609	-	657	-	97	-	754	-	1,363
Mark Hamersma (CBO until December 31, 2023)	-	600	-	31	-	-	-	631	-	657	-	579	-	1,236	-	1,867
Total	**1,502**	**2,676**	**17**	**95**	**-**	**2,231**	**1,519**	**5,002**	**976**	**3,019**	**3,783**	**1,786**	**4,759**	**4,806**	**6,278**	**9,808**

Table 2: Total remuneration paid[1]

In kEUR	Fixed remuneration								Variable remuneration[3]							
	Base salary		Other benefits[2]		Severance payments		Subtotal		Performance bonus		LTI[4]		Subtotal			
Name (position)	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Current members of the Management Board																
Aldo Kamper (CEO from April 1, 2023)	1,001	751	9	12	-	-	1,010	762	676	-	-	-	676	-	1,685	762
Rainer Irle (CFO from July 1, 2023)	501	250	9	6	-	-	509	256	225	-	-	-	225	-	734	256
Former members of the Management Board																
Alexander Everke (CEO until March 31, 2023)	-	259	-	25	-	2,231	-	2,515	-	909	-	-	-	909	-	3,423
Ingo Bank (CFO until April 30, 2023)	-	217	-	12	-	-	-	229	-	345	-	-	-	345	-	574
Thomas Stockmeier (CTO until September 30, 2023)	-	600	-	9	-	-	-	609	-	318	-	-	-	318	-	927
Mark Hamersma (CBO until December 31, 2023)	-	600	-	31	-	-	-	631	-	318	-	-	-	318	-	949
Total	**1,502**	**2,676**	**17**	**95**	**-**	**2,231**	**1,519**	**5,002**	**901**	**1,889**	**-**	**-**	**901**	**1,889**	**2,420**	**6,891**

[1] Total remuneration granted contains – irrespective of the date of payment – all remuneration components that were granted to a member of the Management Board in the financial year, at least in principle, and whose (future) amount can at least be estimated.
[2] Other benefits include the provision of an upper mid-range car for business and private purposes and a car allowance, D&O insurance and, under certain circumstances, private accident insurance for the benefit of the members of the Management Board or for the benefit of a third party named by the respective member of the Management Board. Other benefits are recognized at their taxable value.
[3] The variable remuneration represents the amounts accrued (Table 1) or paid out (Table 2) for the respective financial period.
[4] The share-based remuneration (LTI) is determined using the fair value of awards granted in the financial year. After the end of the performance period, awards are determined on the basis of target achievement.

Table 1a. Fixed and variable remuneration granted in relation to total remuneration

	Fixed remuneration				Variable remuneration			
	in kEUR		in %		in kEUR		in %	
Name (position)	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Current members of the Management Board								
Aldo Kamper (CEO from April 1, 2023)	1,010	762	23%	31%	3,321	1,673	77%	69%
Rainer Irle (CFO from July 1, 2023)	509	256	26%	33%	1,438	518	74%	67%
Former members of the Management Board								
Alexander Everke (CEO until March 31, 2023)	-	2,515	-	87%	-	387	-	13%
Ingo Bank (CFO until April 30, 2023)	-	229	-	49%	-	237	-	51%
Thomas Stockmeier (CTO until September 30, 2023)	-	609	-	45%	-	754	-	55%
Mark Hamersma (CBO until December 31, 2023)	-	631	-	34%	-	1,236	-	66%
Total	**1,519**	**5,002**	**24%**	**51%**	**4,759**	**4,806**	**76%**	**49%**

Table 2a. Fixed and variable remuneration paid in relation to total remuneration

	Fixed remuneration				Variable remuneration			
	in kEUR		in %		in kEUR		in %	
Name (position)	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Current members of the Management Board								
Aldo Kamper (CEO from April 1, 2023)	1,010	762	60%	100%	676	-	40%	0%
Rainer Irle (CFO from July 1, 2023)	509	256	69%	100%	225	-	31%	0%
Former members of the Management Board								
Alexander Everke (CEO until March 31, 2023)	-	2,515	-	73%	-	909	-	27%
Ingo Bank (CFO until April 30, 2023)	-	229	-	40%	-	345	-	60%
Thomas Stockmeier (CTO until September 30, 2023)	-	609	-	66%	-	318	-	34%
Mark Hamersma (CBO until December 31, 2023)	-	631	-	66%	-	318	-	34%
Total	**1,519**	**5,002**	**63%**	**73%**	**901**	**1,889**	**37%**	**27%**

Chart 1a: Fixed and variable remuneration granted in relation to total remuneration

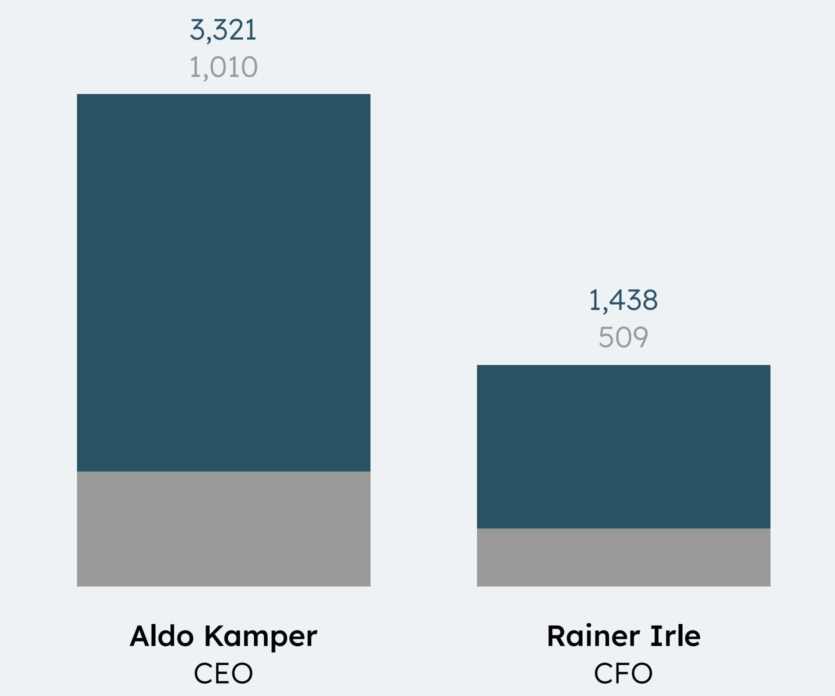
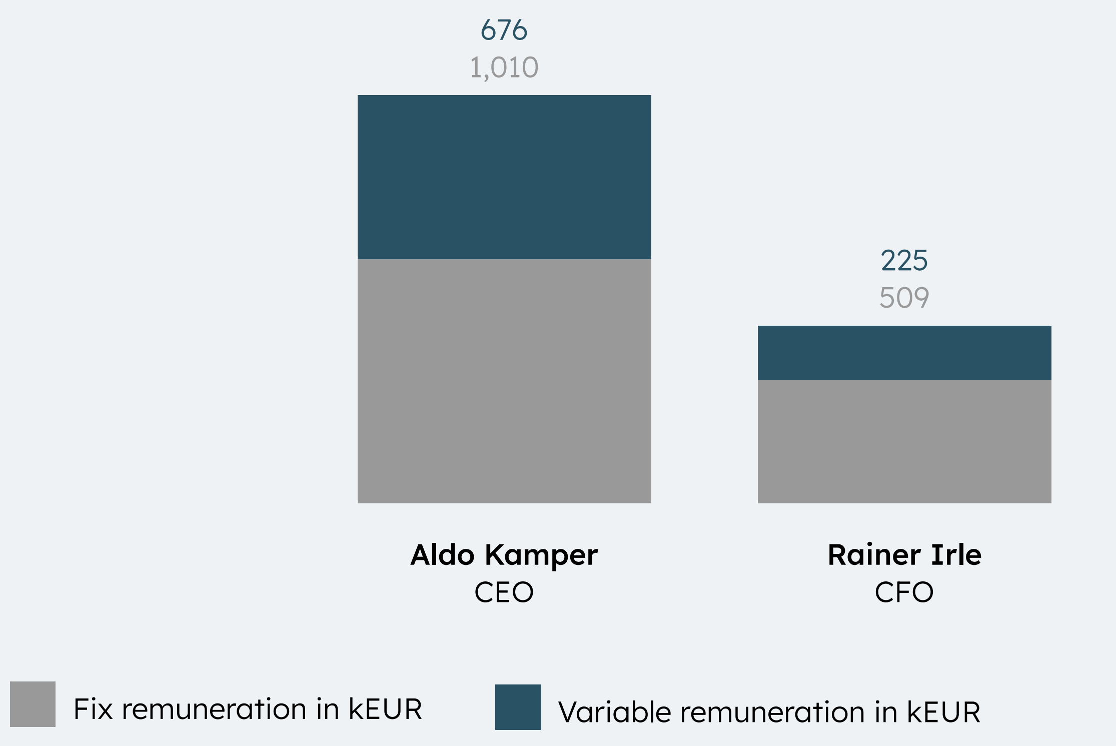


Chart 2a: Fixed and variable remuneration paid in relation to total remuneration



4. Long-term (share-based) compensation

Under the LTIP 2023, the members of the Management Board are entitled to PSUs. For the 2024 financial year, these were granted on March 31, 2024.

In the reporting year, the members of the Management Board were granted a total of 3,100,766 awards (2023: 669,060 awards) based on the former structure of the share capital. All of these awards were granted as PSUs from the LTIP 2023. There is no exercise price for the awards.

In the 2024 financial year, ams OSRAM completed the measures to offset the dilution of share-based payments that were announced following the capital increase in December 2023. In this regard, ams OSRAM reissued the awards granted under the LTIP 2023. For the Management Board, 415,879 awards granted in 2023 were withdrawn and 826,894 awards were issued without any changes to the grant date, vesting period or performance criteria. Details can be found in the notes to the consolidated financial statements as at December 31, 2024 in Note 4. Expenses.

In order to reflect the consequences of the reverse share split at a ratio of 10:1, which was resolved by the Annual General Meeting of the company on June 24, 2024, and implemented in September 2024, the LTIP Committee of the Supervisory Board resolved on July 24, 2024, to adjust the stock awards held by the plan participants in the corresponding ratio (ten old stock awards result in one new stock award) and to round up any resulting fractions of awards to full units. These principles were also applied to the members of the Executive Board. Four additional new stock awards were granted to the members of the Executive Board in the 2024 financial year (in addition to the conversion) for the purposes of rounding up.

In the reporting period, no long-term (share-based) compensation plans vested for the members of the current Management Board during the financial year 2024 (2023: LTIP 2019 426,213 SPSUs and 212,454 options from the SSOP 2017 for current members of the Management Board). No instruments resulting from legacy plans expired for current members of the Management Board during the reporting period, as no such instruments were allocated to them. For former members of the Management Board, 944,662 PSUs from the LTIP 2019 expired in the reporting period (2023: 1,018,448 PSUs from the LTIP 2019 expired for former members of the Management Board).

As at December 31, 2024, the members of the Management Board held 11,250 shares and 392,768 awards (after the reverse share split as of September 30, 2024). In the previous year, the members of the Management Board held 27,375 shares and 158,849 awards (adjusted for the reverse share split). The change in shareholdings results from the termination of a member of the Management Board.

The other framework and exercise conditions are shown in tables 3a and 3b.

The allocation of PSUs under LTIP 2023 is linked to the achievement of the performance criteria of adjusted EBIT and relative TSR as well as the fulfillment of ESG targets. Further information can be found in > chapter IV, section 3.

The adjusted EBIT performance criterion depends on the achievement of the EBIT target (cumulative adjusted EBIT target over the EBIT performance period). The EBIT target is set by the company at its own discretion. Significant changes to the corporate structure (e.g. due to M&A transactions) or accounting policies are taken into account when determining target achievement. The EBIT performance period covers three financial years and begins in the year in which the bonus is granted. Following a resolution by the Supervisory Board, the target for long-term variable remuneration will be based on adjusted EBITDA instead of adjusted EBIT from the 2025 financial year onwards. This will bring the target for long-term remuneration in line with internal management and reporting on the capital market, for which the EBITDA (adjusted) indicator is also used. This has no impact on the long-term share-based remuneration granted in the 2024 financial year or in previous years.

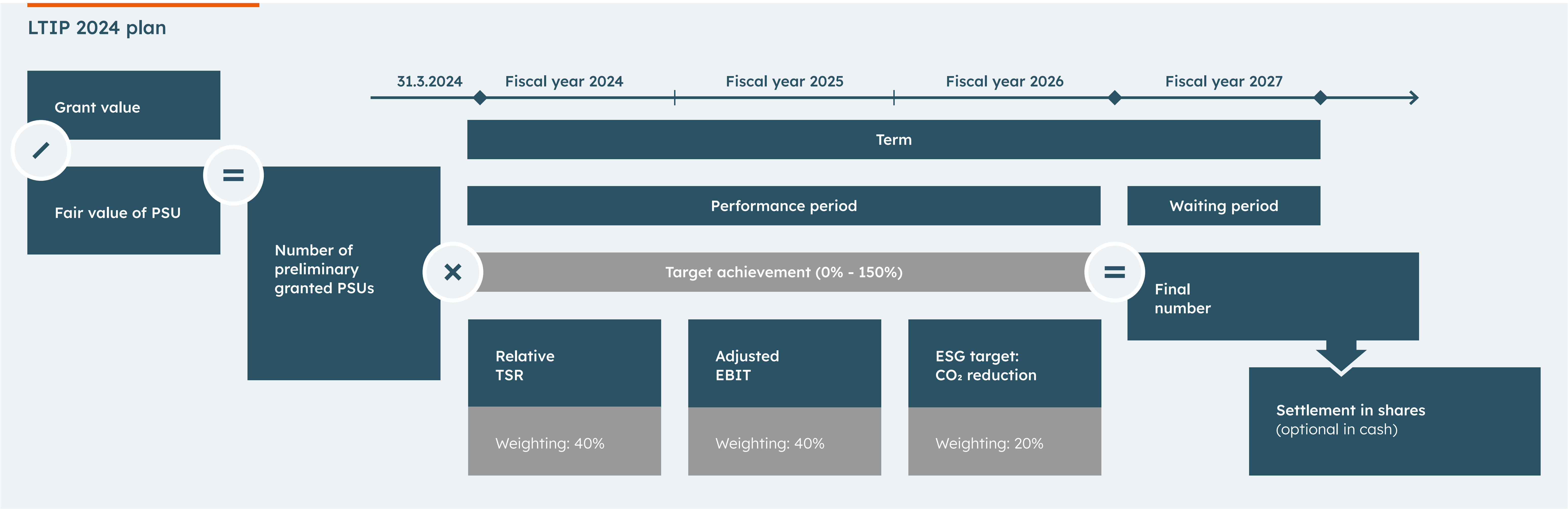
The TSR (Total Shareholder Return) is based on the development of the share price of the amsOSRAM AG compared to a peer group of similar companies (see Chapter II. for further information). Target achievement for 2024 is calculated as the change in the average net return index between the start of the TSR performance period (January 1, 2024) and the end of the TSR performance period (December 31, 2026). The net return index represents the development of the share price including reinvested dividends during the TSR performance period. The consequences of the change in the structure of the company's share capital implemented in September 2024 (reverse share split) are taken into account accordingly in the target measurement. In addition, it was decided to offset the effect of the capital increase implemented in 2023 when calculating TSR achievement by basing the calculation on the increased number of shares from the start of the measurement period.

The achievement of the environmental, social, and corporate governance (ESG) targets is assessed over a performance period of three financial years, which begins in the year of the grant. The assessment of target achievement is determined by the company based on clearly defined target criteria (for the 2024 grant based on the reduction in CO_2 emissions achieved by the end of the 2026 financial year).

Fair value at the grant date
At the grant date, the fair value is determined on the basis of the defined number of awards granted and recognized over the respective performance period as equity-settled share-based payments in accordance with IFRS 2. Only after the end of the performance period can the number of awards for the grant be determined on the basis of target achievement. The following table shows the fair value at the grant date. The expense recognized on the basis of the respective performance period in the 2024 financial year is shown in table 3b.

Fair value at the grant date[1]

	Number of awards granted		Fair value in EUR	
Name	**2024**	**2023**	**2024**	**2023**
Current members of the Management Board:				
Aldo Kamper (CEO from April 1, 2023)	2,188,776	325,470	2,670,307	869,005
Rainer Irle (CFO from July 1, 2023)	911,990	90,409	1,112,628	241,392
Former members of the Management Board:				
Alexander Everke (CEO until March 31, 2023)	-	-	-	-
Ingo Bank (CFO until April 30, 2023)	-	-	-	-
Thomas Stockmeier (CTO until September 30, 2023)	-	36,417	-	97,233
Mark Hamersma (CBO until December 31, 2023)	-	216,764	-	578,760
Total	**3,100,766**	**669,060**	**3,782,935**	**1,786,390**



[1] The number of awards granted relates to the grant date before the equity measures in the respective financial year. The equity measure by combining the shares at a ratio of 10:1 in the 2024 financial year and the capital increase in the 2023 financial year is shown in Table 3b (for further information, see the Notes to the Consolidated Financial Statements in the 4th Expenses section of the Annual Report).

Table 3a: Equity incentive plans – main conditions

Equity incentive plan	LTIP 2023 (2023)	LTIP 2023 (2024)
Performance period	30.06.2023 – 31.03.2026	31.03.2024 – 31.03.2027
Grant date	30.06.2023	31.03.2024
Vesting at the end of the vesting period	31.03.2027	31.03.2028

Table 3b: Equity incentive plans – information on the 2024 financial year

Aldo Kamper (CEO)			
Pieces	**LTIP 2023 (2023)**	**LTIP 2023 (2024)**	**Total**
Outstanding on 1.1.	325,470	-	**325,470**
Awards granted	-	2,188,776	**2,188,776**
Measures against changes in equity[1]	-260,756	-1,969,898	**-2,230,654**
Awards lost	-	-	**-**
Awards exercised	-	-	**-**
Outstanding at 31.12	64,714	218,878	**283,592**
Expense in financial year (EUR)	554,616	632,852	**1,187,469**

Rainer Irle (CFO)			
Pieces	**LTIP 2023 (2023)**	**LTIP 2023 (2024)**	**Total**
Outstanding on 1.1.	90,409	-	**90,409**
Options / awards granted	-	911,990	**911,990**
Measures against changes in equity[1]	-72,432	-820,791	**-893,223**
Stock options lost	-	-	**-**
Stock options exercised	-	-	**-**
Outstanding at 31.12	17,977	91,199	**109,176**
Expense in financial year (EUR)	154,066	263,688	**417,753**

1 In the 2024 financial year, Aldo Kamper was granted 321,663 and Rainer Irle 89,352 additional awards (according to the former structure before the reverse stock split) as a result of the 2023 capital increase. As part of the equity measure, the stock awards held were adjusted in the corresponding ratio (ten old stock awards result in one new stock award) through consolidation of the shares at a ratio of 10:1 in the 2024 financial year.

Fair value at the balance sheet date

The business success of ams-OSRAM AG is affected by the successful implementation of business decisions made and also to a large extent by the market environment. Changes in growth and profitability prospects are therefore regularly reflected in the development of the share price. A negative share price performance was recorded in the 2024 financial year, which is attributable to various causes. On the one hand, the cancellation of the microLED project by a key customer led to high share price markdowns, while on the other hand, uncertain economic prospects had a negative impact on the share price despite the successful, continuous implementation of the strategic and efficiency program ‘Re-establish the Base’.

In accordance with the performance criteria outlined above, this share price development is reflected in the performance of the awards granted to the Management Board in previous periods. The following table provides an indication of the relative change in value of the PSUs granted to date under the LTIP 2023. The remuneration policy of ams-OSRAM AG, which was approved at the Annual General Meeting in 2023, is based on the “pay-for-performance” principle and focuses in particular on a long-term increase in the value of the company.

Performance of awards granted (“pay-for-performance” principle)

EUR	Aldo Kamper (CEO)		Rainer Irle (CFO)		
	2024	**2023[2]**	**2024**	**2023[2]**	**Total**
Awards granted from LTIP 2023 after equity measures and reverse share split (pieces)[3]	218,878	64,714	91,199	17,977	392,768
Fair value at the grant date (EUR)	2,670,312	2,277,933	1,112,628	632,790	6,693,663
Performance of awards granted at reporting date (EUR)[1]	798,511	215,737	332,712	59,930	1,406,890
Performance in %	-70%	-91%	-70%	-91%	-79%

[1] The current value of the awards granted as at December 31, 2024, is significantly influenced by the development of the share price and the expected vesting based on target achievement (data as at the reporting date of December 31, 2024). As at the reporting date, these factors resulted in a significant reduction in the value of the share-based remuneration granted.
[2] In 2023, the awards were granted pro rata on the basis of the start of employment (Aldo Kamper from April 1, 2023, and Rainer Irle from July 1, 2023).
[3] All figures adjusted for the 10:1 reverse stock split carried out in the 2024 financial year

5. Change in remuneration of the Management Board compared to the workforce

With effect from January 1, 2024, the Management Board was reduced from four to two members and all tasks were allocated to these members.

The average number of employees worldwide based on full-time equivalents is used to present the average remuneration of employees. These comprised 19,577 employees in the 2024 financial year (2023: 20,530).

The following table shows the annual change in the basic remuneration of the members of the Management Board compared to the change in the average basic remuneration of employees worldwide.

The average basic remuneration of the Management Board and of employees comprises wages and salaries (excluding special payments, bonuses, and share-based remuneration).

Table 4: Comparison of average basic remuneration of the Management Board and employees

In kEUR[1]	2024	Change to previous year in %	2023	Change to previous year in %	2022	Change to previous year in %	2021
Current members of the Management Board							
Aldo Kamper (CEO from April 1, 2023)	1,001	0%	1.001	-	-	-	-
Rainer Irle (CFO from July 1, 2023)	501	0%	501	-	-	-	-
Former members of the Management Board							
Alexander Everke (CEO until March 31, 2023)	-	-100%	1,035	0%	1,035	0%	1,035
Ingo Bank (CFO until April 30, 2023)	-	-100%	650	0%	650	0%	650
Thomas Stockmeier (CTO until September 30, 2023)	-	-100%	600	0%	600	0%	600
Mark Hamersma (CBO until December 31, 2023)	-	-100%	600	0%	600	0%	600
Employees	42	5%	40	3%	39	8%	36
Adjusted earnings after taxes in EUR million	2	-96%	50	-60%	124	-54%	272
Adjusted earnings per share in EUR (undiluted)[2]	0,02	-99%	1.61	-66%	4.75	-55%	10.5

Table 5: Average base remuneration of the Management Board in relation to the average base remuneration of the employees

	2024	Change to previous year in %	2023	Change to previous year in %	2022	Change to previous year in %	2021
CEO in relation to employees	24x	-6%	26x	-4%	27x	-8%	29x
Management Board (on average) in relation to employees[3]	18x	-2%	18x	-1%	19x	-8%	20x

[1] All figures extrapolated on a full-time basis for 2024
[2] Previous year's figures adjusted for the 10:1 reverse share split carried out in financial year 2024
[3] In 2024, the Management Board only consisted of the CEO and CFO. A comparable analysis (CEO and CFO only) of the average basic remuneration of the Management Board in relation to the workforce would result in a ratio of 21x for 2023 and a corresponding decrease of 15% in 2024.

The following table provides an overview of the development of the total remuneration granted to the Management Board and the average total remuneration of employees worldwide. The average total remuneration of employees takes into account basic remuneration including special payments, bonuses, and share-based compensation.

A comparison of the average total remuneration for the Management Board in 2024 compared to 2023 is only possible to a limited extent as the reduction in the number of Management Board members from four to two is reflected in a correspondingly higher weighting of the salaries of the CEO and CFO compared to other members of the Management Board. In addition, the former CEO and CFO were not granted any awards as part of the long-term share-based remuneration in the 2023 financial year due to their departure.

Table 6: Comparison of average total remuneration of the Management Board and average total remuneration of employees

In kEUR	2024	Change to previous year in %	2023	Change to previous year in %	2022	Change to previous year in %	2021
Management Board[4]	3,139	23%	2,558	-20%	3,209	-61%	8,305
Employees	65	-1%	65	0%	65	33%	49

Table 7: Average total remuneration of the Management Board in relation to the average total remuneration of employees

	2024	Change to previous year in %	2023	Change to previous year in %	2022	Change to previous year in %	2021
CEO in relation to employees	67x	-18%	82x	-1%	83x	-70%	276x
Management Board (on average) in relation to employees[5]	49x	24%	39x	-20%	49x	-71%	170x

[4] In 2024, the Management Board only consisted of the CEO and CFO. A comparable analysis (CEO and CFO only) would result in average total remuneration of EUR 3,588 thousand in 2023 and a corresponding decrease of 13% in 2024.
[5] In 2024, the Management Board only consisted of the CEO and CFO. A comparable analysis (CEO and CFO only) of the average total remuneration of the Management Board in relation to the workforce would result in a ratio of 55x for 2023 and a corresponding decrease of 11% in 2024.

6. Supervisory Board remuneration

1. Principles for the remuneration of the Supervisory Board

The remuneration of the Supervisory Board for financial year 2024 continues to be based on the remuneration policy for the Supervisory Board of ams OSRAM, which was adopted by the Annual General Meeting on June 2, 2021.

The upcoming Annual General Meeting of the company in June 2025 will approve the remuneration policy for the Supervisory Board on a regular basis.

The remuneration for the Supervisory Board based on the current remuneration policy is appropriate in relation to the company's success and is designed to promote the long-term development and business strategy of ams OSRAM. In addition, the remuneration policy takes into account the size and business development of the ams OSRAM Group as well as the responsibility and scope of activity of each individual member of the Supervisory Board. It is also aimed at ensuring that remuneration is competitive and attractive in order to attract and retain qualified members for the Supervisory Board and to provide sufficient incentives for the members of the Supervisory Board to focus on the long-term development and business strategy of ams OSRAM. In addition, it ensures a balanced composition of the Supervisory Board in terms of professional and personal skills, particularly with regard to the diversity and internationality of the body.

The remuneration of the Supervisory Board generally consists of a uniform base remuneration. The Chairperson of the Supervisory Board, the Deputy Chairperson and the chairpersons of the committees receive a higher basic remuneration than the ordinary members of the Supervisory Board in view of their broader scope of activities and greater responsibility.

The members of the Supervisory Board do not receive any variable or share-based remuneration in any form for their services.

The Annual General Meeting may resolve that the members of the Supervisory Board receive an attendance fee for attending meetings of the Supervisory Board or a committee. The Annual General Meeting may also decide to grant special remuneration for extraordinary activities of one of its members that go beyond the general duties of a Supervisory Board member.

The company takes out D&O insurance for the members of the Supervisory Board. The employee representatives on the Supervisory Board perform their function on an honorary basis in accordance with Section 110 para. 3 of the Austrian Labor Constitution Act (ArbVG) and do not receive any remuneration. Each member of the Supervisory Board, including the employee representatives on the Supervisory Board, is entitled to reimbursement of reasonable cash expenses. The employee representatives did not assert or receive any reimbursement for cash expenses for the 2024 and 2023 financial years.

No loans or similar obligations are granted to the members of the Supervisory Board.

2. Total remuneration of the members of the Supervisory Board

The remuneration for the members of the Supervisory Board was determined by the Annual General Meeting on June 2, 2021, with the following basic remuneration: Chairperson kEUR 150, Deputy Chairperson kEUR 125, each additional member of the Supervisory Board kEUR 90. In addition, the chair of a Supervisory Board committee is remunerated with an additional kEUR 20, although the Chairperson and the Deputy Chairperson of the Supervisory Board are not granted such additional remuneration. The remuneration is due to the Supervisory Board members for one year of their activity on the Board, whereby the period begins with their election by the Annual General Meeting. If a member joins or leaves the Supervisory Board during the year, remuneration is paid pro rata temporis. Supervisory Board remuneration is paid annually following the Annual General Meeting. This remuneration regulation applies as long as the Annual General Meeting does not pass another resolution. The 2025 Annual General Meeting is scheduled to approve the remuneration policy for the Supervisory Board.

Applying these principles, the remuneration of the company's Supervisory Board amounted to kEUR 862 in the 2024 financial year (2023: kEUR 895). All remuneration was or is paid directly by the company. None of the members of the Supervisory Board provided consultancy services in the reporting year (2023: EUR 0). The remuneration shown for the members of the Supervisory Board shows the amounts actually paid in the financial year. The employee representatives do not receive any remuneration for their activities on the Supervisory Board.

Members of the Supervisory Board held no shares or options to purchase shares as at December 31, 2024 (no options or awards and no shares as at December 31, 2023).

The members of the Supervisory Board did not receive any other benefits in 2024. Reimbursement of expenses for Supervisory Board members does not constitute remuneration.

In detail, the members of the Supervisory Board received the following remuneration:

Table 8: Total remuneration of the members of the Supervisory Board

	Base remuneration		Total remuneration	
Name (position)	**2024**	**2023**	**2024**	**2023**
Dr. Margarete Haase (Chairwoman)	150	150	150	150
Andreas Mattes (Deputy Chairman)	116	-	116	-
Mag. Brigitte Ederer (Member)[1]	110	110	110	110
Kin Wah Loh (Member)[1]	110	110	110	110
Andreas Gerstenmayer (Member)[1]	110	110	110	110
Dr. Monika Henzinger (Member)	90	90	90	90
Yen Yen Tan (Member)	90	90	90	90
Arunjai Mittal (Member)	60	-	60	-
Dr. Wolfgang Leitner (Deputy Chairman, until September 7, 2023)	26	125	26	125
Brian Krzanich (Member, until June 23, 2023)	-	110	-	110
Total	**862**	**895**	**862**	**895**

[1] In the reporting year, Brigitte Ederer (ESG Committee), Kin Wah Loh (Technology Committee), and Andreas Gerstenmayer (Audit Committee) received higher basic remuneration as committee chairs.

Management Report

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1. Overview of the economic environment and the past financial year

1.1 Development of the semiconductor sector

The poor economic situation in Europe, falling growth expectations in China, and persistent interest rate and inflation concerns in the western world had a negative impact on demand in many end markets of ams OSRAM in 2024. Although the global semiconductor market recorded a year-on-year increase of 19% to USD 627 bn in the past year (2023: USD 527 bn), this increase was mainly driven by the highly volatile memory market (+81%), in which ams OSRAM is not involved. The key segments for ams OSRAM shrank in 2024, including optoelectronic semiconductors with a decline of -2.5% (2023: -1.6%), sensors with a decline of -5.1% (2023: -9.4%), and analog semiconductors with a decrease of -2.2% (2023: -8.7%).[1]

The most important end markets for ams OSRAM are the automotive sector, industrial and medical technology applications, and consumer devices such as smartphones and wearables. Following an increase of 9.9% in the previous year, global automotive production contracted by -1.1% in 2024.[2] In the industrial and medical technology sectors relevant to ams OSRAM, the rate of change based on ZVEI (Global Electro and Digital Industry) data was -1 to 3% in 2024 (2023: -2 to 7%).[3] Deliveries in the global smartphone market rose by 4.8% in 2024 following a decline of -3.5% in the previous year.[4] In the global market for smartwatches, the volume declined by -3.5% in 2024 (2023: -11%).[5]

1.2 Structure and development of the segments

At the beginning of the 2024 financial year, ams OSRAM adjusted its corporate structure in order to strengthen its entrepreneurial approach at business unit (BU) level and increase its innovative power by decentralizing certain functions. Our business in the semiconductor sector is now managed in the BU Opto Semiconductors (OS) with a focus on emitters, and in the BU CMOS Sensors and ASICs (CSA) with a focus on sensor technology and analog mixed-signal chips. The BU CSA bundles the business activities of the previous BUs Advanced Optical Sensors (AOS) and Image Sensor Solutions (ISS). The traditional lamps and lighting products business, which focuses on the automotive end markets including traditional lighting technologies, industry, and medical technology, will remain in the BU Lamps & Systems (L&S) business unit. The change in our corporate structure is also reflected in our internal reporting structure, with each BU representing a separate operating and reporting segment in accordance with IFRS 8.

In addition, the segment result parameter was adjusted in line with internal management and corresponds to our EBITDA, which comprises gross profit, research and development expenses, selling, general and administrative expenses, microLED adaption expenses, other operating income and expenses, and income from investments accounted for using the equity method. Depreciation, amortization, and impairment losses are not included in our segment result or EBITDA. The previous year's figures have been adjusted accordingly.

The two BUs active in the semiconductor business contributed over 70% of Group revenues in 2024.

Opto Semiconductors (OS)
The core competence of our OS segment is semiconductor-based light emitters such as LEDs and lasers. OS is the global leader in optoelectronic products for the automotive industry. Our product portfolio ranges from standard components to intelligent solutions, and includes single-chip LEDs and infrared LEDs, infrared and visible lasers, multi-chip housings, and multi-pixel components.

The unexpected cancellation of a key microLED project, which was announced to the Management Board by the customer on February 28, 2024, led to expenses in 2024 in the amount of EUR 576 m in the OS segment and an adjustment of ams OSRAM's microLED strategy. Over the course of the 2024 financial year, ams OSRAM was able to engage with a customer for a development project, which partially compensated for the consequences of ending the key project, particularly with respect to the relocation of R&D resources and the utilization of facilities. In our largest end market, automotive, our OS segment is the global leader in LED lighting solutions for the automotive industry with a wide range of applications for the exterior and interior of a vehicle. These include differentiated LED solutions for headlights and other front lighting systems, signal/tail lights and other exterior lighting, as well as ambient lighting for vehicle interiors. Other business areas in our OS segment include interior sensors, components for safety and ADAS systems, and visualization technologies.

After the supply chains in the automotive market for LEDs normalized in the previous year, we recorded a significant upturn in demand from the end of 2023 – particularly from China. Nevertheless, an inventory adjustment set in during the third quarter of 2024 due to increased uncertainty on the part of car manufacturers, which lasted for the rest of the year. Overall, business performance in the year under review was still satisfactory, as we were able to fulfill backorders in the second half of the year, which stabilized sales in that period. Our OS segment also reaffirmed its position as the world's leading supplier of LED automotive lighting and the world's second-largest supplier of LED products overall in 2024. In addition, we were able to further expand our customer project base and innovation pipeline across many product families.

Our second most important end market is industrial applications. Demand for our 'Hyper-Red' LEDs (special red light-emitting diodes for lighting systems for plant cultivation) recovered significantly compared to the previous year, as there was a noticeable increase in greenhouse lighting projects. As a result, our OS segment was able to reclaim its position as technological leader. Demand for LED products for industrial and outdoor applications was also significantly higher than in the previous year. However, the broad market through distribution channels and the industrial imaging sector remained weak, reflecting the overall slowdown in economic activity.

Nevertheless, we observed strong demand for LED products for sensor and consumer end-device applications.

Overall, sales in our OS segment grew by a mid-single-digit percentage compared to the previous year.

CMOS Sensors and ASICs (CSA)
Our CSA segment is one of the global market leaders in light sensors and specializes in sensor and analog mixed-signal ICs. The segment's core business is CMOS-based sensors and sensor components. Our technical expertise includes optical filters and housings, photodiodes, integrated readout, driver and logic circuits, as well as software.

Mobile devices such as smartphones and wearables are by far our most important end market. Our CSA segment's business focus includes display management, proximity sensors, 3D technologies, spectral and biosensor technology, and other

[1] Sources: WSTS forecasts as of December 3, 2024
[2] Sources: IHS Global Light vehicle production forecast as of January 2025
[3] Sources: ZVEI forecasts as of September 2024
[4] Sources: OMDIA smartphone tracker as of November 25, 2024
[5] Sources: Canalys wearable band forecast as of Dezember 20, 2024

optoelectronic applications. We recorded a significant upturn in our Consumer Applications business in 2024, with new, important customer projects being successfully brought to volume. Global smartphone sales also recovered, which benefited our business with often standardized sensor components for Android-based devices. At the same time, the ams OSRAM Group cemented its leading position in important submarkets as customers selected our sensors for their future devices.

Business performance in the industrial and medical technology markets in our CSA segment was weak, however. Inventory adjustments continued, and the restrained overall economic conditions caused demand for components for sensors used in production automation to plummet. Demand in the medical technology market was also very subdued due to high customer inventories and delays in the market launch of a new generation of CT scanners.

Lamps & Systems (L&S)
In the Lamps & Systems (L&S) segment, non-strategic and at times loss-producing businesses were sold or restructured. This led to a year-on-year decline in sales.

L&S's automotive business mainly comprises classic halogen or xenon-based lamps for vehicles, but now also includes LED-based replacement lamps and retrofit lighting systems in its range. As the leading supplier of vehicle lighting, L&S serves both automotive manufacturers and the automotive aftermarket in the most important regions. In 2024, the automotive division of L&S recorded solid business development overall. Low-margin LED-based module business has come to an end in our OEM business, however, which is already declining due to the ever-increasing use of LED-based lighting solutions in original equipment. Nevertheless, our aftermarket business developed as expected. The remaining divisions of L&S comprise a range of lighting products for various applications in industry (e.g. production systems for semiconductors) and medical technology. Reflecting the subdued demand in the markets for industrial semiconductor applications, these areas posted relatively weak results.

1.3 'Re-establish the Base' strategy and efficiency program

By the end of the 2025 financial year, ams OSRAM aims to improve EBIT by up to approx. EUR 150 m as compared to 2023. In addition, the semiconductor segment should concentrate on the highly profitable core business with differentiated, intelligent sensor solutions and emitter components with the best growth prospects. In July 2023, ams OSRAM therefore adopted a new basic strategic direction by initiating its 'Re-establish the Base' strategy and efficiency program. The program aims to focus our core portfolio, make the Group leaner, and accelerate the market launch of innovations. By the end of the 2024 reporting year, considerable success had already been achieved in implementing the program.

The portfolio that is no longer part of our core business was largely streamlined. The CMOS Image Sensors division was restructured, and remaining assets from the Passive Optical Components division were sold to the Chinese manufacturer Focuslight Inc.

In addition, run-rate savings of EUR 110 m were already achieved by the end of 2024 – significantly more than the interim target of EUR 75 m set for 2024. In the wake of the weakening economy, the program was extended until the end of 2026 and the savings target increased by a further EUR 75 m as compared to 2024 to a total of EUR 225 m. All measures required for attaining this higher target figure have already been taken and, after their implementation begins, will already lead to savings effects in the current financial year 2025.

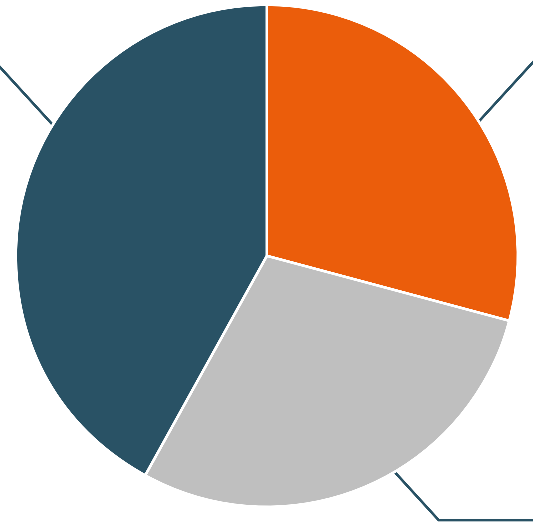
2. Business results

2.1 Revenues

Revenues decreased by 5% to EUR 3,428 m in 2024, compared to EUR 3,590 m in 2023. The OS segment accounted for EUR 1,448 m of that figure (2023: EUR 1,386 m), which equates to a 42% share of sales (2023: 39%). The CSA segment generated EUR 981 m (2023: EUR 1,039 m), equating to a 29% share of sales (2023: 29%). The L&S segment contributed EUR 1,000 m (2023: EUR 1,165 m) to revenues, equating to a 29% share of sales (2023: 32%).

In the industrial and medical technology end markets, a decline in revenues was recorded as the ordering behavior of customers in our CSA and L&S segments was negatively impacted by a reduction in inventories, which could not be offset by an increase in OS revenues from greenhouse lighting and LED lighting products for industrial and outdoor applications. That decline and the fall in revenues in our Automotive division were only partially offset by the increase in revenues in CSA's consumer business, as a result of the recovery in demand from Android smartphone manufacturers and project-specific revenues generated from development services provided for one customer of our OS segment. Portfolio effects from the disposal of business activities also contributed EUR 97 m to the decline in revenues. Our passive optical components business (OC business) in Singapore and Switzerland was sold in the 2024 financial year. That transaction was part of our 'Re-establish the Base' program, which aims to increase our focus on profitable core activities. The sales of business activities in the 2023 financial year related to our Digital Systems (DS) business in Europe and Asia, our automotive lighting systems business (AMLS Italy), and Clay Paky S.p.A. (Italy).

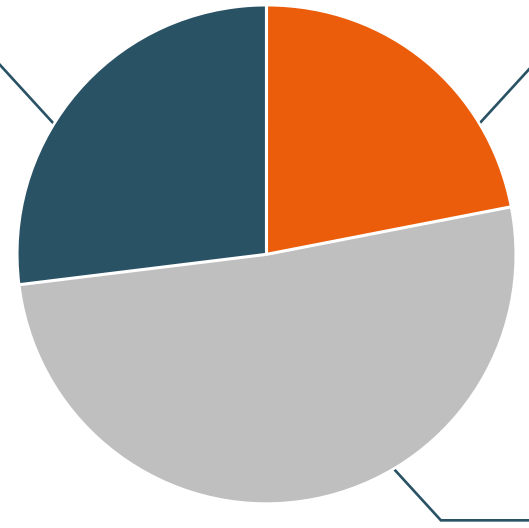
Revenues by segment



in EUR million	2024	% of revenues	2023	% of revenues	Change in%
OS	1,448	42%	1,386	39%	4%
CSA	981	29%	1,039	29%	-6%
L&S	1,000	29%	1,165	32%	-14%
	3,428		**3,590**		

Revenues by region

The breakdown of revenues by region reflects the location of the invoice recipient.



in EUR million	2024	% of revenues	2023[1]	% of revenues	Change in%
EMEA	924	27%	1,129	31%	-18%
Americas	747	22%	697	19%	7%
Asia / Pacific	1,757	51%	1,764	49%	0%
	3,428		**3,590**		

In the context of the change to the segment structure, the sales breakdown by region and segment was updated, causing a change in the values shown for the prior year.

Revenues generated in the EMEA region fell to EUR 924 m in 2024, compared to EUR 1,129 m in the previous year. In the L&S segment, revenues fell by EUR 102 m to EUR 347 m, primarily due to the deconsolidation of our Digital Systems (DS) business and the overall slowdown in the region's economy, particularly within the automotive sector. This also affected the OS segment, in which revenues fell to EUR 394 m, down from EUR 447 m in the previous year. In the CSA segment, a decline in demand, particularly in the industrial and medical technology end markets, resulted in a EUR 50 m decrease in revenues.

[1] In the context of the change to the segment structure, the sales breakdown by region and segment was updated, causing a change in the values shown for the prior year.

Revenue generated in North and South America (the Americas) increased by EUR 50 m to EUR 747 m. In our OS segment, revenues increased by EUR 77 m, in particular due to project-specific revenues generated from development services. At EUR 50 m, revenues in our CSA segment were almost at the previous year's level of EUR 52 m. The EUR 26 m decline in sales in our L&S segment is due to lower demand in the industrial, medical technology, and automotive end markets.

In the Asia-Pacific region, revenues fell to EUR 1,757 m, down from EUR 1,764 m in the previous year. Our OS segment recorded an increase in revenues of EUR 40 m to EUR 797 m, due to the positive sales trend seen in greenhouse lighting and LED lighting products for industrial and outdoor applications. In our CSA segment, revenues fell by EUR 6 m to EUR 748 m. As in our other two sales regions, the Asia-Pacific region also saw a decline in sales in the industrial and medical technology end markets in our CSA segment. This was almost completely offset in the Asia/Pacific region by the increase in sales in the consumer business, however, as a result of the recovery in demand from Android smartphone manufacturers. Our L&S segment, in which revenues fell by EUR 40 m to EUR 213 m, was particularly impacted by the deconsolidation of our Digital Systems (DS) business.

2.2 Earnings

in EUR million	2024	2023	Change in %
Revenues	3,428	3,590	-5%
Cost of sales	-2,571	-2,750	-7%
Gross profit	857	840	2%
Gross margin – IFRS reported	25%	23%	
Gross profit – adjusted	984	1,031	-5%
Gross margin – adjusted	29%	29%	

Gross profit increased to EUR 857 m in 2024, compared to EUR 840 m in the previous year. This development was driven by the CSA segment, where the measures of the 'Re-establish the Base' program had a positive effect and were not overcompensated by the weak market performance, as was the case in the OS and L&S segments. The increase was partly offset by portfolio effects in the L&S segment, however, due to the sale of the Digital Systems (DS) business in Europe and Asia in the 2023 financial year. In the 2024 financial year, impairment losses on property, plant, and equipment of EUR 33 m were recognized within Cost of sales. In the previous year, the gross profit was negatively impacted by impairment losses of EUR 65 m on property, plant, and equipment, particularly in connection with the expiration of customer contracts in Singapore. The gross profit margin reported in accordance with IFRS consequently rose to 25%, compared to 23% in the previous year. The gross profit margin for the full year 2024, adjusted for acquisition-related expenses, expenses incurred for the microLED adaption and transformation costs, and expenses for share-based payments, was 29%, as in the previous year.

in EUR million	2024	2023	Change in %
Research and development expenses	-419	-480	-13%
Selling, general, and administrative expenses	-422	-501	-16%
microLED adaption expenses	-576	-	

Research and development expenses accounted for 12% of revenues, which was below the previous year's level of 13%. The absolute expense amount fell to EUR 419 m, down from EUR 480 m in the previous year, which was due firstly to the recognition of government grants of EUR 100 m (2023: EUR 50 m). Secondly, project-specific sales revenues from development services were incurred in OS in 2024, for which the costs were recorded in Cost of sales rather than in research and development expenses. The capitalization of development expenses of EUR 58 m (2023: EUR 109 m) also had an effect. The long-term target is that research and development expenses should account for 11-14% of revenues.

Selling, general, and administrative expenses fell to EUR 422 m, down from EUR 501 m in the previous year. This development was related in particular to the sale of the DS business in Europe and Asia in financial year 2023, which eliminated ongoing costs as well as spin-off and disposal costs. In addition, measures implemented to adjust our cost base as part of our 'Re-establish the Base' program and lower expenses for share-based payments had a positive impact, while selling and administrative expenses accounted for 12% of revenues, down from 14%.

The adjustment of the microLED strategy due to the termination of the microLED project with a key customer led to net expenses of EUR 576 m, which are reported in the consolidated statement of income under microLED adaption expenses. In particular, this includes impairment losses on property, plant, and equipment in the amount of EUR 364 m, and on capitalized project-specific development costs in the amount of EUR 125 m.

in EUR million	2024	2023	Change in %
Result from operations (EBIT) – IFRS reported	-547	-1,430	-62%
Amortization, depreciation, and impairment	942	1,892	-50%
EBITDA – IFRS reported	**395**	**463**	**-15%**
EBITDA margin – IFRS reported	12%	13%	
EBIT margin – IFRS reported	-16%	-40%	
Result from operations (EBIT) – adjusted	241	233	3%
EBIT margin – adjusted	7%	7%	
Result from operations (EBIT) – adjusted	**241**	**233**	**3%**
Amortization, depreciation, and impairment (excluding acquisition-related expense)	334	370	-10%
EBITDA – adjusted	**575**	**604**	**-5%**

IFRS-reported EBIT amounted to EUR -547 m (2023: EUR -1,430 m). In the 2024 financial year, IFRS-reported EBIT included net expenses of EUR 576 m in connection with the microLED adaption. In the 2023 financial year, impairment losses on goodwill had an impact of EUR 1,313 m.

The primary parameters for managing and evaluating our operating results are EBITDA and adjusted EBITDA. EBITDA amounted to EUR 395 m in 2024, compared to EUR 463 m in the previous year, which was attributed in particular to the EBITDA-impacting expenses incurred in connection with the microLED adaption of EUR 85 m. Adjusted EBITDA fell by EUR 29 m to EUR 575 m compared to the previous year. This development can be attributed to the fact that positive effects such as savings in the context of the 'Re-establish the Base' program and a lower cost basis as a result of sales were overcompensated by the weak market performance in the end markets of Industrial and Medical Technology.

in EUR million	2024	2023	Change in %
Financial income	85	62	37%
Financial expenses	-290	-233	24%
Net financial result	**-205**	**-171**	**20%**

Our net financial result deteriorated from EUR -171 m to EUR -205 m. This development was attributable to a EUR 92 m increase in interest expenses, largely due to the higher average interest rate on outstanding interest-bearing loans and borrowings. In addition, interest expenses for the sale and leaseback financing of our semiconductor plant in Kulim, which was concluded on December 15, 2023, were included for a full financial year for the first time in the 2024 financial year. This was offset by an EUR 18 m increase in interest income.

Currency and valuation effects from derivatives had a positive impact of EUR 35 m on the change in our net financial result. Net negative currency effects fell to EUR 12 m, down from EUR 38 m in the previous year, while income from derivatives, which are mainly foreign currency derivatives for hedging purposes, rose to EUR 42 m, up from EUR 33 m in the previous year.

in EUR million	2024	2023	Change in %
Current taxes	-45	-59	-24%
Deferred taxes	12	47	-74%
Income taxes	**-33**	**-12**	**175%**

Tax expenses of EUR 33 m were reported in the 2024 financial year, compared to EUR 12 m in the previous year. Actual income taxes of EUR -45 m (2023: EUR -59 m), which mainly resulted from foreign companies that were profitable due to our global transfer pricing system, were offset by a positive net effect totaling EUR 12 m (2023: EUR 47 m) from deferred taxes.

Our net result amounted to EUR -785 m, compared to EUR -1,613 m in the previous year. The return on equity was -64% (2023: -85%), while the return on revenues was -23% (2023: -45%).

in EUR million	2024	2023	Change in %
Gross profit	857	840	2%
Gross margin – IFRS reported	25%	23%	
Gross profit – adjusted	984	1,031	-5%
Gross margin – adjusted	29%	29%	
EBITDA (IFRS)	395	463	-15%
EBITDA margin (IFRS)	12%	13%	
EBITDA – adjusted	575	604	-5%
EBITDA margin – adjusted	17%	17%	
Result from operations (EBIT) – IFRS reported	-547	-1,430	-62%
EBIT margin – IFRS reported	-16%	-40%	
Result from operations (EBIT) – adjusted	241	233	3%
EBIT margin – adjusted	7%	7%	
Financial result	-205	-171	20%
Result before income taxes	-752	-1,601	-53%
Net result	-785	-1,613	-51%
Net result – adjusted	3	50	-94%
Return on equity	-64%	-85%	
Return on revenues	-23%	-45%	

The gross margin (adjusted) is based on gross profit adjusted for goodwill impairment, acquisition-related expenses, microLED adaption and transformation costs, and expense for share-based compensation. In 2024, expenses for the restructuring of property, plant, and equipment are included in the transformation costs.

The result from operations (EBIT, adjusted) and EBIT margin (adjusted) are additionally adjusted for the result from investments accounted for using the equity method and from the sale of businesses, which are included in the result from operations (EBIT, IFRS).

EBITDA (adjusted) is derived from EBIT (adjusted) by adding non-acquisition and non-transformation-related depreciation, amortization, and impairment losses.

The net result (adjusted) is based on the result from operating activities (EBIT, adjusted) and takes into account the financial result and income taxes.

Acquisition-related expenses include depreciation, amortization, and impairment losses on assets from purchase price allocations, as well as integration, carve-out, and acquisition costs.

The expenses associated with the microLED adaption reflect net charges (impairment losses and reversals of impairment losses on fixed assets and changes in provisions) since the termination of the microLED project on February 28, 2024.

Transformation costs result primarily from necessary measures to improve our competitiveness and cost position, as well as efficiency measures and other restructuring expenses. For 2024, expenses for the restructuring of property, plant, and equipment are part of the transformation costs. Asset restructuring includes costs incurred in connection with the consolidation of our production sites, as well as impairment losses on technical equipment and machinery.

Reconciliation of adjusted financial figures to the financial figures reported in accordance with IFRS:

in EUR million	2024	2023
Gross profit – adjusted	**984**	**1,031**
Acquisition-related expense	-44	-82
Asset restructuring[1]	-	-65
Share-based compensation	-3	-9
Transformation costs	-79	-35
Gross profit – IFRS reported	**857**	**840**
Operating expenses – adjusted	**-743**	**-798**
microLED adaption expenses	-576	-
Goodwill impairment	-	-1,313
Acquisition-related expense	-40	-71
Share-based compensation	-15	-40
Transformation costs	-21	-43
Result from the sale of businesses	-2	18
Results from investments accounted for using the equity method, net	-7	-24
Operating expenses – IFRS reported	**-1,405**	**-2,270**
Result from operations (EBIT) – adjusted	**241**	**233**
microLED adaption expenses	-576	-
Goodwill impairment	-	-1,313
Acquisition-related expense	-84	-152
Asset restructuring	-	-65
Share-based compensation	-18	-49
Result from the sale of businesses	-100	-78
Transformation costs	-2	18
Results from investments accounted for using the equity method, net	-7	-24
Result from operations (EBIT) – IFRS reported	**-547**	**-1,430**

[1] The figure for transformation costs incurred in 2024 includes expenses from asset restructuring amounting to EUR 33 m.

Result from operations (EBIT) – adjusted	**241**	**233**
Amortization, depreciation, and impairment (excluding acquisition-related expense)	334	370
EBITDA – adjusted	**575**	**604**
microLED adaption expenses	-85	-
Acquisition-related expense	-5	-35
Share-based compensation	-18	-49
Transformation costs	-62	-51
Result from the sale of businesses	-2	18
Results from investments accounted for using the equity method, net	-7	-24
EBITDA – IFRS	**395**	**463**
Result from operations (EBIT) – adjusted	**241**	**233**
Financial result	-205	-171
Income taxes	-33	-12
Net result – adjusted	**3**	**50**

2.3 Assets and financial position

Assets in EUR million	2024	2023	Equity and liabilities in EUR million	2024	2023
Inventories	809	716	Interest-bearing loans and borrowings	2,511	2,458
Trade receivables	496	470	Trade liabilities	472	572
Other current assets	1,437	1,434	Other liabilities	2,249	2,041
Non-current assets	4,085	4,710	Provisions	436	425
Deferred tax assets	74	72	Equity	1,235	1,905
Total assets	**6,903**	**7,401**	**Total equity and liabilities**	**6,903**	**7,401**

The balance sheet of the ams OSRAM Group has a high ratio of non-current assets to total assets, which is common in the semiconductor industry. At the same time, intangible assets reflect the significant acquisitions carried out in recent years. At 55%, the proportion of total assets accounted for by property, plant, and equipment and by intangible assets at the end of 2024 was slightly below the previous year's figure of 57%. The equity ratio fell to around 33% at the end of the past financial year, compared to 45% in the previous year.

Inventories increased to EUR 809 m up from EUR 716 m in the previous year, in particular due to the market launch of a new sensor product for mobile devices. Trade receivables amounted to EUR 496 m as at the reporting date (2023: EUR 470 m).

Assets held for sale amounted to EUR 23 m, and included property, plant, and equipment to be sold to a customer in our OS segment as part of a development project for new LED technologies.

The carrying value of property, plant, and equipment (after taking government grants into account) fell to EUR 1,729 m (2023: EUR 1,997 m). This development resulted from, among other factors, impairment losses of EUR 393 m (EUR 364 m of which was related to the adjustment of the microLED strategy), which exceeded the additions to fixed assets (after consideration of government grants). Additions to fixed assets included, among others, investments to expand CMOS production capacity in Premstaetten (Austria) and investments in the 8-inch LED factory in Kulim (Malaysia). The additions to fixed assets were reduced by a grant of EUR 130 m from the European Commission's European Chips Act that reduced the cost of acquisition. This was offset by a withdrawal of the previously promised EUR 143 m in funding for the microLED project due to the cancellation of this project.

The decrease in intangible assets to EUR 2,054 m (2023: EUR 2,249 m) is due in particular to impairment losses of EUR 127 m, of which EUR 125 m was attributable to capitalized project-specific development costs in connection with the termination of the microLED project.

Cash-effective investments in fixed assets (CAPEX) were EUR 502 m in the reporting period. Depreciation in the amount of EUR 942 m (2023: EUR 1,892 m) included scheduled non-acquisition-related and non-transformation-related depreciation totaling EUR 334 m (2023: EUR 370 m).

The EUR 108 m reduction in other non-current non-financial assets is primarily due to the derecognition of receivables from grants described above regarding property, plant, and equipment.

Interest-bearing loans and borrowings increased by EUR 53 m (2023: EUR 345 m) to EUR 2,511 m (2023: EUR 2,458 m). The EUR bond issued in November 2023 with a nominal volume of EUR 625 m was increased by a nominal volume of EUR 200 m in the course of a private placement on September 20, 2024, which had a carrying amount of EUR 206 m as of December 31, 2024. The repayment of bank loans and promissory note loans, which were only partially refinanced by taking out new loans, led to a decrease of EUR 180 m. As interest-bearing loans and borrowings increased by EUR 53 m, and cash and cash equivalents fell by EUR 47 m at the same time, net financial debt increased to EUR 1,413 m, up from EUR 1,312 m in the previous year. Taking into account liabilities of a financing nature – i.e. liabilities from sale and leaseback financing of EUR 441 m (2023: EUR 384 m) reported under other non-current financial liabilities – net financial debt increased from EUR 1,696 m in the previous year to EUR 1,854 m. The increase in liabilities from sale and leaseback financing resulted both from currency effects of EUR 37 m, from a holdback payment received of EUR 10 m, and from capitalized interest of EUR 10 m, which is recognized as part of the liabilities and will only be paid at the end of the term.

Trade payables decreased to EUR 472 m as of the reporting date (2023: EUR 572 m). Among other things, existing trade payables for capacity expansions undertaken in connection with our key microLED project were settled at the end of the previous year. Other non-current non-financial liabilities increased to EUR 296 m (2023: EUR 79 m), EUR 224 m of which relates to a long-term advance payment from a customer, which is a one-off, non-interest-bearing advance payment made in connection with an agreement for the delivery of customized products in the consumer business.

Group equity decreased by a total of EUR 670 m to EUR 1,285 m as of December 31, 2024. The change was mainly due to the result after taxes of EUR -785 m, a positive other comprehensive income of EUR 141 m, and the decrease in the capital provision of EUR 49 m as a result of the increase in liabilities for the guaranteed dividend to shareholders of OSRAM Licht AG. Other comprehensive income included currency effects of EUR 129 m from the euro translation of foreign subsidiaries, resulting from the depreciation of the euro against other currencies, in particular the US dollar and the Malaysian ringgit.

The ratio of financial liabilities to equity was 203% (2023: 129%), while the equity ratio amounted to 18% (2023: 26%).

For information on financial instruments and changes in equity, please refer to the disclosures in the notes to the consolidated financial statements.

	2024	2023
Equity ratio	18%	26%
Debt to equity ratio	203%	129%
Equity to fixed assets ratio	33%	45%
Net debt	1,413	1,312
Net debt including liabilities from a sale and leaseback financing transaction	1,854	1,696

The above performance indicators are derived directly from the consolidated financial statements. The equity ratio is calculated as the share of equity in the balance sheet total. The equity to fixed assets ratio expresses the proportion of the carrying amounts of property, plant, and equipment and intangible assets that are financed by equity. Net debt is calculated from the carrying amounts of current and non-current interest-bearing loans and borrowings less cash and cash equivalents. In addition to interest-bearing loans and borrowings, the line item Net debt including liabilities from a sale and leaseback financing transaction also includes the liability from the sale and leaseback financing of the semiconductor plant in Kulim (Malaysia).

2.4 Cash flow

in EUR million	2024	2023	Change in %
Cash flows from operating activities	435	493	-12%
Cash flows from investing activities	-424	-826	-49%
Free cash flow	12	-332	-104%
Cash flows from financing activities	-98	426	-123%
Effects of changes in foreign exchange rates on cash and cash equivalents	40	-45	-188%
Cash and cash equivalents	1,098	1,146	-4%

Free cash flow includes cash flows from operating activities, payments for the acquisition of intangible assets and property, plant, and equipment, proceeds from the disposal of financial assets, intangible assets and property, plant, and equipment, and proceeds from the sale of business units less outgoing cash and cash equivalents. Due to a change in presentation in the consolidated statement cash flows, interest paid, which was reported under cash flows from financing activities in the 2023 financial year, is now reported under cash flows from operating activities. The previous year's figures for the 2023 financial year have been adjusted accordingly, leading to a reduction of EUR 181 m in the presentation of cash flows from operating activities for the 2023 financial year, and an offsetting effect in cash flows from financing activities.

in EUR million	2024	2023	Change in %
Cash flows from operating activities	435	493	-12%

Cash flows from operating activities decreased to EUR 435 m in the period under review, down from EUR 493 m in the 2023 financial year. This was due to the increase in capital employed of EUR 50 m under current assets and liabilities (2023: reduction of capital employed of EUR 242 m), the main reason for which was the EUR 79 m in capital tied up in inventories, particularly as a result of the market launch of a new sensor product for mobile devices. Trade receivables were impacted by lower use of factoring programs. In the 2024 financial year, advance payments from customers had a positive effect of EUR 248 m on cash flows from operating activities. Of that amount, EUR 224 m is attributable to a one-off long-term advance payment from a customer, which is a non-interest-bearing advance payment in connection with an agreement for the delivery of customized products in the consumer business, and EUR 24 m in advance payments for the procurement of further assets and asset relocation services. Interest paid amounted to EUR 180 m (2023: EUR 181 m) and was lower than interest expenses, in particular due to non-cash interest expenses calculated using the effective interest method, and an increase in interest accrued as of December 31, 2024, compared to the previous year.

in EUR million	2024	2023	Change in %
Cash flows from investing activities	**-424**	**-826**	**-49%**
therein:			
Additions to intangible assets and property, plant, and equipment	-502	-1,049	-52%
Inflows from sale of investments, intangible assets, and property, plant, and equipment	36	90	-61%
Inflows and payments from disposals of businesses, net of cash and cash equivalents disposed	43	134	-68%

Cash flows from investing activities amounted to EUR -424 m in 2024 (2023: EUR -826 m). Investments in intangible assets and property, plant, and equipment decreased from EUR -1,049 m to EUR -502 m. This was mainly due to the termination of our key microLED project in the 2024 financial year. As in the previous year, one focus of investment in the 2024 financial year was the expansion of production capacities for CMOS products in Premstaetten (Austria). In the 2024 financial year, advance payments for the contractually agreed sale of property, plant, and equipment to a customer had a positive effect of EUR 25 m on cash flows from investing activities.

Proceeds from the sale of businesses amounted to EUR 43 m (2023: EUR 134 m) and resulted from the sale of our passive optical components business (OC business) in Singapore and Switzerland. In the 2023 financial year, EUR 74 m was attributable to the sale of our Digital Systems (DS) business Europe and Asia, EUR 39 m to the sale of our automotive lighting systems business (AMLS Italy), and EUR 17 m to the sale of Clay Paky S.p.A. (Italy).

Free cash flow amounted to EUR 12 m (2023: EUR 332 m). Freely available liquidity in the form of cash and cash equivalents decreased by EUR 48 m to EUR 1,098 m. As of December 31, 2024, ams OSRAM had unused committed credit facilities from banks totaling EUR 666 m (2023: EUR 1,006 m). The change resulted in particular from the provision of guarantees for liabilities, especially for a customer prepayment in the amount of USD 250 m (EUR equivalent as of December 31, 2024: EUR 241 m). The carrying amount of unused credit facilities of EUR 666 m may change due to the EUR/USD exchange rate risk.

in EUR million	2024	2023	Change in%
Cash flows from financing activities	**-98**	**426**	**-123%**
therein:			
Inflows from issuance of common stock	-	827	
Inflows from issuance of bonds	201	981	-80%
Transaction costs from the issuance of common stock and bonds	-17	-56	-70%
Repayment of bonds	-	-1,288	
Inflows from a sale and leaseback financing	10	382	-97%
Acquisition of non-controlling interests in OSRAM Licht AG	-25	-232	-89%

Cash flows from financing activities amounted to EUR -98 m in the past financial year (2023: EUR 426 m). This included inflows from a EUR bond issued in September 2024 in the amount of EUR 201 m, with which the EUR bond issued with a nominal volume of EUR 625 m in November 2023 was increased by a nominal volume of EUR 200 m as part of a private placement. The repayment of bank loans and promissory note loans, which were only partially refinanced by taking out new loans, led to a net cash outflow of EUR 180 m in 2024. The inflows of EUR 981 m before transaction costs from the issue of bonds in the 2023 financial year resulted from the bonds issued at the end of November 2023: a EUR bond with a nominal volume of EUR 625 m, and a USD bond with a nominal volume of USD 400 m. In the 2023 financial year, financing activities included EUR 827 m (before transaction costs) from the issue of 724,154,662 new no-par-value bearer shares in ams-OSRAM AG, and EUR 382 m from a sale and leaseback transaction that constitutes a financing transaction.

EUR 25 m was paid for the acquisition of shares in OSRAM Licht AG in 2024 (2023: EUR 232 m). As a result, the stake held by ams-OSRAM AG in OSRAM Licht AG increased from 85.76% to 86.35% as of December 31, 2024.

3. Research and development

The Group's 41 development sites are globally positioned, with LED development in Germany and Malaysia, while IC design and development takes place in Austria, Germany, India, USA, Italy, Spain, and Switzerland. Packaging development activities, conversion solutions, CMOS technologies, and optical filters are spread across Austria, Germany, Malaysia, China, and Singapore. This global network and the associated leading expertise give ams OSRAM a strategic and competitive advantage.

As one of the technological leaders in the development and production of high-quality sensor and lighting technologies for use in automotive lighting, industrial applications, medical diagnostic technology, and mobile devices, ams OSRAM boasts expertise based on intensive research and development activities. In order to secure and expand its strong market position, ams OSRAM invests heavily in research and development. Research and development expenses amounted to EUR 419 m (12% of revenues) in the 2024 financial year, compared with EUR 480 m (13% of revenues) in the 2023 financial year. The average number of employees working in R&D was 2,783 in 2024, compared with 3,144 in 2023.

ams OSRAM's R&D activities mainly comprise optical technologies for applications involving sensors, lighting, and visualization. Our broad technology portfolio serves the automotive, industrial, medical, and consumer end markets. Furthermore, the development of software and algorithms, including the integration of machine learning and artificial intelligence, are an integral part of ams OSRAM's R&D activities.

One development focus of ams OSRAM was high-performance ambient light sensors for mobile applications. ams OSRAM once again affirmed its market leader position by combining state-of-the-art CMOS technology with extremely sensitive integrated photodiodes, high-performance IC designs, and hybrid optical filters manufactured using advanced thin-film processes. The combination of advanced designs and customized high-performance technologies and chip-scale packaging solutions enables finely tuned and brilliant displays for smartphones, wearables, and automotive applications.

Over the past decade, the intensive development of intelligent multi-pixel LEDs has paved the way for a new era in automotive lighting. The EVIYOS 2.0 LED, featuring over 25,600 pixels (320 x 80), has been successfully launched and has garnered high satisfaction from end customers. This groundbreaking innovation earned the prestigious German Future Award for Digital Light in 2024 for the development teams from ams OSRAM and the Fraunhofer IZM.

The new ALIYOS™ LED-on-foil technology creates unprecedented effects in automotive lighting, delivering 'light out of nowhere.' Significant strides toward the first product launch of thin, transparent, and 2.5D bendable solutions were made in 2024. This progress will enable automotive customers to express their brand personality through both exterior and interior lighting in previously unattainable ways.

In 2024, ams OSRAM launched a variety of new LED and laser products that improve performance, expand end-device design possibilities, and enable new applications such as the next generation of IR:6 LED chips. With an innovative design based on our thin-film semiconductor technology, these chips boost brightness by up to 35% and achieve up to 42% higher efficiency. This new generation of IR chips sets new benchmarks in performance and supports a wide range of applications, from precise biometric authentication and advanced machine vision to medical imaging and environmental security monitoring.

In the field of automotive lighting, ams OSRAM is introducing advanced LED drivers for the highly demanding automotive dynamic lighting applications both inside and outside the vehicle, using synergies and expertise in drivers and LEDs. The LED drivers support the Open System Protocol (OSP) provided by ams OSRAM for high-speed dynamic lighting applications in software defined vehicles. When it comes to vehicle front lighting, ams OSRAM introduced a new type of intelligent multi-pixel LED that enables fully adaptive, dynamic headlight operation and image projection at the same time.

Thanks to the latest optical packaging technologies, ams OSRAM sensors meet performance and robustness requirements for innovative consumer applications, such as smart glasses for augmented reality and virtual reality. The new image sensors combine industry-leading high performance with low power consumption and a small footprint of just 1mm², providing greater flexibility for manufacturers of smart glasses and endoscopy or other products with limited installation sizes. A new eye-tracking LED driver for AR/VR applications enables high accuracy, fast update rates, minimum power consumption, and a tiny form factor. ams OSRAM offers a leading portfolio of components for this purpose.

In medical imaging, ams OSRAM is pushing the limit of ultra-low noise solutions, providing unprecedented image quality with reduced radiation exposure. By introducing groundbreaking photon-counting technology components that can capture individual photons, ams OSRAM is paving the way for clearer images at lower doses, thus providing a safer, more precise CT imaging alternative.

Collaboration takes place, for example, through research programs supported by the European Commission, as well as country-specific funding programs around the world. For example, the IPCEI funded 'OptoSuRe' Program, which is publicly funded by the German Federal Government (through the Federal Ministry of Economics and Climate Protection) and the Free State of Bavaria, promotes the further development of semiconductor technology and is making good progress. As part of our approach to working with strategic partners, ams OSRAM also collaborates with leading research institutes, universities, and other partners worldwide. One example of a successful cooperative project is "DIOHELIOS," which explores the necessary technologies and developments along the value chain for laser-induced nuclear fusion for energy generation. Another successful cooperation is "NewLife," where a new remote non-invasive monitoring solution will ensure the health of mothers and babies before and after birth.

The creation, maintenance, enforcement, and use of patents, trademarks, and other intellectual property rights is an important aspect of our strategy to differentiate ourselves in the marketplace and to protect and monetize our R&D investments. Our global patent portfolio comprises around 13,100 patents and patent applications (2023: 13,600), corresponding to approximately 5,000 patent families (2023: 5,200).

4. Purchasing and manufacturing

Overall, cost savings were achieved in the procurement of materials, primary products, and services in the 2024 financial year. The market price trend for precious metals counteracted the savings achieved through price negotiations and productivity projects, however. Nevertheless, inflation increases in labor-intensive materials were largely offset by supplier portfolio optimization.

As of December 31, 2024, the ams OSRAM Group had 16 production sites and 2 test sites (unchanged from the previous year), in Premstaetten (Austria), Regensburg, Herbrechtingen (both in Germany), Singapore, Wuxi (China), Penang and Kulim (both in Malaysia), Antwerp (Belgium), Nové Zámky (Slovakia), Hillsboro (New Hampshire, USA), Exeter (New Hampshire, USA), and Calamba City (Philippines), among other locations.

As in the previous year, investment in the 2024 financial year focused on the expansion of our production site in Premstaetten (Austria) and the 8-inch LED factory in Kulim (Malaysia). The production site in Austria is intended to increase the Company's internal CMOS capacity and to provide ams OSRAM with better opportunities to respond more quickly and flexibly to increased demand, as well as to reduce the risk of dependence on external producers and thereby strengthen production and profitability in the long term. The 8-inch LED factory in Kulim did not go into operation as planned following the termination of a key microLED project, resulting in annual vacancy costs in the very low double-digit million EUR range.

5. Employees

Our employees form the foundation for our long-term business success and, with their expertise and commitment, they create the added value ams OSRAM wants to offer its customers. It is important to us to offer our employees a long-term job with appealing working conditions and prospects, to contribute to their development, and to pay them fairly. Furthermore, as a globally active company, we place great emphasis on diversity among our employees. As of December 31, 2024, the ams OSRAM Group had 19,665 employees (2023: 20,378). The average number of employees for the year was 19,577 (2023: 20,530), based on FTEs (full-time equivalents).

At ams OSRAM, we are aware of our responsibility as an important employer in the regions where we operate our own sites. Accordingly, we continued to offer comprehensive internal and external training and development opportunities for all of our employee groups during the past year, and are committed to training apprentices in various professions.

We seek to retain our employees by offering an attractive, long-term remuneration concept. A profit-sharing program for all ams OSRAM employees adds an attractive direct component to our existing stock option plans and employee remuneration programs, which is intended to honor the joint contribution of all employees to the success of ams OSRAM.

A profit-sharing bonus totaling EUR 5 m was paid out to employees in the reporting year for the 2023 financial year (in 2023 for the 2022 financial year: EUR 6 m). The amount of the bonus is generally determined on the basis of adjusted earnings after tax and was voluntary in the 2024 financial year, since the calculation basis would not have resulted in a bonus payment.

In addition, active internal company and employee communication as well as recurring employee events – a long-standing company tradition – support employee identification with the Company. Such events include dialog formats such as town hall meetings or webcasts given by our Management Board and other management representatives. ams OSRAM also conducts employee surveys to obtain feedback from employees. Our first global employee survey was conducted in 2022. A follow-up survey of all employees on organizational health (Organizational Health Index, OHI) took place in 2024. With a high level of participation, employees took the opportunity to provide feedback on various dimensions such as communication, collaboration, and decision-making. The findings are being used to implement measures to increase the attractiveness of ams OSRAM as an employer and to improve employee satisfaction.

6. Environmental management

As an industrial company, ams OSRAM consumes natural resources and causes greenhouse gas emissions at its production facilities. In order to meet our environmental responsibilities, we have committed to conserving resources through environmental management and to developing innovative and energy-efficient products, and have developed a climate strategy that is in line with the Paris Climate Agreement. Through that strategy, we firstly aim to achieve CO_2 neutrality in our own value creation (Scope 1 and 2[1]) by 2030. Secondly, we aim to reduce emissions in the 'purchased goods and services' category of our supply chain (Scope 3) by 47.5% per euro of value added by 2030, and by 97% per euro of value added by 2050, compared to our base year 2021. As part of our environmental reporting, we also collect data on energy consumption, greenhouse gas emissions, water abstraction, and waste generation.

The ways in which we implement environmental management and address other aspects of sustainability are described in a separate chapter of this annual report, which can be found at: > 7. Sustainability report. In addition to describing our organizational structure, responsibilities, guidelines, and processes, the report also explains the specific goals, measures, and results relating to all topics of importance to ams OSRAM.

[1] ams OSRAM bases the recording and reporting of its greenhouse gas emissions on the recognized standard of the Greenhouse Gas (GHG) Protocol, which classifies greenhouse gas emissions into three scopes, among others, as well as the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The GHG Protocol creates a comprehensive, globally standardized framework for the measurement and management of greenhouse gas (GHG) emissions from the private and public sectors, from value chains, and from measures to reduce emissions.

7. Subsidiaries and investments

As the parent company of the ams OSRAM Group, ams-OSRAM AG had 76 subsidiaries in 38 countries as of December 31, 2024 (December 31, 2023: 86 subsidiaries in 39 countries). The decline resulted from the disposal of businesses and other measures intended to optimize our Group structure. In addition, ams-OSRAM AG held direct or indirect interests in 20 companies as of December 31, 2024 (December 31, 2023: 23 companies).

As of December 31, 2024, ams-OSRAM AG held 86.35% (2023: 85.76%) of the outstanding shares in OSRAM Licht AG. OSRAM Licht AG directly or indirectly holds 100% of the shares in all fully consolidated OSRAM companies, with the exception of OSRAM China Lighting Ltd., in which it holds only 90% of the shares.

Significant associates and other investments:
As of December 31, 2024, significant associates for ams OSRAM that are accounted for using the equity method particularly included the following:

Name of holding	Country of incorporation	Ownership interest
Jinan Smart Sensing Sensor Co, Ltd.	China	49.00%
Sciosense Holding B.V.	Netherlands	45.22%

Jinan Smart Sensing Sensor Co. Ltd. is a holding company for a provider of environmental sensors and high-performance flow sensing systems. Sciosense Holding B.V. is a direct subsidiary of Jinan Smart Sensing Sensor Co. Ltd.

As of December 31, 2024, significant investments for ams OSRAM that are accounted for at fair value particularly included the following:

Name of holding	Country of incorporation	Ownership interest
LeddarTech Inc.	Canada	4.49%
Recogni, Inc.	USA	3.60%
SiLC Technologies Inc.	USA	3.48%

8. Risk report

Main features of the accounting-related internal control system
The accounting-related internal control system (ICS) of the ams OSRAM Group is based upon principles, requirements, and processes established by the Management Board. These are coordinated by the central office for risk management and ICS. The ICS covers the significant entities of the Company included in the consolidated financial statements. The Management Board bears overall responsibility for the ICS. The management of each area of responsibility is obligated to apply the company-wide principles and guidelines in its area of responsibility and to implement appropriate controls. The ICS is continuously refined to enable fulfilment of the relevant requirements.

The overarching goal of the ams OSRAM ICS is to ensure the accuracy of financial reporting in the annual and consolidated financial statements. The system consists of preventative and detective controls, which ensure that company-wide standards for accounting, valuation, and account assignment are continuously updated and maintained. It should ensure that all actual transactions are recorded promptly, completely, and accurately, and that company-internal transactions are properly eliminated. Existing processes and rules for the separation of functions and the dual control principle in the preparation of the financial statements, as well as individual access authorizations for accounting-related IT systems, are continuously refined and contribute to the effectiveness of the ICS.

The effectiveness of the internal control system is reviewed on an annual basis. The relevant internal controls are revised as necessary to eliminate any detected areas of weakness. The internal audit function of ams OSRAM uses continuous and company-wide audits to ensure compliance with company-wide guidelines as well as the reliability and functionality of the control system.

In connection with the ICS, the audit committee of the Supervisory Board monitors the accounting process and the effectiveness of the ICS, and issues recommendations or suggestions for ensuring its reliability. It is also responsible for auditing the individual financial statements of ams OSRAM AG and the consolidated financial statements. In doing so, it discusses the individual financial statements of ams-OSRAM AG, the consolidated financial statements, and the Group management report with the Management Board and the auditor.

Enterprise Risk Management (ERM) System
ams OSRAM practices systematic risk management to identify, assess, and control risks. Risks that could jeopardize the ams OSRAM Group's continued existence as a going concern or the achievement of strategic, operational, financial, and compliance objectives are to be identified at an early stage and risk-mitigating measures initiated on the basis of such systematic risk management. The existing risk management system is continually refined and adapted in order to meet changing internal and external requirements. For example, the existing project risk management was expanded and integrated in the ERM system. The central office for risk management and ICS coordinates the risk management process and risk reporting. Responsibility for the identification, assessment, reporting, and management of significant risks is borne by management at the level of the central units and the business units.

Semi-annual meetings are held with management to assess any material risks identified. In these meetings, the reported risks are assessed uniformly based upon their effects on the Company's business activity and their probability of occurrence. ams OSRAM's assessments follow the net principle, in which the Company assesses risks in light of previously initiated effective actions. Starting in financial year 2025, risk reporting will take place at quarterly intervals.

Non-financial risks, such as transitory and physical climate risks, are also included in the ERM process and are qualitatively assessed using the aforementioned method. Should this assessment show significant risks for the Group, the risks would be shown as part of the subsequent risk reporting.

At ams OSRAM, the ERM system is a part of the interrelated processes and systems used for managing the Company. Strategic business planning, controlling, and reporting provide detailed information about the Company's performance. Although enterprise risk management focuses primarily on addressing risks to the Company, business opportunities that arise and the means to achieve them form the core of the strategy, planning, and controlling process.

At present, reports on significant risks to the Company are generally submitted to the Management Board and the Audit Committee of the Supervisory Board on a semi-annual basis, although the regular reporting process is supplemented by ad-hoc reports as necessary. This ensures that the Management Board and the Supervisory Board receive complete and timely information on significant risks to the Company. From financial year 2025 onward, the regular reporting intervals will be switched to quarterly reporting. The Management Board of the ams OSRAM Group assesses whether risks, either individually or in their entirety, represent an existential threat and whether there is any substantial threat to the going concern. The Audit Committee of the Supervisory Board monitors the effectiveness of the ERM system.

Material risks
The following section provides a description of the material risks to which the ams OSRAM Group was exposed as of December 31, 2024, and which could have particularly negative effects overall on ams OSRAM's business activity and on the results of operations, financial position, and net assets. The risks that were classified and reported as particularly negative in the previous year also represent in their entirety the material risks for the Company as of December 31, 2024.

Strategic risks

Competition for the introduction of new technologies
The ams OSRAM Group operates in a high-tech industry with a strong focus on technologically advanced applications and relatively short product life cycles. There is a risk that disruptive technologies could quickly become market-ready. Competitors could also introduce alternative products or technologies that are more cost-effective, of higher quality, possess greater functionality, or are more energy-efficient or more competitive for other reasons. As a result, there is a risk that the products concerned might suffer price erosion. There is also the risk that changes in market and customer requirements are not considered early enough and to a sufficient extent, or that such changes can be implemented only at a higher cost. In addition to entirely product-specific and technical requirements, requirements from other areas, such as meeting expanded customer-specific and regulatory requirements > Legal and Compliance Risks, are also becoming increasingly important, including those related to climate change and environmental protection. With the introduction of new technologies in particular, there are also various uncertainties involving if, when, and to what extent sales will be generated from the products based on these new technologies. These uncertainties may lie within the Company's sphere of influence (e.g. product and technology development) or could be outside of its control (e.g. dependencies on other parts of the customer's value chain or market acceptance by customers) and could result in significant dependencies. It is possible that the actual adoption of new and highly innovative technologies by the markets

will deviate from the Company's or the customer's expectations and may require an adjustment of the technology roadmap. As a result, there is a risk that investments already made in research and development or investments in property, plant, and equipment cannot be recovered, or that the amortization through sales may change over time or may not be sufficient. In particular, production capacities that have been newly created or are under construction could not be utilized or not used to a sufficient extent and thus lose value. Moreover, already received government grants related to technology developments could be reclaimed. This risk could occur if funded projects are abandoned or milestones relevant to the funding cannot be achieved by the Company to a sufficient extent, or if the funding provider is unable to provide sufficient funding. These risks may have a negative impact on the results of operations, financial position, and net assets of the ams OSRAM Group.

The microLED strategy was revised in the course of the 2024 financial year due to the unexpected cancellation of the key project in the microLED area. Some of the risks related to the development of the microLED technology materialized in the course of the 2024 financial year and impacted on the OSRAM Group's results of operations, financial position, and net assets. Irrespective of the above, the risk arising from 'Competition for the introduction of new technologies' continues to be a material risk for ams OSRAM as a technology group. ams OSRAM must therefore develop innovative and differentiated technologies, as well as products that can be manufactured competitively in terms of technology and cost for the right applications and markets, and must make them market-ready in a timely manner. The future success of ams OSRAM also depends upon whether its internally developed intellectual property can be sufficiently protected and profitably utilized. Failure to do so may endanger the future growth and competitiveness of the entire Group. It may lead to a rapid decline in market share in established areas of business or failure to achieve growth objectives in new fields of technology. Investments already made in research and development could not be sufficiently (or at all) recouped through revenues, which would reduce the profitability of the entire Group.

ams OSRAM counters these risks with specific measures. Potential new fields of technology are monitored and the results are considered in its strategic planning. Technological expertise that will be necessary in the future is incorporated into the technology roadmap for the respective business segments at an early stage. The technology roadmap is an integral part of medium and long-term strategic planning. Special teams regularly perform market analyses and review areas of technology as well as research and development projects so that they can be focused on more sharply and reinforced if needed. The most important areas of application for new technologies are monitored, and the progress of implementation for ongoing projects is tracked systematically using dedicated project management. Any necessary measures are initiated, and their implementation is verified as needed. Risk management for the most important innovation projects has been further intensified. For example, project management was further enhanced and integrated in the ERM system to a greater extent in the course of financial year 2024. In addition, the Company is working to continuously optimize the efficiency of its operational product development processes.

Macroeconomic effects as well as volatile and cyclical market developments

Current macroeconomic trends continue to be strongly influenced by the consequences of the ongoing war in Ukraine, as well as the escalated conflict in the Middle East, which has broadened within the region. In addition, other factors such as the emergence of new geopolitical conflicts or an intensification of existing conflicts (> Geopolitical risks), intensification of trade disputes, or the introduction of additional tariffs could negatively affect global economic trends. On the whole, ams OSRAM considers that significant uncertainties currently exist regarding ongoing global economic developments, and that these uncertainties could further increase in future.

Over the course of the reporting year, the high inflation rates in many regions decreased and approached the target values of individual governments. A number of central banks loosened their monetary policy stances in 2024 and lowered interest rates accordingly, which led to a slight overall expansion of the global economy. This trend was nevertheless highly differentiated both regionally and in terms of specific industries. Business forecasts currently presume that the global economy in 2025 can reach the growth level of 2024. At the same time, there is a risk that the economic climate will develop more weakly than assumed and that the global situation, as well as the environment in relevant regional submarkets, will turn out more poorly than assumed in the current planning for financial year 2025.

The global semiconductor market also depends upon the growth of the global economy and is therefore subject to fluctuations. In the markets served by ams OSRAM, there is a risk of short-term market fluctuations. Economic and above all industry-specific trends could cause end customer demand for technologically advanced consumer products and vehicles to decline more strongly than anticipated in plans. This could also have negative effects on the demand for semiconductor-based technologies such as sensors, LEDs, or optical solutions, and could cause customers to make short-term adjustments to their purchase quantities. In addition to the revenue risk, this also creates a cost risk for ams OSRAM due to fluctuations in capacity utilization of our own production and possibly high inventories. Economic fluctuations could also cause individual countries and regions to experience significant increases in wages and salaries, which could lead to a higher than expected increase in personnel costs.

ams OSRAM monitors appropriate early warning indicators on an ongoing basis and incorporates them into continuously refined market models that enable the development and adaptation of effective response strategies. Appropriate proactive measures are introduced where needed to safeguard the generation of profits and financial resources. ams OSRAM precisely monitors inventory levels and structures, and has installed a strict receivables management system. Planned investments are also regularly assessed in light of changing conditions, and are rescheduled or even reduced if necessary and possible.

In addition, the value chain, i.e. the Company's global and regional presence as well as relevant processes, is reviewed at regular intervals. With these measures, ams OSRAM strives to achieve cost savings and operational improvements that will enable the Company to secure its profitability, even in unfavorable economic conditions.

Geopolitical risks

The ongoing war in Ukraine and the escalated conflict in the Middle East continue to dominate the current geopolitical situation. There could also be a further escalation in China's claims of sovereignty over Taiwan and therefore an increased decoupling of the relationship between the USA and China.

The ongoing and regionally expanded war in the Middle East leads to indirect risks for the business of ams OSRAM. These risks are described in greater detail under > Macroeconomic effects as well as volatile and cyclical market developments. These risks could have direct effects on the existing procurement and sales markets of ams OSRAM, as well as indirect consequences due to changing macroeconomic conditions.

A possible geographical expansion of the war in Ukraine and in the Middle East, including the NATO countries, could have serious effects on the macroeconomic environment and the market environment of ams OSRAM. Even a continuation of the current military conflicts entails significant risks, however. Energy supply shortages could result in energy prices remaining at their current high levels over the long term or even increasing further. Such a situation could dampen the current decrease in inflation and negatively affect economic growth. This could increase the risks described under > Macroeconomic effects as well as volatile and cyclical market developments, > Business interruption risk, > Financial risk, and > Dependence on suppliers, and, if they should materialize, could negatively affect the results of operations, financial position, and net assets of the ams OSRAM Group.

The business of ams OSRAM could also be impaired by increasing protectionism and the expansion of trade barriers due to political conflicts between individual countries. First and foremost, a further increase in the political tensions between the USA and China could impair the trade relationships of both nations' economies – which are also important for ams OSRAM's business – and lead to further restrictions. Such restrictions could have a particular effect on sales volume and procurement by ams OSRAM in both markets. Customers and suppliers could also be directly affected by the negative consequences of the geopolitical conflicts. The indirect consequences as described under > Macroeconomic effects as well as volatile and cyclical market developments could also affect sales volumes and procurement markets. Furthermore, it cannot be ruled out that the change in government administration in the USA will lead to adjustments in US economic policy. These changes could have negative effects on the trade and business conditions of foreign market participants like ams OSRAM. For example, punitive tariffs on high-technology products could have negative effects on the results of operations, financial position, and net assets.

There is also the risk that despite enormous care and systematic implementation of the increasing regulatory requirements within international supply chains, violations of foreign regulations could occur, leading to negative effects on the businesses of ams OSRAM > Legal and Compliance Risks. In this context, there is also the risk that possible future export restrictions, particularly in the areas of semiconductor technology, could lead to customer-specific and country-specific trade restrictions. Were this risk to materialize, it could result in an inability to completely realize future sales potentials.

ams OSRAM is monitoring developments very closely to be prepared for changing business conditions and to be able to react quickly. Resources in the areas involved within the Company have been and are being reviewed and adjusted as necessary. Geopolitical developments are also playing an increasingly important role in pending investment decisions.

Competitive environment

Competitive pressure in the semiconductor industry is generally high due to a large number of existing competitors and new companies entering the market. Production capacities have also been expanded worldwide, in some cases with substantial government subsidies, due to the semiconductor shortage in recent years.

Given the declining demand for semiconductor products caused by the current economic climate, the simultaneously available expansions of capacity by market participants, and the existing risk (also described under > Macroeconomic effects as well as volatile and cyclical market developments) of continuing subdued global economic growth or a possible deterioration of growth prospects in individual submarkets served by ams OSRAM, there is a risk that manufacturers such as ams OSRAM will have to differentiate themselves through price to a greater degree than expected in future in order to fully utilize their production capacities. This increased price competition could negatively influence the achievement of Company objectives in terms of profitability and market share.

ams OSRAM continuously monitors and analyses its competitive environment. Moreover, the Company regularly reviews additional productivity enhancement and cost reduction measures, including the consolidation of production capacities. ams OSRAM also focuses on targeted research and development expenditures that allow it to differentiate its products through technological advances, thereby ensuring the profitable utilization of existing capacities. Applications for participation in government subsidy programs are also reviewed on a regular basis. These efforts also help the Company to counteract the risk described under > Competition for the introduction of new technologies.

The effectiveness of the Company's own marketing and distribution channels is also reviewed on a regular basis.

Operational risks

Customer concentration

If a high percentage of the ams OSRAM Group's revenue and profit are to be earned from individual customers, the Company may become dependent upon the business success or market share of these individual customers. If these customers cannot be contractually committed to minimum order quantities, customer order quantities may be reduced, and projects and orders may be delayed or even completely cancelled. In such a case, it may be impossible (or possible only to a limited extent) to recoup through revenues the investments already made in research and development and in customer-specific production capacities.

Above all, newly created production capacities or production capacities being built up for specific customers could not be sufficiently utilized and would therefore lose value. This can lead to an overall deterioration of profitability or of the financial position of the Group as a whole.

There is also the risk that customer-specific product adaptations for orders from key accounts could lead to higher development and production costs in serial production, and additional costs thereby incurred could not be adequately compensated, for example through price adjustments. Thus, there is the risk that profit contributions from business with key accounts could be lower than forecast in the original plans.

At the beginning of financial year 2024, a customer-specific key project for microLEDs was unexpectedly cancelled > Competition for the introduction of new technologies. As a result, parts of the customer concentration risk also materialized over the course of 2024 and had a negative effect on the Company's results of operations, financial position, and net assets. This meant, the significance of the risk for ams OSRAM was reduced, although it continues to be considered a material risk.

ams OSRAM strives to achieve further diversification of its customer and product portfolio in order to reduce possible negative effects from business with key accounts. ams OSRAM has also established project management for important individual orders at key accounts.

Cyber risks and IT risks

Given the increasing digitization of our business processes, the reliability and security of our system infrastructure are extremely important. Regulatory requirements for data protection, integrity, and availability are also on the rise. IT systems and networks are subject to disruptions for a number of reasons, including increasing complexity, unauthorized access, cyber attacks, power failures, application errors, and an array of other hardware, software, and network problems.

There has been a worldwide increase in cyber attacks by organized groups and individuals with a broad range of motives. The quality of these attacks continues to increase due to the use of advanced technology such as AI. Therefore, external attacks on the Company's IT systems also cannot be ruled out. Such attacks could result in the theft of business information, intellectual property, or personal data, and could also cause intentional disruptions. Insufficient risk awareness by employees and improper handling of IT systems could also make external attacks easier, or could lead to situations in which data are lost or can be recovered only at significant expense. IT system malfunctions could also result in significant interruptions in production or supply chains, which would entail a loss of revenue.

To counter these risks, ams OSRAM has already transferred IT systems and applications to sufficiently secure cloud solutions, and conducts independent tests at regular intervals to determine the vulnerability of existing IT systems. The Company bases its information security efforts on the ISO 27001 standard and the TISAX standard for the automotive industry. The Company held external certifications for both in 2024. Employee training sessions are also conducted at regular intervals. In the event of a serious cyber attack, the Company has contracted with an emergency response service provider. Organizationally, information security at ams OSRAM is established in an independent department, whose director reports to the persons responsible for company-wide IT. In addition to technical measures, effective communication and governance measures are also fundamental aspects of a functioning information security structure. The existing system at ams OSRAM is continually refined and its effectiveness monitored through internal and external audits. The Supervisory Board is kept informed about the results of these activities.

A comprehensive data protection management system has been implemented within the Company, and globally applicable corporate guidelines ensure company-wide standards for handling personal data. Data protection efforts are further refined by actions including training for all employees and the implementation of uniform technical and organizational measures, particularly when data are being processed by external service providers.

Business interruption risk

The continuous optimization and focusing of the integrated production environment means that dependence on individual production locations is increasing. Thus, there is a risk that disruptions at our own plants or external influences could result in an inability to produce or deliver products in the planned scope. That is why, in addition to insuring against damage to equipment and buildings, ams OSRAM also maintains appropriate insurance cover to protect against risks arising from business interruption. The Company also conducts improved maintenance and has defined emergency plans for critical areas to ensure the availability and quality of its products. Fire and disaster protection for significant locations is also continually reviewed and improved. Existing or potentially emerging geopolitical conflicts and crises, as well as a possible increase in protectionist measures, also pose a threat to international supply chains. The risk of supply bottlenecks is reduced where possible by diversifying the Company's supplier base and closely monitoring critical vendors and materials. In addition, ams OSRAM has a forward-looking inventory and procurement management system and can adjust the stockpiling of critical materials according to the situation (> Dependence on suppliers).

The ongoing war in Ukraine is having enormous effects on global energy supply, particularly in Europe (> Geopolitical risks). For example, OSRAM has been working to secure gas supplies for the plants in Germany and Austria since the beginning of financial year 2022 and has largely eliminated the risk that could arise from a gas shortage. Nevertheless, energy supply bottlenecks could lead to rationing of energy supplies, or in a worst-case scenario could even cause unannounced, longer lasting, and widespread power outages. ams OSRAM is countering this risk with appropriate contingency plans.

Dependence on suppliers

To avoid dependence on individual suppliers for critical materials, ams OSRAM generally vets at least one secondary source in addition to the preferred vendor. This is not always possible or economically practical, however. Moreover, certain production services in the semiconductor industry can be outsourced to only a limited number of wafer producers. ams OSRAM faces the risk of price increases by suppliers. In addition, one or more suppliers may fail to fulfil their supply obligations, which would impair the Company's delivery capacity and thus have a negative impact on revenues. Changes on the international capital and raw materials markets can also affect the prices of individual raw materials required by ams OSRAM in production.

While alternatives have been found in recent years for the Russian suppliers affected by the current sanctions, there are still dependencies on suppliers based in Taiwan. The occurrence or worsening of the geopolitical risks described under > Geopolitical risks could negatively affect the supply situation for these suppliers, and in a worst-case scenario could even lead to business interruptions (> Business interruption risk). It is also possible that the Company will be unable to develop a long-term business relationship with some of its alternate suppliers and must therefore establish new supplier relationships. If existing or potentially emerging trade conflicts result in export or import restrictions for certain critical goods, e.g. due to China's export controls on gallium (over 80% of global demand), the purchase of affected goods could also become significantly more expensive (e.g. due to punitive tariffs) or, in a worst-case scenario, lead to business interruptions (> Business interruption risk).

Information collection and regular monitoring of its suppliers' financial situation are fixed components of ams OSRAM's supplier risk management process. Dedicated employees coordinate ams OSRAM's collaboration with important production service providers. ams OSRAM also maintains a forward-looking inventory and procurement management process and concludes long-term delivery agreements wherever possible. ams OSRAM is also working on substituting important substances with alternative materials and hedging procurement prices for important raw materials.

Manpower shortages and the loss of skilled employees

To develop, produce, and sell its high-tech products and solutions, and also in other areas, the ams OSRAM Group requires highly qualified employees in the engineering sciences and other technical areas, as well as executives with international experience. There is tough competition for such talent, particularly in the semiconductor industry, which is characterized by long-term growth, and in the regions where ams OSRAM is active. In addition, the restructuring measures and realignment of the business led to employees leaving the Company, and it had not been possible to retain certain key personnel to the desired extent. Measures in connection with the 'Re-establish the Base' program may also mean that specialists and key personnel cannot be retained to the desired extent. The future performance of ams OSRAM also depends upon the degree to which the Company can identify, recruit, develop, and retain talent.

ams OSRAM is countering this risk with a mix of professional measures in the areas of recruiting and personnel marketing. These measures are continuously adapted and optimized to meet current market conditions. For example, the Company has strongly expanded its social media presence and ams OSRAM also uses these channels to hire specialists. In addition, the Company participates in a large number of career events, such as training days and career fairs for students to present the Company as an attractive employer. Furthermore, ams OSRAM is working to increase the attractiveness of engineering sciences for women and thus expand the pool of potential talent.

Moreover, ams OSRAM is using information gained from employee surveys to implement measures aimed at making working at the Company even more attractive. ams OSRAM places a high priority on further enhancing opportunities for career development and employee satisfaction in order to ensure the long-term retention of important skilled employees and top performers. Well-defined processes and programs, as well as targeted succession planning for key functions, help with staff development and prepare staff for internal promotion to management positions if they are suitable and willing to take on such functions.

Quality risk
Meeting market-related, customer-specific, and legal requirements for its products is particularly important for ams OSRAM's business success. The increasing complexity of products and the manufacturing processes required for their manufacture, as well as ever-shorter development cycles, increase the risk of possible quality issues. Products manufactured by ams OSRAM are integrated into complex electronic systems. Errors or functional defects could directly or indirectly compromise the property, health, or life of third parties and therefore lead to recalls from customers. In addition to having a direct negative impact on the results of operations, financial position, and net assets, such events could also have negative effects on the Company's reputation.

This risk is countered through group-wide quality processes, which are audited internally and externally (by customers) at regular intervals based upon established standards (e.g., ISO 14001, ISO 13485, ISO 9001, and IATF 16949), and are also certified by external companies. ams OSRAM suppliers are also systematically integrated into these quality processes. The Company has established an effective reporting system to ensure a timely response in the event of quality defects or product safety incidents.

Financial risks

The ams OSRAM Group is subject to a variety of financial risks. These include in particular liquidity risk, interest-rate risk, foreign currency risk, and credit risk.

Changes in credit ratings, currency exchange rates, interest rates, and the general capital market situation can influence both the Company's operational business and its investment and financing activities. Market price fluctuations can lead to significant volatility in profits and payment flows.

The Central Treasury department manages financial risk in accordance with the policies set out by the Company's Management Board and Supervisory Board. The Treasury department assesses and hedges against financial risks, which also encompasses the use of financial derivatives, in close collaboration with the operational business areas.

Liquidity risk
The liquidity risk is that ams OSRAM could be incapable of meeting its financial obligations when they come due. Debt financing undertaken in conjunction with the acquisition of the OSRAM Group has generally increased both the need for financing and expectations concerning the Group's financial performance. Short-term and long-term liquidity and business planning, which also takes into account the sale of parts of companies and the achievement of cost synergies from the completed integration, as well as the 'Re-establish the Base' program, are aimed at securing the future financial success of the ams OSRAM Group. In the 2024 financial year, the program was increased by a further EUR 75 m in run-rate cost savings to a total of EUR 225 m. To secure the refinancing that will come due in the coming years and the targeted structural growth, ams OSRAM prepared a multi-stage financing plan and implemented it in financial year 2023. This included a capital increase of EUR 827 m (before transaction costs) and two bonds with a nominal volume of EUR 625 m and USD 400 m, respectively. Another bond with a nominal volume of EUR 200 m was issued in financial year 2024. In addition, ams OSRAM received a long-term advance payment from a customer in the amount of USD 250 m in the 2024 financial year in connection with an agreement for the delivery of customized products. The refinancing arrangement implemented in 2023 and diversification of financing instruments increases the predictability of the financial result, which also counteracts the risk explained under > Interest rate risk. The Company also had cash and cash equivalents of EUR 1,098 m (2023: EUR 1,146 m) as of December 31, 2024, as well as unused committed credit facilities of EUR 666 Mio. (2023: EUR 1,006 m).

Several financing agreements contain arrangements customary for the market, under which the ratio of net financial debt to adjusted EBITDA (as defined in each case) in the 2025 financial year may not exceed 4.25:1 as of March 31, 2025, and 4.00:1 as of June 30, 2025, and thereafter. If this ratio, which is reviewed on a quarterly basis, is exceeded, the banks are generally entitled to terminate the agreement. If the majority of banks do not waive their right of termination, lenders under the other financing agreements (including all debt capital market instruments) generally also have a right of termination (pari passu). The resulting risk of calls for early repayment or blocks on utilization of credit is intensively analyzed in the context of short- and long-term business and financial planning. The 'Re-establish the Base' program is also intended to sustainably strengthen the Group's profitability.

Most notably, the realization, either to their full extent or in a disadvantageous combination, of the risks described under > Macroeconomic effects as well as volatile and cyclical market developments, > Geopolitical risks, > Competition for the introduction of new technologies, and > Customer concentration could significantly increase future financing risk.

Interest rate risk
In particular, the effects and risks described under > Macroeconomic effects as well as volatile and cyclical market developments and > Geopolitical risks have led to changes on the financial markets over the course of financial year 2024. On the one hand, decreasing global inflation rates have prompted individual central banks to cut interest rates, and the interest rates overall have fallen compared to the previous year. On the other hand, the high level of debt of individual countries and companies continues to lead to restrictive financing.

In principle, an increase in interest rates could lead to rising financing costs for ams OSRAM and thus increased interest-rate risk, while falling interest rates could lead to lower interest income from financial investments. This risk of changes in interest rates is countered by the fact that almost all of the Company's interest-bearing financial liabilities existing as of December 31, 2024, have fixed interest rates. Upcoming refinancing of existing fixed-interest-rate financing may encumber the future interest result, depending upon how the market develops. Under assets, risks of changes in interest rates primarily relate to short-term time deposits, which are linked to the market interest rate.

Most notably, the realization, either to their full extent or in a disadvantageous combination, of the risks described under > Competition for the introduction of new technologies and > Customer concentration, > Macroeconomic effects as well as volatile and cyclical market developments and > Geopolitical risks could cause rating agencies to adjust the financial valuation of the ams OSRAM Group. Possible adjustments could negatively affect the Group's future individual financing terms. The 'Re-establish the Base' program is also intended to sustainably strengthen the Group's profitability and thus have a positive impact on the assessment basis used by the rating agencies.

Foreign currency risk
As a global company, ams OSRAM conducts financial transactions in various currencies. This results in risks caused by fluctuations in foreign currency exchange rates, both in the operational business and in financial reporting resulting from currency conversion into the group reporting currency. Given the Company's corporate structure and investing activities, currency risk results primarily from fluctuations of the euro vis-à-vis the US-dollar and the Malaysian ringgit. Exchange rate fluctuations can have a negative impact on the Company's profit, equity, and cash flow. In order to hedge currency risks from its operational business and financial exposures, the Company monitors all transaction risks and conversion risks. Depending on the respective risk situation, it also uses financial derivatives to hedge against net risks from monetary balance sheet items and possible risks from scheduled transactions.

Credit risk
Credit risks arise when a customer or a counterparty to a financial instrument is incapable of fulfilling their payment obligations. The maximum default risk corresponds to the carrying amounts of the recognized financial assets. In accordance with the treasury and risk management policy, investments and transactions involving derivative financial instruments are carried out only with a diversified selection of financial institutions having a high level of creditworthiness (i.e. having an investment grade rating or higher). Individual credit limits for customers and financial institutions are defined on the basis of external and internal data and are monitored on an ongoing basis to avoid any concentrations of credit risk at the level of customers and financial institutions.

Legal and compliance risks

As a global company, the ams OSRAM Group with its subsidiaries is subject to a variety of legal and compliance risks. These include the risk of litigation, the risk of infringement of industrial property rights, and the risk of non-compliance with regulatory requirements. ams OSRAM may therefore be confronted with various court proceedings, claims, and official investigations. These could cause the Company to incur costs, e.g for damages, recalls, fines, or other financial detriments, as well as reputational damage.

Like ams OSRAM itself, many of its competitors, suppliers, and customers also protect their technology through patents or other industrial property rights. The enforcement of claims by other parties based upon an alleged infringement of industrial property rights could lead to significant costs in the form of court costs, damages, and/or license fees. In addition, ams OSRAM's business may be hindered by such claims. ams OSRAM mitigates this risk by maintaining, and if necessary enforcing, a strong IP and brand portfolio and monitoring the external IP landscape. If necessary, ams OSRAM also acquires licenses to ensure freedom of action.

ams OSRAM is also subject to a wide range of government regulations worldwide in areas such as climate and environmental protection, product safety, and labor conditions. Particularly the increasing regulations relating to reporting obligations in the area of sustainability, the implementation and meeting of emission targets, and in dealing with the protection of human rights in the supply chains are very complex. Under certain circumstances, a failure to comply with the applicable regulations may result in significant fines and reputational risk. To preclude this to the extent possible and to anticipate future regulatory changes in a timely manner, ams OSRAM monitors global changes in the legal landscape through central departments that support the country-specific implementation of appropriate processes and controls. Due to the significant increase in complexity and the growing number of new export control regulations and laws, there is also a risk that penalties or fines could be imposed. ams OSRAM continuously monitors the global development of the legal landscape in the individual countries in order to preclude these risks and minimize their impact as far as possible.

Insofar as economically practical, ams OSRAM also purchases insurance to cover a portion of the risks. > Note 22. Provisions of the Notes to the Consolidated Financial Statements provides an overview of significant legal disputes. ams OSRAM also has a group-wide compliance management system in order to avoid and, if necessary, identify compliance-related events in a timely manner.

Overall estimate of risks
In the past financial year 2024, the ams OSRAM Group's risk situation was particularly influenced by the continuing uncertain macroeconomic conditions and their impact on the markets that are important to the Company.

The continuing high risks in the area of > Macroeconomic effects and volatile and cyclical market developments are primarily to be seen in connection with the high and increasing geopolitical uncertainties and risks (> Geopolitical risks). The major geopolitical uncertainties and their consequences for the global economy and the sectors relevant to ams OSRAM are the reason for the financial risks > Financial risks, which remain significant despite successful refinancing. While the significance of risks from the competitive environment > Competitive environment increased again slightly, the relevance of risks on the procurement side > Dependence on suppliers decreased. This change should also be seen in the context of the current industry-specific development of the semiconductor industry and ams OSRAM's key markets. In addition, ams OSRAM was able to further reduce its dependence on suppliers with the help of appropriate measures. The aforementioned risks, which continue to be strongly influenced by the current wide range of geopolitical crises, could have a significant impact on ams OSRAM's business and require further operational measures and strategy adjustments. The extent and duration of these effects on our business are being carefully monitored.

In the 2024 financial year, our risk profile was also influenced by the unexpected cancellation of our key microLED technology project reported in the previous year. The cancellation led to a revision of our microLED strategy over the course of the year, which led to the partial materialization of the risks > Competition for the introduction of new technologies and > Customer concentration during the year, and had an overall negative impact on the results of operations, financial position, and net assets of the ams OSRAM Group. Despite the extensive materialization of the two risks mentioned, both risks are still classified as material risks for ams OSRAM. In particular, the risk > Competition for the introduction of new technologies continues to be very significant for ams OSRAM.

Taking into account the respective probability of occurrence, the potential effects, and also the described partial materialization of individual risks, the risks enumerated in this report do not currently threaten ams OSRAM's ability to continue as a going concern, either individually or in their entirety. Given our balance sheet structure and current business prospects, the Management Board does not anticipate any substantial threat to ams OSRAM's ability to continue as a going concern either. This assessment is also supported by the current financing structure (see > Note 20. Interest-bearing loans of the Notes to the Consolidated Financial Statements).

9. Outlook

At the beginning of 2025, ams OSRAM expects continued subdued demand for automotive semiconductor products as a result of the continuing uncertainties and corrections in the global automotive supply chain. The outlook for demand from the industrial and medical markets also remains cautious, although initial signals indicate that the bottom has been reached. The Company's business in semiconductor products for mobile devices will weaken significantly in the first half of the year, which is customary for the season. In the L&S segment, the volume of halogen lamps for the automotive spare parts market will likewise decrease slightly in accordance with typical seasonal demand behavior.

ams OSRAM expects a significantly stronger second half of the year, primarily due to the ramp-up of new products and also to a certain extent because of market normalization. Moreover, we expect profitability to improve through our 'Re-establish the Base' program, even in the event of moderate sales performance. Cash-effective investments in intangible and tangible assets (CAPEX) are forecast to be less than 8% of sales (including capitalized R&D expenditures and expected investment grants, e.g. from the European Chips Act). On the basis of the current corporate planning and the improved profitability derived from it, lower capital expenditures, and more or less unchanged operational net working capital, the Management Board expects a positive free cash flow (including net interest payments) of more than EUR 100 m in 2025.

On November 7, 2024, ams OSRAM extended the 'Re-establish the Base' program until the end of 2026 and increased the savings target compared to financial year 2023 from an initial approx. EUR 150 m by the end of 2025 to approx. EUR 225 m by the end of 2026. All necessary measures to achieve this expanded target have already been generated and will be fully implemented by the end of 2026. The adjustments established in the course of the program in the semiconductor portfolio that is not part of core business largely expired by the end of 2024. The focus on the core portfolio for 2025 is therefore essentially completed.

For the second half of 2025, ams OSRAM expects the final court decision on the contest of the cash settlement amount from the domination and profit and loss transfer agreement (DPLTA). The total liabilities for the put options of the minority shareholders of OSRAM Licht AG, which were EUR 585 m on December 31, 2024, would be completely covered by a revolving credit facility (RCF). However, a full exercise of the put option under the DPLTA cannot be assumed.

Following the primary customer's surprising decision to halt the key project for the introduction of disruptive microLED technology, which was announced with an ad hoc notification on February 28, 2024, the necessary change in strategy led to a significant impairment loss in property, plant, and equipment associated with the microLED technology, as well as capitalized development costs. The Company continues to pursue the sale of the Kulim2 factory, which was constructed for the manufacture of the microLED technology.

10. Other information

For information on equity, treasury shares, and equity investments, please refer to the Notes to the Consolidated Financial Statements

Premstaetten, March 3, 2025

Aldo Kamper
Chief Executive Officer
CEO

Rainer Irle
Chief Financial Officer
CFO

Sustainability Report

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= Reference to external websites   > = Reference within this document

1 Report Profile

Given its listing on the Swiss exchange, ams OSRAM is currently not subject in the field of sustainability reporting to either the provisions of the Non-Financial Reporting Directive (NFRD) issued by the European Union (EU) or the Austrian Sustainability and Diversity Improvement Act (NaDiVeG) and is therefore not currently obliged to undertake such reporting. Rather, the reporting is voluntary and presented in a comprehensive Sustainability Report. The goal is to inform our stakeholders of the ams OSRAM Group's (Company) activities in the field of sustainability.

The Sustainability Report 2024 was prepared in concurrence with the Sustainability Reporting Standards set by the Global Reporting Initiative (GRI) in their currently valid form. The Sustainability Accounting Standards Board (SASB) framework is likewise considered through a separate index for the SASB's "Semiconductors" industry standard[1]. In addition, the report includes both a chapter on the product portfolio's alignment with the EU Taxonomy Regulation and reporting on the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). In addition, individual requirements of the Corporate Sustainability Reporting Directive (CSRD) have already been implemented in this report.

From the 2025 financial year, the requirements of the CSRD and the provisions of the EU Taxonomy Regulation (2020/852) will be mandatory for ams OSRAM. Future reporting will be developed accordingly.

Sustainability Reporting Parameters
The present Sustainability Report generally follows the financial reporting methodology:

- The reporting period for the Sustainability Report 2024 is, in line with the Consolidated Financial Statements, from January 1 to December 31, 2024.
- In line with the financial reporting, the sustainability reporting covers all[2] companies fully consolidated in the Consolidated Financial Statements. Portfolio changes, whether already implemented or still pending, that affect the reporting are presented in line with the regulations for financial reporting. Likewise, unless stated otherwise, the corporate guidelines and processes apply for all the fully consolidated Group companies in the Consolidated Financial Statements and their employees.

Portfolio Changes
The following portfolio changes implemented in the financial year 2024 are reflected in the Sustainability Report:

Business area	Part of the reporting	Information on impacts on the product portfolio, on key markets, customer groups, or as regards the use of forbidden materials/ products
OOO Osram	Removed from reporting as of July 4, 2024	Sale of the Russian business (wholesaler for the Russian automobile market). Business activities were discontinued with the start of the war in Ukraine.
Passive Optical Components business (OC business)	Assets sold no longer belong to the ams OSRAM Group as of September 2, 2024	Sale of assets of the Passive Optical Components business (OC business) in Switzerland and Singapore. The OC business was part of the business unit CMOS Sensors & ASICs (CSA).

Changes in the Scope of the Report
Compared to the prior year, the overall structure of the report and the structure of chapters focusing on material topics have been revised. The adjustments were made in preparation for the future CSRD requirements.

The structure of the chapters is now essentially as follows:

- Governance
- Strategy and regulation
- Management of impacts, risks, and opportunities
- Metrics and targets

In the current report, the Data Protection chapter, which was covered separately in the 2023 report, was integrated into the chapter on Combating Corruption and Anti-Competitive Behavior. Likewise, the former separate chapters on Development of Green Technologies and Customer Satisfaction were eliminated, and parts were integrated into other chapters. The chapters in question did not cover topics defined as material. Moreover, the separate information given in previous years in the Appendix covering the recommendations of the TCFD has been integrated into the report[3].

General Remarks on the Reporting
- The financial data contained in the report stems from the ams OSRAM Consolidated Financial Statements 2024 and is stated in EUR million rounded to the nearest million.
- Rounding differences may occur in tables where rounded amounts and percentages are added up.
- KPIs are generally stated across a timeframe of several years. In the case of new reporting content or depending on data availability, shorter periods are also covered.
- The future-oriented timeframe of the present reporting has already been adjusted to reflect the CSRD and is in principle harmonized with the financial reporting. In this context, 'short term' refers to up to 12 months, 'medium term' covers one to five years, and 'long term' spans more than five years.
- The number of employees is stated, unless stated differently, as of the reporting date in headcount.
- In addition to the retrospective view, the report also contains forward-looking statements and information. These are based on currently available information and assumptions and therefore are subject to a number of uncertainties and risks. Forward-looking statements are not to be regarded as certain.

The present Sustainability Report 2024 was approved by the Company, represented by the Management Board, on March 3, 2025.

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, after being commissioned by the Management Board of ams OSRAM AG, carried out a limited assurance of the German version of the sustainability report in compliance with the International Standard on Assurance Engagements (ISAE) 3000 (revised). The disclosures for the year 2024 were audited for compliance with the GRI Standards and the provisions of Article 8 of the Taxonomy Regulation (EU) 2020/852.

[1] Not audited and therefore not part of the audit mentioned in "General Remarks on the Reporting".
[2] An exception is Indicator 2-30 (collective agreements). The companies integrated into the reporting are listed there > 6.2.5 Employee Satisfaction and Remuneration.
[3] The reporting content stipulated by the TCFD was integrated in line with the structure of the present Sustainability Report. The TCFD Index included in the Appendix to this report shows which TCFD requirements are to be found in the present report.

2 Company Profile

ams OSRAM at a Glance

Business Model and Portfolio

2.1 ams OSRAM at a Glance

ams OSRAM is a leading provider of light and sensor technologies. ams-OSRAM AG, domiciled in Premstätten (Austria) is a corporation under Austrian law publicly listed on the SIX[1] Swiss Exchange. As the parent company, the Company has active, non-listed direct subsidiaries. There are no listed subsidiaries (direct or indirect). Company shareholders holding more than 3% of the voting rights are listed in > Corporate Governance, Major Shareholders and can be publicly viewed at the SIX Exchange Regulation disclosure office. In the reporting period, there were no cross-shareholdings > Corporate Governance, Cross Shareholding.

[1] SIX (Swiss Exchange, Schweizer Börse); Disclosure office

2.2 Business Model and Portfolio

Business Model
ams OSRAM is active as a company in the semiconductor industry, and its business activities cover the entire value chain from design and development to the manufacture and sale of the products. ams OSRAM has its development hubs and a broad manufacturing structure > Management Report, Research and Development, and > Management Report, Purchasing and Manufacturing.

Since the beginning of 2024, business operations have been structured across the business units Opto Semiconductors (OS) and CMOS Sensors and ASICs (CSA), which together comprise the Group's semiconductor business; and the Lamps & Systems (L&S) business unit. Business activities are spread geographically across three regional markets: EMEA (Europe, Middle East, and Africa), the Americas (North and South America), and Asia-Pacific. am OSRAM has long-standing and close relationships with many key customers in an array of different industry sectors. Their satisfaction is crucial for ams OSRAM's business success and comprises an important element of the Company's emphasis on customer focus. With its existing and future product portfolio, ams OSRAM seeks to support its customers in realizing their business and sustainability-related goals. Existing customer relationships are structured around a key account management model whose processes are valid throughout the Group.

Value Chain
Given the business-specific differences involved, the following outline of the value chain distinguishes between the semiconductor business (consisting of the OS and the CSA business unit) and the L&S business unit.

At the sites listed in this context and in administrative functions, employees from various specialist fields and with different levels of training/education are involved in developing, manufacturing, and selling the products of the semiconductor operations and the L&S business unit.

In the semiconductor business, the value chain starts with R&D activities. First, ams OSRAM engages in R&D for LED technologies, lasers, and other light-emitting components. Second, sensors, integrated circuits (ICs) with embedded software and packaging solutions, as well as the corresponding manufacturing and testing processes are developed. These R&D activities and the subsequent production steps take place at sites in Europe, Asia, and North America > Strengthening Resilience (description of the impacts).

The Company procures goods and services in the environment of a complex, multi-stage supply chain; these include commodities and raw materials such as wafers, components, process gases, and production and logistic services. In-house manufacturing is subdivided into frontend and backend activities. Initially, at the front end, multiple process stages are used to process/produce individual microchips on the procured wafers. In the subsequent backend activities, the individual microchips are separated and then, in the course of various process stages, wired and packaged. The frontend and backend manufacturing stages are subject to testing processes.

The semiconductor operations mainly supply original equipment manufacturers (OEMs) who make products for the automotive, industrial, medical, and consumer goods sectors, as well as distributors in the relevant markets. If required, customer services are provided, including technical support and guarantee services.

In L&S, R&D activities concentrate on developing traditional and LED-based lighting solutions for automotive and special applications including halogen, Xenon, and signal lamps. These R&D activities take place at sites in Germany, Italy, China, and the USA.

The materials and components required for manufacturing are procured across various production stages. The manufacture of LED products relies on the above-mentioned semiconductor technology. Manufacturing of traditional products entails molding glass into tubes, adding base sockets and filaments, and filling the tubes with gases. These stages take place in China, the Czech Republic, Germany, Slovakia, and the USA.

The L&S business unit supplies products to both OEMs and customers in the retrofit market (e.g., retailers) and to distributors who sell products onward to these customer groups for the automotive, entertainment, medical, and industrial markets. Sales are supported by marketing activities and customer support, including technical support and guarantee services.

Details on the impacts of the value chain are stated in the individual chapters of this report.

Portfolio
In pursuing its business activities, ams OSRAM focuses on its core expertise in the fields of lighting, visualization, and sensors.

In the semiconductor business, ams OSRAM's innovative products serve the automotive, industrial, medical, and consumer goods markets. Our products are used in a variety of applications, for example for dynamic automotive lights, laser diodes for LiDAR systems, LED interior and outdoor lighting, lighting systems for green-houses, projection systems, and sensors based on photon counting for X-ray imaging. Furthermore, ams OSRAM provides special solutions for portable devices such as mobile phones and tablets, including light-sensor-based display management and camera improvements.

In the L&S business unit, ams OSRAM offers a broad, leading product portfolio of traditional lighting and other solutions for the automotive (lamps and lights, LED retrofit products, replaceable LED light sources, and automotive accessories), entertainment, medical, and industrial markets.

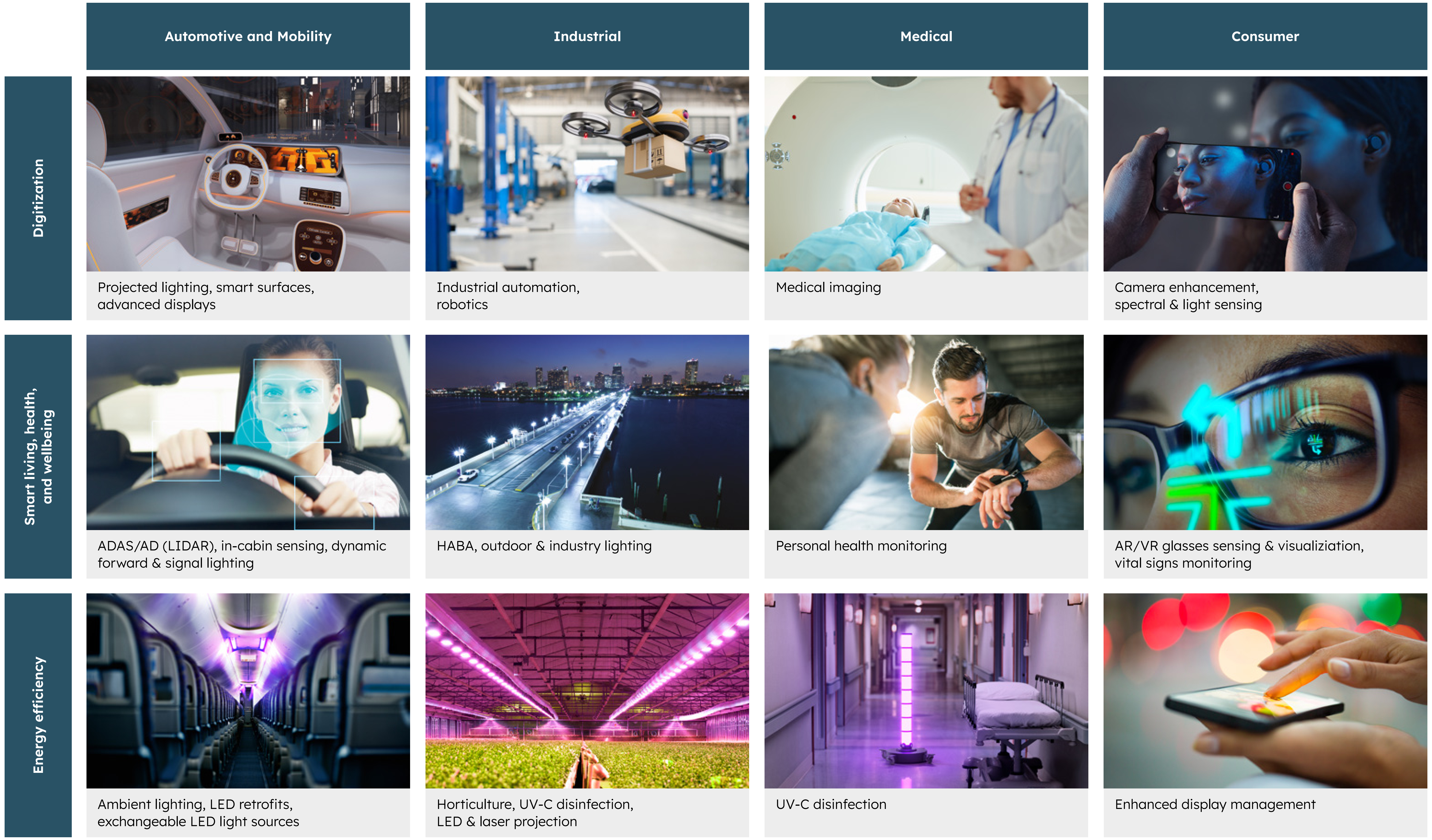
Sustainable Focus and Sustainable Development Goals (SDGs)
ams OSRAM aligns its business, product, and innovation strategy with major societal megatrends. They include digitization, Smart Living (Internet of Things, IoT), energy efficiency, and sustainable technologies and products that contribute to lowering CO_2 emissions, providing clean drinking water, and promoting a sustainable lifestyle.

Solutions from the ams OSRAM portfolio, for example, contribute to this make mobility safer, medical diagnoses more precise, and industrial applications more efficient.

The following graphic shows how ams OSRAM, with its technologies and products, addresses global megatrends in Company-specific end markets and thus strives to capitalize on macroeconomic business opportunities.

ams OSRAM is guided by the UN's 17 SDGs and seeks to contribute to achieving them with its product and solutions portfolio. ams OSRAM regards the SDGs as a

Key Social Megatrends Offer Growth Opportunities for Lighting and Sensor Solutions



benchmark for the added value the Company generates for society. At the same time, the SDGs serve as a point of orientation for identifying business opportunities.

In 2024, we also advanced innovations that contribute to the SDGs. ams OSRAM, together with the Fraunhofer Institute IZM, won the German Future Prize – Prize of the President of the Federal Republic of Germany for Technology and Innovation. The prize was awarded for the technological realization of an LED matrix consisting of individually controllable micropixels. The solution has the potential to massively advance future-oriented applications and functionalities. These range from intelligent car headlights, which are already integrated into EVIYOS® technology, to interactive displays in augmented reality glasses.

Strengthening Resilience

The semiconductor industry is regarded as a key to digitization. Optical semiconductors are on the way to replacing electronic components. They enable numerous applications that are used in a wide range of sectors. The semiconductor industry is also an important economic sector that directly and indirectly creates jobs and contributes to economic development through high levels of investment.

The activities of a semiconductor manufacturer also lead to negative impacts on the environment and society. ams OSRAM actively works to counteract these impacts and thus strengthen its resilience. Among other initiatives, it has launched climate and environmental programs aimed at countering the impacts of semiconductor manufacturing processes which, due to technological reasons, are highly energy- and water-intensive. In addition, gases, rare raw materials, as well as some hazardous chemicals, are needed in production. Their resource-efficient use is strictly regulated. There is a risk of human rights violations in the upstream supply chain due to the minerals processed and their origin. ams OSRAM addresses this by setting corresponding guidelines and processes.

At the same time, products and solutions incorporating semiconductors for end consumers often have positive effects on nature and/or the climate and society. For example, the products ams OSRAM manufactures contribute to the transition to a decarbonized economy. ams OSRAM relies on Life Cycle Assessments (LCAs) to quantify and measure this contribution. The LCAs have shown that the ams OSRAM products have the greatest impact in the downstream supply chain, particularly in the use phase. For this reason, improving energy efficiency is a key criterion for customers' purchasing decisions and satisfaction. For example, ams OSRAM products are installed as components in end products and solutions that have a positive impact both on the environment (in particular climate change mitigation) and society as a whole.

In 2024, we built on the 2023 pilot study by conducting additional LCAs covering a broader spectrum of product types and thus enabling a holistic view of their ecological footprint. The methodology applied was audited externally for compliance with DIN EN ISO 14067 and certified in 2024. am OSRAM plans more LCAs to extend the coverage of its portfolio.

Positive Impact of our Portfolio on the SDGs

Automotive & Mobility

- LiDAR for advanced driver assistance enables safer driving, fewer accidents, etc.
- Intelligent multi-pixelated forward lighting for better sight and projecting warning symbols
- In-cabin sensing for driver monitoring and alert systems with fast detection, improved safety for driver and passengers
- Energy-efficient and safer solutions for more autonomous future mobility
- Circular LED modules for automotive lighting

Industrial & Medical

- Energy-saving UV-C disinfection solution without using chemicals or mercury (conventional UV-C solution) — less harm to the environment
- Horticulture LEDs for a better yield, less resource and energy usage, enables vertical farming
- High-performance medical imaging for better quality/ diagnostics with lower radiation for patients and doctors
- Cutting-edge LEDs for high-performance lighting with low energy use

Consumer

- Vital sign monitoring for several health measurements, very small and energy-saving device design
- UV-A sensor for sun protection, to alert the user/ prevent sunburn
- Behind-screen applications for improved display brightness and colors
- Multiple energy-efficient light and sensor solutions/ high convenience with low power consumption
- Small projection units for augmented reality (AR) devices in glasses
- Energy-efficient image sensors for sensor applications in augumented reality (AR) and virtual reality (VR) glasses

Since the semiconductor industry is highly energy-intensive, the activities of ams OSRAM and companies in the supply chain will in the future benefit from a generally low-CO_2 energy supply, particularly through green electricity. Moreover, this development helps us in reducing the emissions of the products during their use phase.

Given that our products are energy-efficient, combating global climate change and the responsible use of resources offers ams OSRAM a substantial business opportunity according to the TCFD analysis of transition risks and opportunities. Realizing this opportunity is conducive to improving the long-term resilience of our business model.

Moreover, the European Green Deal also drives this. The corresponding programs and regulations mean that the development of green technologies will receive even greater priority going forward. ams OSRAM is leveraging these grants and funding options for its future portfolio. Many funded projects in which ams OSRAM is involved have a positive impact on the ecological footprint both in the manufacturing process and in the application of future products. These projects include the "Efficient Optoelectronics for a Sustainable and Resilient European Semiconductor Ecosystem (OptoSuRe)", financed by "Important Project of Common European Interest" (IPCEI ME/CT) and the collaborative projects "AI-See" (cooperation for safe self-driving), "Energy ECS" (Electronics, Components, Systems; digitalizing e-mobility) and > "Newlife" (non-invasive health monitoring). The "Materials-4PhotonCounting" project focuses on innovative technologies for CT (computer tomography) that promise inexpensive, higher-resolution imaging diagnostics while also reducing patients' exposure to X-rays, thus demonstrating a social dimension to sustainability.

Moreover, ams OSRAM invests in R&D on a significant scale. In 2024, the investment volume amounted to EUR 419 million.

3 Strategy

Dialog with Stakeholders

Materiality Analysis

Sustainability Strategy and Targets

3.1 Dialog with Stakeholders

Within the current materiality analysis, we checked which stakeholders are relevant for ams OSRAM. The potential impacts on the stakeholders were individually assessed for each topic. The feedback obtained through interaction was incorporated, among others, into strategy development and deliberations on measures to be taken.

ams OSRAM regularly and globally interacts with the following stakeholder groups: employees, investors, customers, suppliers, analysts, journalists, scientists, neighbors, politicians, and representatives of non-governmental organizations (NGOs), authorities, and associations. We dialog with people at various management levels, in different locations, and through various departments. The interests of key stakeholders, such as employees, customers, suppliers, as well as investors are also taken into consideration by the Supervisory Board since its members possess relevant expertise and experience, and it is also composed of employee representatives. The frequency of exchange varies depending on the format (see diagram on the following page) and can be regular, annual, or event-driven.

ams OSRAM actively participates in various ESG ratings. In this way, the Company obtains feedback on its sustainability activities, as this is reflected in the rating results issued by recognized agencies: Platinum status from Ecovadis and Prime status from ISS. Moreover, ams OSRAM has again been included in the S&P Global Sustainability Yearbook.

Our established complaints management system goes into action in the event of complaints, suspected violations of our corporate principles, or incidents with negative impacts on stakeholders concerning human rights, environmental protection, integrity, and compliance within the Company and along our supply chains. The processes, including stakeholder engagement, are outlined in chapter > 4.3.2 Combating Corruption and Anti-Competitive Behavior.

Central Communication Formats used for Dialog with our Stakeholders

Stakeholder	Reference	Thematic Focus of Communication	Communication Channels and Frequency
Customers	> 2.1 ams OSRAM at a Glance > 2.2 Business Model and Portfolio > 6.1.3 Quality and Product Safety	- General issues linked to the customer relationship - Implementation of regulatory requirements from different areas - Technological advances/innovations	- CRM systems (regular and systematic) - Participation in trade fairs (regular) - Direct interaction (regular as well as topic-related and ad hoc) - Tech days (topic-related and ad hoc)
Employees	> 6.2 Employees	- General economic and Company trends - Implementation of the strategy - Employee development - Performance assessments - Technological trends and product themes	- Townhall meetings (regular, at least once a quarter) - Webchats with the Board/management (regular, at least once a quarter) - Performance management process between the manager and employee (at least once a year) - Tech talks (regular, topic-related) - Employee surveys (OHI) - Webinars
Owners and investors	https://ams-osram.com/about-us/investor-relations	- Interaction on the interests of the owners, investors, and providers of outside capital - Approving the actions of the Management and Supervisory Boards at the Annual General Meeting - Consultation on the agenda of the Annual General Meeting items - On an occasional basis on current topics - Information exchange on business performance and implementation of the strategy	- Annual General Meeting (generally once a year) - Investor conferences/roadshows (at least four times a year) - Analyst calls (at least four times a year)
Suppliers	> 6.1.2 Supply Chain Management	- Issues linked to the business relationship - Business and sector trends - Mutual requirements (e.g. sustainability)	- IT-tool-based communication with existing suppliers (regular and standardized) - Direct interaction with suppliers (regular and ad hoc)
Neighbors (at the respective sites)	Supplements of the Sustainability Report 2023, 1.1 Biodiversity Risk Assessment https://ams-osram.com/about-us/sustainability/society	- Regional topics of public interest with/without a direct link to the Company - Corporate citizenship projects	- Interaction with local management (ad hoc) - Cooperation with local authorities (ad hoc) - Interaction/support with/of associations and local initiatives (ad hoc)
Journalists (business and trade press)	https://ams-osram.com/news	- Topics of public interest - Responses to issues that concern the Company - General business performance and strategy implementation - Innovations - Transformation	- Press events (at least four times a year and ad hoc) - Responses to press inquiries (ad hoc) - Interviews (as required, generally ad hoc)
Industry associations and initiatives	> Section Political Engagement and Memberships	- Industry- and sector-specific topics - Topics relating to the regulatory regime	- Interaction at events (regular) - Issue-related meetings (ad hoc and topic-related)

Political Involvement and Memberships
In line with the values set out in our Code of Conduct, we are committed to making no direct or indirect donations or other contributions to politicians, political parties, or political organizations. ams OSRAM maintains no offices or corresponding agencies to lobby for the Company's political interests.

Our political involvement is limited to memberships in industry associations. In terms of contributions or our engagement, the following associations are most relevant:

- German Electro and Digital Industry Association (Verband der Elektro- und Digitalindustrie, ZVEI)
  ams OSRAM is active in specialist associations for semiconductors and lighting. There, the Company participates in developing industry positions that are key to its business activities. Special attention is given to the impact of the European Green Deal. In this context ams OSRAM ensures – particularly regarding issues related to returns and reuse and/or repair as well as materials (RoHS, REACH) – that legal requirements (directives/regulations) can be met by the Company.
- DIN membership:
  DIN Deutsches Institut für Normung e. V. (German Institute for Standardization) is the independent platform for standardization in Germany and worldwide. It is committed to market-driven norms and standards that promote global trade and are intended to serve rationalization, quality assurance, the protection of society and the environment as well as safety and understanding.
- Responsible Business Alliance (RBA):
  The Responsible Business Alliance (RBA) is the world's largest industry coalition committed to responsible business conduct in global supply chains > 6.1.2 Supply Chain Management.
- SEMI and the Semiconductor Climate Consortium (SCC):
  ams OSRAM is a member of the semiconductor association SEMI and, within it, a founding member of the Semiconductor Climate Consortium initiative. SCC focuses on the decarbonization of the semiconductor value chain and its members' operations. The goal is to identify and support solutions to accelerate GHG reductions in other sectors along the value chain.
- LightingEurope:
  LightingEurope focuses on specific topics in the field of lighting within the EU. ams OSRAM is currently represented on the board and in the key working groups 'Sound Product Rules', 'Value of Light', and 'Sustainability'.
- Mandatory memberships in employer and business associations:
  ams OSRAM does not play an active part in these associations and instead follows the resolutions and general information that these associations provide. In Germany, for example, we adhere to the collective bargaining agreements.

In the context of its work within associations, ams OSRAM seeks to ensure that new regulations not only meet the overarching goals of energy-efficient, resource-efficient and high-quality optical solutions but also fulfill user requirements. Furthermore, industrial feasibility, for example through standardization or fair competitive conditions, plays a significant role.

Moreover, ams OSRAM is a voluntary member of organizations that are directly related to our core themes. These include the UN Global Compact, the Responsible Minerals Initiative (RMI), the "Charta der Vielfalt" (Charta of Diversity) association, and the PROUT AT WORK-Foundation.

Outlays for memberships in 2024 totaled around EUR 0.9 million (2023: EUR 1.0 million).

3.2 Materiality Analysis

In 2021, a materiality analysis was undertaken as the basis for reporting and for developing the sustainability strategy. In the process, individual topics were rated in terms of their relevance to ams OSRAM and their possible or actual positive/negative impacts on the environment, people, and society. The significance of the topics for the course of business was also included as a third dimension. Therefore, the materiality analysis covers not just the requirements of the GRI Standards, but also regards the future European reporting obligation under CSRD. Further information is provided in chapter > 3.1 Dialog with Stakeholders.

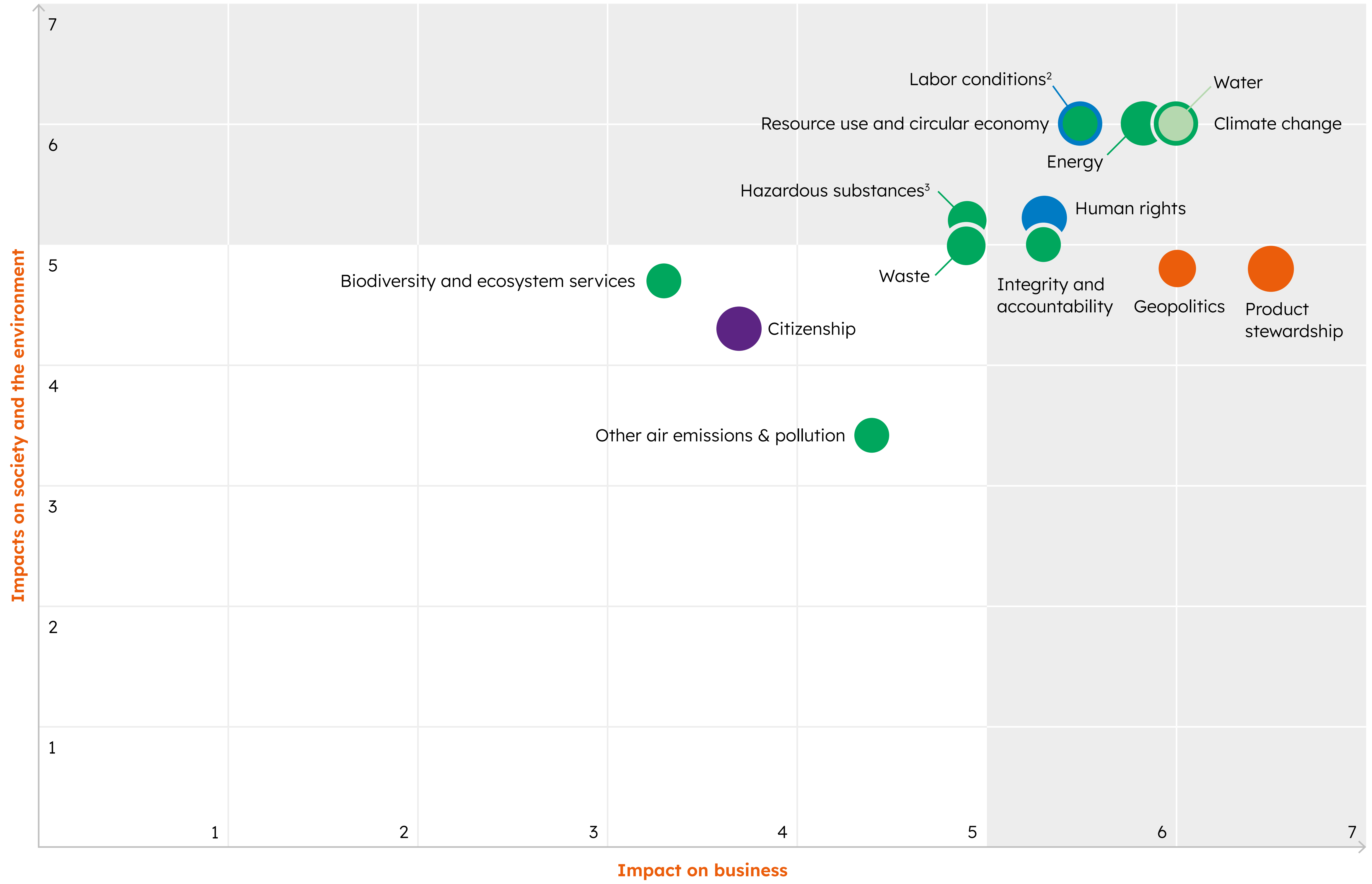
The materiality analysis carried out in 2021 was subdivided into four phases.

- **Phase 1:** Within the scope of ams OSRAM's responsibilities, potential topics were identified along with their potential impacts. This was based on an analysis of competitors, customers and capital market requirements, relevant global standards, and foreseeable regulatory plans. Sector-specific topics were taken into account for all stages of the value chain.
- **Phase 2:** The Sustainability Department then divided the topics identified into focus areas based on their ESG relevance (see chart Material Topics and Reporting Content).
- **Phase 3:** Using a questionnaire, in-house experts (representatives of relevant corporate functions, operations, and the business units) assessed these thematic areas with regard to their potential and actual positive/negative impacts as well as opportunities and risks. Various perspectives were included in the assessment: stakeholder relevance, the Company's impacts on the environment and society (inside-out), and the impacts on the Company (outside-in). In the questionnaires, the in-house experts included perspectives relevant to their respective topics (employees, customers, suppliers, and investors).
- **Phase 4:** The results of the questionnaire were then discussed with the experts in two workshops and prioritized based on their significance and potential impacts.

The results of the materiality analysis were presented to the Management Board and approved by it. The Supervisory Board was informed of this. The key issues are presented to both bodies each year and they are informed of any significant changes that arise during the annual review. The material topics are shown in the diagrams.

The matrix presentation offers an overview of the prioritization[1] of the material topics based on the three dimensions of stakeholder relevance, the Company's impacts on the environment and society (inside-out), and the impacts on the Company (outside-in).

Results of the Materiality Analysis



Gray area defines the material topics

Stakeholder relevance: low high

Environmental topics | Social topics | Governance & economic topics | Holistic topics

[1] Some topics were prioritized equally, resulting in the following rankings being awarded twice: water and climate protection, labor conditions, and resource consumption and circular economy.

[2] Integrated in the chapters of › 6.2 Employees
[3] Integrated in the chapter › 5.3.3 Resource Efficiency

This Sustainability Report covers all the topics defined as material. In some instances, they were summarized, resulting in the following classification of the material topics:

Material Topics and Contents of the Report

In preparation for the CSRD reporting, in 2024 a new materiality analysis was conducted in line with the principle of a double materiality assessment (DMA). The analysis was approved by both the Management Board and the Supervisory Board. The report will be compiled in line with the DMA for the first time in 2025. As part of the analysis, the previously defined material topics were also reviewed. The present report is the last GRI-compliant report and is still based on the materiality analysis conducted in 2021, whereby structural adjustments were made > 1. Report Profile.

01 MATERIAL TOPICS	02 CONTENTS OF THE REPORT	03 FOCUS TOPICS (› 3.3 Sustainability Strategy and Targets)	04 STRATEGIC ADDED VALUE FOR STAKEHOLDER GROUPS (see Company strategy › 3.3 Sustainability Strategy and Targets)
Climate change	Greenhouse gas emissions, climate strategy, and climate protection	**Climate**	Shareholders, Society, Customers
Energy	Energy efficiency, green tech development, use of renewable and non-renewable energies		
Resource use and circular economy	Handling of critical substances, resource use and efficiency	**Circularity**	Customers, Society
Water	Water use/consumption		
Waste	Waste for recycling/disposal		
Labor conditions	Diversity, compliance with corporate principles such as right to freedom of association and collective agreements or anti-discrimination, occupational health and safety, fair remuneration, other benefits granted by the employer, people development	**Labor conditions & diversity**	Employees
Human rights	Duty of care regarding human rights, dealing with conflict minerals	**Human rights (supply chain)**	Society
Product stewardship	Customer satisfaction, quality, and product safety	**Integrity**	Shareholders, Society, Customers
Integrity and accountability	Avoiding corruption and bribery, fair competition		
Geopolitics	Geopolitical risks and their management		

3.3 Sustainability Strategy and Targets

For its customers, ams OSRAM is a reliable partner in innovation for lighting and sensor solutions in the automotive, industrial, and medical sectors as well as for selected consumer applications. Sustainability forms an integral element of the newly defined corporate strategy and constitutes one of the ten focus areas in our strategic approach. Giving the business model a sustainable focus supports generating future business activities while at the same time reducing non-financial risks. It also fosters the prospects of potential “green” financing, a high appeal to employees and potential talents, recognition by industry leaders (premium customers), cost advantages through efficient use of resources, and the perception of ams OSRAM as a trustworthy global player.

To seize these opportunities, ams OSRAM aims to further integrate sustainability into its processes.

Besides economic success, the requirements of our stakeholders such as customers, shareholders, employees, and society are also addressed. The ams OSRAM sustainability strategy covers the entire value chain, from the upstream supply chain through our production and portfolio, to added value for customers.

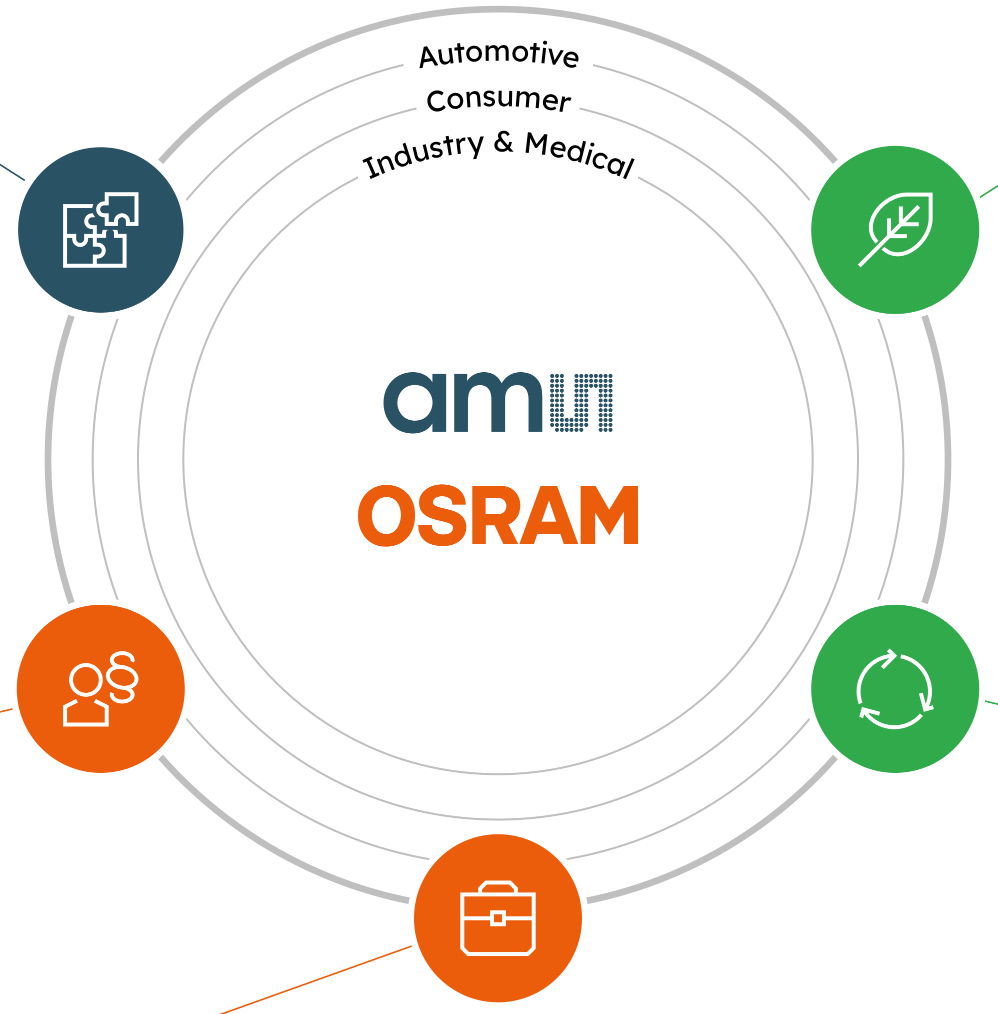
The ams OSRAM sustainability strategy is based on the focus topics defined in the materiality analysis: climate, circular economy, working conditions & diversity, human rights, and integrity. The Sustainability Department assesses the progress achieved for each of these topics on an ongoing basis against the respective benchmark we have set ourselves. Where necessary, responsibilities are assigned, policies and processes are further developed, and objectives are set and pursued. The following Sustainability Strategy diagram shows the objectives and progress achieved in 2024.

For ams OSRAM, sustainability means preventing or minimizing our negative impacts on the environment and stakeholder groups, using resources responsibly, contributing to climate protection, offering attractive labor conditions, and ensuring respect for human rights. We have summarized the standards we set ourselves in our Sustainability Vision. It reads: “We create sustainable added value with innovative lighting and sensor solutions and have a positive impact on the environment and society.” This is consistent with our mission to “pioneer differentiating lighting and sensing technologies. Customers trust our innovation power and manufacturing capabilities. Together, we create long-term value while making our world safer, smarter, and more sustainable.”

Sustainability Strategy: Creating Sustainable Value and Positive Impact with Innovative Light and Sensors

Our portfolio contributes to:

UN Sustainable Development Goals



Integrity
Ethical business practices and sustainable governance

- 20% of long-term incentive plan of **Management Board** and other **Executive remuneration** tied to climate targets
- 100% of employees covered by **Code of Conduct trainings**
- **Supervisory Board** ESG training in 2024
- Implementation of 2024's **Double Materiality Analysis** results

Human Rights
Due Diligence

- 100% of **employees** covered by **Human Rights training**
- 100% of **own sites** covered by **Human Rights risk assessments**
- 100% of **suppliers** covered by **Human Rights risk assessments**

Labour/Diversity
Responsible people management

- 25% **women in management** by 2026
- All major **production sites RBA audited** by 2030

Climate
Low carbon value chain

- Ambition for **SBTi target** validation
- Carbon **neutrality** of own operations by 2030
  - 100% renewable energy for electricity by 2028
  - Implemented energy efficiency initiatives for 20% CO_2e reduction by 2028
- Near- and long-term targets for science-based **reductions** of **Scope 3 emissions** (purchased goods/services)

Circularity
Responsible resource use

- Regular **water risk assessment**
- Ambition to **reduce waste** and **water**
- Expand wafer **substrate recycling**
- Reduction of plastic by 200t by 2026 within our **plastic-free packaging** strategy for automotive aftermarket
- Expand **circular portfolio** of LED modules for automotive lighting
- Expansion of the **LCA approach** for whole portfolio

Key Outcomes of the Individual Focus Topics in Financial Year 2024

- Own business activities, Scope 3: › 5.2.1 Greenhouse Gas Emissions (action taken, KPIs)
- Emission reduction path: › 5.2.1 Greenhouse Gas Emissions (graphic)

- Substrate recycling/plastic-free packaging: › 5.3 Circular Economy
- Circular Automotive portfolio: › 2.2 Business Model and Portfolio, Sustainable Focus and SDGs (graphic)
- LCA apporach: › 2.2 Business Model and Portfolio, Strengthening resilience

- Human rights risk assessments: › 6.1.1 Respect for Human Rights (action taken)
- Human rights training: › 4.3.2 Combating Corruption and Anti-Competitive Behavior (action taken, KPIs)
- Human rights risk assessment: › 6.1.2 Supply Chain Management

- RBA audits: › 6.1.1 Respect for Human Rights (action taken)
- Women in management positions: › 6.2.3 Diversity and Equality of Opportunities (results)

- Climate-related management board incentivization: › 4.1.2 Sustainability and Governance Structure
- Climate risks (TCFD) › 4.2.3 Climate Risks
- Code of Conduct training: › 4.3.2 Combating Corruption and Anti-Competitive Behavior (action taken, KPIs)
- ESG Committee's skills: › 4.1.1 Management System and Structures

4 Governance

Sustainable Corporate Governance

Management System and Structures

Sustainability and Governance Structure

Risk Management

Identifying and Managing Risk

Geopolitical Risks

Climate Risks

Integrity and Ethical Principles

Values and Code of Conduct

Combating Corruption and Anti-Competitive Behavior

4.1 Sustainable Corporate Governance

For ams OSRAM, responsible corporate governance and transparency provide the crucial foundation for achieving our corporate objectives and boosting long-term enterprise value. In this context, the composition, framework, and cooperation of the executive bodies play a significant role.

4.1.1 Management System and Structures

Corporate governance at ams OSRAM is shaped by the dual management system applicable under Austrian stock corporation law, consisting of a Management Board and a Supervisory Board. The Company's shareholders exercise their rights as owners, in particular through the Annual General Meeting.

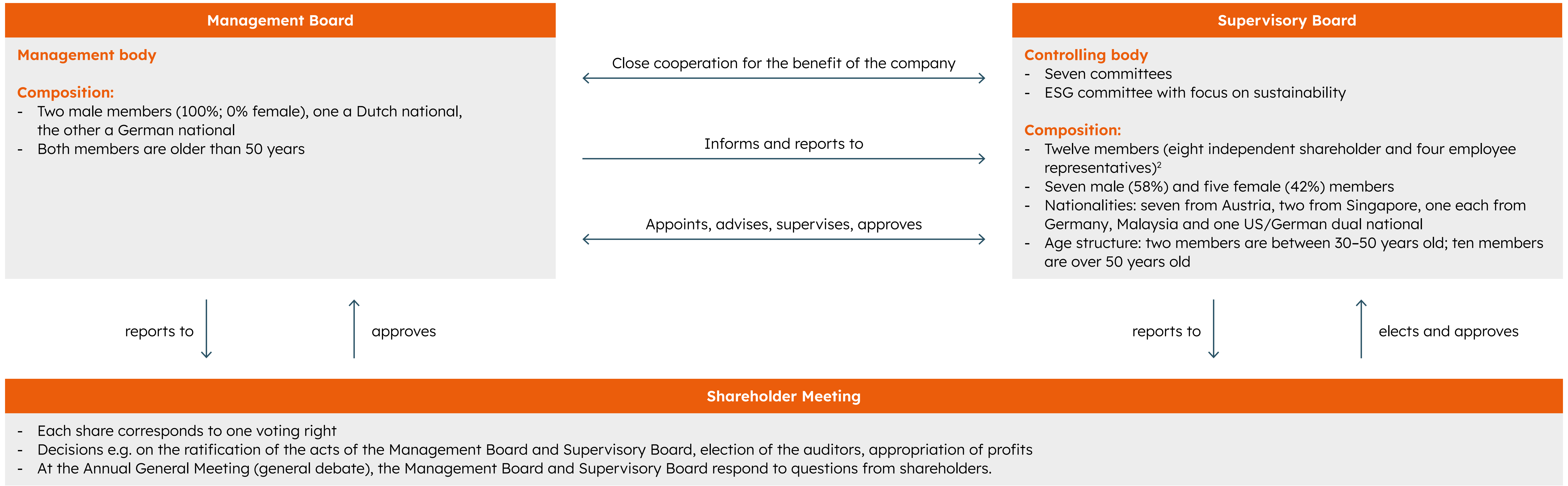
For further information on the work of the Supervisory Board, the committees, their membership, and the resumés and period in office of the members of the Management and Supervisory Boards, please consult the Company website (click About Us on the navigation bar).

Management Board
As the management body, the Management Board is responsible for corporate governance and decides on the fundamental issues of business policy and corporate strategy. Furthermore, individual areas of responsibility are assigned to each member of the Management Board, based on the rules of procedure.

When filling management positions within the Company, the Management Board takes diversity and inclusion into account > 6.2.3 Diversity and Equal Opportunities.

The head of the Corporate Sustainability reports directly to the Chief Financial Officer (CFO). As part of its regular reporting, the Management Board informs the Supervisory Board in detail about sustainability issues, in particular the development of the regulatory requirements, their implementation within the Company, and the ams OSRAM sustainability strategy.

Dual Management System of ams-OSRAM AG[1]



[1] Status quo at the time of report release by the Management Board
[2] The employee representatives have an employment relationship with ams OSRAM, further restrictions on their independence are not known. The number of members is defined in the Company's Articles of Association. The proportion of employee representatives (one third) corresponds to the statutory requirements.

Supervisory Board
The Supervisory Board advises the Management Board and monitors its work. It regularly discusses – whether with or without the presence of Management Board members – the latest business developments and planning as well as the Company's long-term strategy and its implementation. Another of the Supervisory Board's tasks is to decide on appointments to and remuneration of the Management Board.

Within the Supervisory Board, various committees are dedicated to specific specialist topics. The chairs of these committees report on their work at the Supervisory Board meetings. The attendance rates of Supervisory Board members at the Board and Committee meetings are listed individually in the Corporate Governance Report > Corporate Governance, Supervisory Board.

The Supervisory Board regularly assesses the effectiveness of its work and did so again in 2024; it incorporates its findings in its future working methods. The next self-assessment is planned for 2025.

There is an established onboarding process for new Supervisory Board members, which includes relevant information on the rights and obligations of Supervisory Board members and capital market compliance. Supervisory Board members can take part in individual training measures and receive support from the company. In July 2024, the members of the Supervisory Board also received training on current developments in the area of sustainability from the head of Corporate Sustainability.

Composition of the Supervisory Board
The composition of the Supervisory Board should reflect a broad mix of professional qualifications as well as diverse personal characteristics among its members, such as age, gender, and cultural background. Details are outlined in a three-pillar skills profile developed by the Supervisory Board, set out in the Principles for the Composition and Diversity of the Supervisory Board Board Composition and Diversity Policy.

Independence of the Supervisory Board
As part of the elections of shareholder representatives to the Supervisory Board by the 2024 Annual General Meeting on June 14, 2024, the two candidates standing for election submitted a declaration under section 87 (2) of the Austrian Stock Corporation Act before their election. In it, they declared their independence concerning the exercise of their mandate.

Moreover, the Supervisory Board has defined principles for its composition, including specific requirements about the independence of Supervisory Board members. Each Supervisory Board member shall fulfill these requirements at all times. Details of the independence criteria can be found in the policy mentioned in the section Composition and Diversity of the Supervisory Board and can be consulted on the Company website.

Should any conflicts of interest arise for members of the Supervisory Board, they must disclose the conflict of interest to the Chair of the Supervisory Board. If such conflicts are not merely temporary, the Supervisory Board member in question shall resign. In the financial year 2024, no such conflicts of interest were reported.

Business relationships with related parties and persons (members of the Management and Supervisory Boards) are reported in the latest > Notes to the Consolidated Financial Statements, 32. Related Parties.

Remuneration of the Management Board and Supervisory Board
The Supervisory Board decides on the remuneration system for the Management Board by determining appropriate remuneration policies. These are then presented to the Annual General Meeting for a vote. This last occurred in 2023. On principle, the remuneration policy must be presented to the Annual General Meeting for approval at least once every four financial years and in the event of any significant changes.

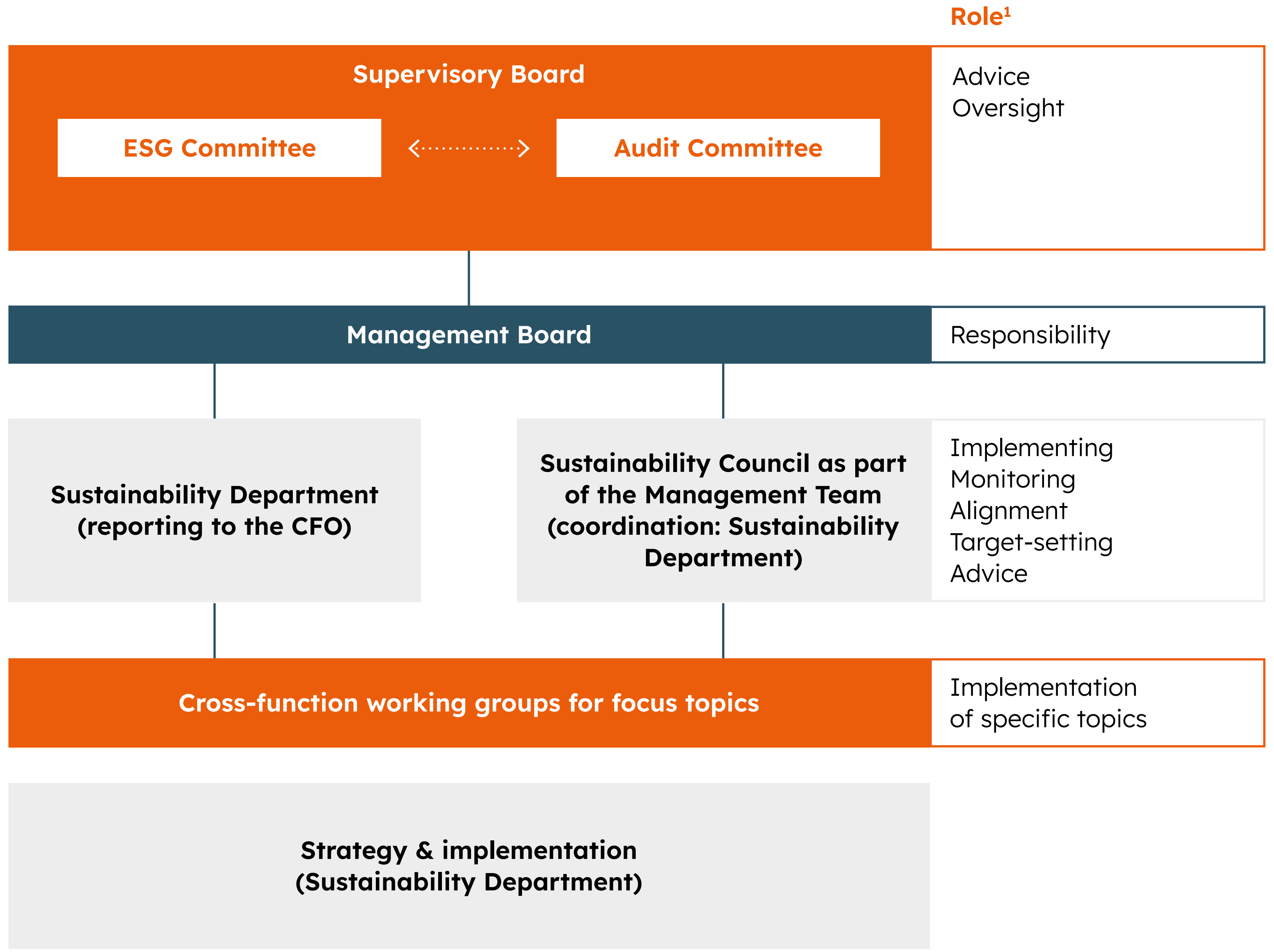
The current Remuneration Policy came into effect on January 1, 2023, and can be viewed on the Company website.

The remuneration of the members of the ams-OSRAM AG Management Board consists of fixed and variable remuneration components. The fixed components comprise a basic salary as well as remuneration in kind and other benefits, while the variable remuneration components consist of a performance bonus and the LTIP (Long Term Incentive Plan), in which senior executives and selected staff members also participate. In addition, malus and clawback regulations and a share ownership guideline are key components of the Management Board remuneration policy. The ratio of remuneration between the Management Board and the workforce is disclosed in the Remuneration Report > Remuneration Report, Change in Remuneration of the Management Board Compared to the Workforce.

The members of the ams-OSRAM AG Management Board are in principle not given a sign-on bonus, meaning a payment made in connection with their taking office. Regulations on payments in connection with the termination of Management Board contracts are outlined in the current Management Board contracts and further detailed in the applicable remuneration policy.

The remuneration of the Supervisory Board is regulated by a remuneration policy for the Supervisory Board. In principle, it consists of standardized basic remuneration. Given the broader scope of their activities and greater responsibility, the Chair of the Supervisory Board, the Deputy Chairperson, and members who chair a committee receive a higher basic remuneration than other Supervisory Board members. The members of the Supervisory Board do not receive any variable or share-option-based remuneration. The employee representatives on the Supervisory Board perform their function on a purely honorary basis following the statutory requirements.

4.1.2 Sustainability and Governance Structure



[1] Includes the future management of impacts, risks and opportunities (IRO management) as part of the future CSRD materiality.

Organization and Responsibilities
A tried-and-tested governance structure is in place to oversee our Company-wide sustainability activities,[1] including those related to the climate. It covers all corporate functions and units that are involved in implementing our sustainability and climate strategy.

At the **Supervisory Board** level, the ESG Committee is responsible for sustainability (ESG – Environmental, Social, and Governance).[1] It is in charge of monitoring the development and implementation of the Company's ESG strategies, the integration of ESG issues into the corporate strategy, and the management of climate-related risks. The ESG Committee deals extensively with ESG requirements, strategic targets, and the associated actions, and prepares any decisions to be made by the Supervisory Board. The ESG Committee meets at least twice a year. In its work, it particularly monitors the prioritization of ESG-related measures and discusses climate-related strategies and objectives. It likewise reviews the definition of the KPIs used and tracks their periodic development, including as regards short-, medium-, and long-term targets. It takes reports from the Management Board, the Sustainability Department, and other in-house experts on the KPIs and other developments. It works closely with the Audit Committee, which also deals with sustainability-related regulatory requirements and the future EU-wide mandatory sustainability reporting under the CSRD. The ESG Committee also coordinates with the Supervisory Board's Remunerations Committee to set ESG targets for long-term Management Board remuneration and determine to what extent those targets are met each year. This structure ensures that the Supervisory Board reflects the various dimensions of sustainability in its work and oversees the Company's progress in those areas Charter of the ESG Committee.

The **Management Board** is responsible for the implementation of the relevant sustainability topics as mandated by the regulations and takes corresponding action to ensure their implementation.[1] This also includes the corporate culture (compliance) and the Company's due diligence obligations, which will be discussed in the corresponding chapters of this report. The Management Board resolves changes to the sustainability strategy and/or its further development as well as the materiality analysis. The CFO is the Management Board member responsible for sustainability. The Management Board is informed every quarter of progress achieved in material sustainability topics and the development of the relevant KPIs. Deviations from the defined targets are discussed and, if necessary, actions are defined accordingly.

[1] Includes the future management of impacts, risks and opportunities (IRO management) as part of the future CSRD materiality.

Furthermore, the CFO and the head of the Sustainability Department regularly exchange information on relevant topics. The Management Board informs the Supervisory Board or its committees responsible for sustainability of key decisions relating to sustainability and the climate as part of its regular reporting or, when necessary, on an ad hoc basis.

The current remuneration policy for the Management Board[2] also includes an ESG-related target under the long-term remuneration component (LTIP). ESG targets are weighted there with 20%. The Remuneration Committee can set ESG targets for each tranche of the three-year performance period based on a list of criteria, taking into account the current priorities of the sustainability strategy. For the financial year 2024, a target was thus included in the LTIP program relevant for financial year 2024 for reducing Scope 1 and Scope 2 CO_2 emissions; it was assigned a weighting of 20%. This is in line with the Company's sustainability and climate strategy.

The Company has established a **Sustainability Council** that coordinates the implementation of sustainability topics including the sustainability and climate strategy and their relevant reporting. The council also monitors these topics and is responsible for integrating new topics into Company operations. It comprises the Management Board, the heads of business units, and the heads of certain corporate functions; it meets several times a year.

The **Sustainability Department** is involved in all aspects of the Company's sustainability activities. Its head reports directly to the CFO. It coordinates working groups that prepare decision proposals and submit them through the Sustainability Department to the Management Board and/or the Sustainability Council for approval. It sets targets, monitors their progress, and reports to the Management Board as needed – quarterly on management-related issues. The Sustainability team also works to raise awareness of sustainability topics throughout the entire organization. In financial year 2024, in preparation for the future CSRD reporting requirements, a decision was taken to consolidate the responsibilities for sustainability reporting and external financial reporting. As a first step, the Annual Report and the Sustainability Report have been combined in the present report.

Our sustainability responsibilities and processes are defined in the internal Group Sustainability Guidelines. Additionally, to provide a comprehensive overview of the key global principles and policies with respect to environmental, social, and governance-related topics, we have also published a Sustainability Policy Sustainability Policy.

[2] As well as senior executives and selected employees

Key Implementation Aspects of Climate and Sustainability-related Topics in 2024

The **ESG Committee** convened twice in the past financial year. It concerned itself particularly with the sustainability reporting for financial year 2023, devising a new materiality analysis that complies with the CSRD, implementation of the sustainability strategy, the results of the sustainability ratings, and advancing the sustainability reporting and the sustainability topics of importance to ams OSRAM. Moreover, the responsible specialist departments specifically informed the Committee about Environmental Protection, Health and Safety (EHS) and Diversity within the Company.

The **Supervisory Board** was regularly updated on the work of the ESG Committee. Furthermore, in July 2024 an introduction to and training session on the CSRD was held for all members of the Supervisory Board. The Audit Committee likewise addressed the future reporting requirements under the CSRD at one of its meetings. The new materiality analysis was also discussed there.

The **Management Board** regularly discussed sustainability-relevant topics, with particular focus on implementing the climate and sustainability strategy, developing a new, CSRD-compliant materiality analysis, and addressing the challenges of future reporting requirements under the CSRD.

The **Sustainability Council** convened once in 2024 and concerned itself with the sustainability strategy and the future reporting duties under the CSRD.

4.2 Risk Management

ams OSRAM is exposed to various risks worldwide connected to our business activities.

4.2.1 Identifying and Managing Risk

Advanced globalization and the resulting close linkage of social, economic, and (financial) political interests are making geopolitical risks and opportunities increasingly important for ams OSRAM. As a result, these geopolitical factors are coming more prominently into focus. Geopolitical opportunities and risks can influence our business directly or indirectly, e.g., through changes in the global economy. In the 2021 materiality analysis, geopolitical risks and/or conflicts were identified as a material topic for the Company and also as a material risk in the ERM (enterprise risk management) process for the 2024 reporting year. Climate-related risks may become ever more relevant in the course of climate change.

Governance
At the Supervisory Board level, the Audit Committee concerns itself with risk management and regularly monitors the effectiveness of the risk management system. Within the Management Board, the CFO is responsible for Company-wide risk management. The central office for risk management is part of the Audit, Compliance & Risk Management Department. It coordinates the risk management process and reporting. The head of this department reports directly to the CFO and, independently of that, directly to the Audit Committee of the Supervisory Board as well.

In principle, reporting to the Management Board and to the Supervisory Board Audit Committee on the risks that are material for the Group takes place on a semi-annual basis, although the regular reporting process is supplemented by ad hoc reports as necessary. This ensures that the Management and Supervisory Boards receive complete and timely information on significant risks to the Company. From financial year 2025 onward, the regular reporting intervals will be switched to quarterly reporting

Strategy and Regulations
ams OSRAM practices systematic risk management (ERM) to identify, assess, and control risks. Risks that could jeopardize the ams OSRAM Group's continued existence as a going concern or the achievement of strategic, operational, financial, and compliance objectives are to be identified at an early stage and risk-mitigating measures initiated on the basis of such systematic risk management. Non-financial risks such as transition risks and physical climate risks are also included in the ERM. The existing risk management system is continually refined and adapted in order to meet changing internal and external requirements.

Management of Impacts, Risks, and Opportunities
At ams OSRAM, the ERM system is a part of the interrelated processes and systems used for managing the Company. While enterprise risk management focuses primarily on addressing risks to the Company, business opportunities that arise and the means to achieve them form the core of the strategy, planning, and controlling process.

Identifying, assessing, reporting, and managing material risks is the responsibility of the management of the respective corporate departments and business units. Reported risks are assessed based on their impacts on business activities and the probability of occurrence.

The Risk Report, among other things, covers potential impacts of environmental, compliance, and quality risks on the Company. The management of sustainability-related risks is described in the relevant chapters on the material topics in this Sustainability Report.

The Audit Department monitors the effectiveness of the ERM system on an ongoing basis. In 2024, relevant thematic areas were examined as part of entity and process audits, and the findings contributed to the further optimization of our risk management.

Metrics and Targets
The overarching goal of ams OSRAM's risk management is to identify and evaluate existing and potential risks as early as possible and manage them in a way that ideally prevents their occurrence and/or minimizes any negative impacts.

4.2.2 Geopolitical Risks

Geopolitical impacts on ams OSRAM's business have been particularly evident in recent years as a result of the COVID-19 pandemic and the war in Ukraine and its consequences.

The ongoing war in Ukraine and the escalated conflict in the Middle East continue to dominate the current geopolitical situation. There could also be a further escalation in China's claims of sovereignty over Taiwan and therefore an increased decoupling of the relationship between the USA and China. The ongoing and regionally expanding war in the Middle East leads to indirect risks for the business of ams OSRAM. These risks could have direct effects on the existing procurement and sales markets of ams OSRAM, as well as indirect consequences due to changing macroeconomic conditions.

The business of ams OSRAM could also be impaired by increasing protectionism and the expansion of trade barriers due to political conflicts between individual countries. First and foremost, a further increase in the political tensions between the USA and China could impair the trade relationships of both nations' economies – which are also important for ams OSRAM's business – and lead to further restrictions. Such restrictions could have a particular effect on sales volume and procurement by ams OSRAM in both markets. Furthermore, it cannot be ruled out that the change in government administration in the USA will lead to adjustments in US economic policy. These changes could have negative effects on the trade and business conditions of foreign market participants like ams OSRAM. For example, punitive tariffs on high-technology products could have negative effects.

There is also the risk that despite enormous care and systematic implementation of the increasing regulatory requirements within international supply chains, violations of foreign regulations could occur, leading to negative effects on the businesses of ams OSRAM. In this context, there is also the risk that possible future export restrictions, particularly in the areas of semiconductor technology, could lead to customer-specific and country-specific trade restrictions. Were this risk to materialize, it could result in an inability to completely realize future sales potentials.

ams OSRAM is monitoring developments very closely to be prepared for changing business conditions and to be able to react quickly. Resources in the areas involved of the Company have been and are being reviewed and adjusted as necessary. Geopolitical developments are also playing an increasingly important role in pending investment decisions.

As identified geopolitical risks also impact other fields of risk, such as macroeconomic risks, business interruption risks, or financial risks, the Company follows and evaluates them from various angles, and tackles them in the form of multi-layered defense strategies and measures > Management Report, Risk Report.

4.2.3 Climate Risks

ams OSRAM applies the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) to evaluate potential climate risks. The intention here is to document and strengthen the Company's resilience to ensure its long-term sustainability and competitiveness despite climate change.

Basic Information and Difference from the Described ERM Methodology
In 2024, we advanced and updated our methodology for assessing climate risks (physical climate risks and climate-related transition risks). In this context, the methodology was adjusted to reflect the above-mentioned ERM system. To rate the potential extend of risks, the probability, impact, and timeframe of the specific hazards at the ams OSRAM sites and specific suppliers' and customers' sites was incorporated into this risk assessment.

The risks identified are monitored via the ERM system. At present, there is no financial quantification of the risks. All risks identified are currently below the defined ERM threshold values, so the ERM logic does not require their potential financial impacts to be evaluated. The risks described below are net risks, hereinafter termed "Risks after mitigating measures" and are consistent with our financial risk reporting.

Further details are available in the context of the Company's participation in the CDP Climate Change Questionnaire, which is posted on the Company website.

Assessment of Physical Risks
The evaluation of the physical climate risks was conducted as a first step by a recognized service provider for climate data and climate simulation models. In the process, 29 climate-related risks and hazards (acute and chronic) were analyzed for 22 key ams OSRAM sites (production, R&D, administration, and logistics), two important supplier sites, and three important customer sites; the analysis reflected different climate scenarios and timeframes.

Scenarios
As required by the EU Taxonomy and CSRD, the long-term analysis was based on four climate scenarios, i.e., the Representative Concentration Pathways (RCP) 2.6, 4.5, 6.0, and 8.5, with a special focus on the worst-case scenario for "fossil-fueled development" (RCP 8.5/SSP 5). SSP 5 assumes the increased exploitation of fossil-fuel resources and an energy-intensive lifestyle globally. Wherever data was available, the analysis relied on the more comprehensive climate scenarios that are outlined in the newly released Shared Socioeconomic Pathways (SSPs).

Timeframes
The short- to medium-term assessment covers the period up to 2030. Since the climate modeling and scenario methodology is forward-looking, it is practically impossible and/or not meaningful to assess a short-term period such as coming years using the same method. To nevertheless obtain a clear picture of the current situation and coming years, we have assessed short- and medium-term risks based on data on risks and occurrences since 2011 and projected these forward to 2030.

The long-term assessment was based on long-term climate data projections and/or the above-mentioned scenarios for the period 2031 to 2050.

Geolocation
We made use of the GPS (Global Positioning System) to define the coordinates of the sites assessed and locate them on risk maps (30 x 30 km resolution).

Short- to Medium-Term Climate-Related Physical Risks (up to 2030)
The short- to medium-term assessment enabled us to identify five significant risks (red flags) for ams OSRAM sites and two significant risks respectively for the sites of key suppliers and/or customers. No site is affected by more than one such climate risk. The acute climate risks predominate. From a regional viewpoint, it is exclusively our sites in Southeast Asia, particularly in Malaysia and China, that are currently affected.

In a second step intended to determine actual threats to the identified sites, a more detailed analysis was conducted. In this context, local hazard-zone plans were consulted as these were expected to indicate whether the sites did indeed lie within a hazard zone and what measures had already been taken by the relevant local authority, e.g., the creation of flood protection dams or flood areas. In addition, the extent to which the affected properties are prepared for such risks was examined, including an assessment of construction measures such as reinforced roofs, dams, or rainwater drainage, as well as a review of any damage that may have occurred in the past. It was determined that, to date, the above risks have not resulted in significant impacts at any of the sites identified, and/or the sites or communities have already taken measures to mitigate the risks. Therefore, it can be assumed that the sites will only be exposed to the potential climate risk to a low degree in the short to medium term. Nevertheless, ams OSRAM carefully monitors trends specifically at these sites to be able to respond at an early stage. The monitoring process is aligned with the expected life of the assets, the strategic planning horizons, and, if applicable, the capital allocation plans.

Furthermore, ams OSRAM draws up business continuity management plans outlining how 'business as usual' can be achieved as swiftly as possible after events such as natural disasters and other incidents that lead to interruptions. These plans are reviewed on an ongoing basis. This way, ams OSRAM limits the potential damage and avoids threats to its continuation. Corresponding insurance policies exist for all buildings.

Overview of Physical Risks

	until 2030	2030–2050			
		Scenario			
Risk		SSP1-2.6	SSP2-4.5	SSP3-7.0	SSP5-8.5
Acute					
Windstorm (incl. cyclone, hurricane and typhoon)	1	*	*	*	*
Heavy precipitation	1	*	*	*	*
Flood (coastal, fluvial, pluvial, ground water)	1	*	*	*	*
Subsidence	1	*	*	*	1
Chronical					
Changing air temperature			2	5	9
Heat stress				1	7
Sea level rise	1	*	*	*	1
Water stress			4	4	4

Number in table = amount of own sites affected

*Despite the absence of identified risks or data in these scenarios, we will continue to closely monitor developments.

Long-Term Climate-Related Physical Risks (2031–2050)
The long-term analysis timeframe (2031–2050) reveals an increase in risks in the various scenarios. Above all in the SSP 5-8.5 emissions scenario, 25 significant risks (red flags) at 12 own sites were identified. Chronic, heat-induced climate risks predominate here. A total of 50% of the Company's sites could potentially be threatened by heat stress and rising temperatures. Almost all the sites in Southeast Asia and North America could be affected by this, as will one site in Europe. Rising temperatures and heat stress are also the primary risks in the SSP3-7.0 and SSP2-4.5 scenarios.

We assume that the global efforts to reduce GHG emissions, the increasing investments in renewable energy, and progress in technologies such as enhancing energy efficiency will reduce the probability of an extreme emissions scenario. Nevertheless, a temperature rise will lead to necessary adjustments to infrastructure and/or equipment as well as the energy required for air conditioning and cooling. This may result in additional investments and higher operating costs. The same applies to suppliers and customers in these regions. The potential effects of rising temperatures and the need for additional cooling are monitored.

The same approach applies to the expected water stress. At present, water availability is not considered critical at any ams OSRAM site. Even if drought periods do not result in a red flag in the future, we may face greater water stress in Malaysia, the Philippines, and Singapore. Important semiconductor sites are located there and rely crucially on water for their manufacturing and cooling processes. To identify potential water shortages at an early stage, each year ams OSRAM reviews the water requirement at its sites using the Aqueduct Water Risk Atlas published by the World Resources Institute. It examines both the water withdrawal volume and the type and scale of wastewater discharge at the sites. To ensure a resource-conserving approach, we constantly seek to reduce our water consumption > 5.3.1 Water. We may need to intensify efforts going forward. This could require additional investment. Furthermore, water costs might rise, which could have a negative impact on operating costs.

Assessment of Transition Risks
In order to evaluate transition risks, we relied on a scenario that is aligned with the Paris Agreement and limitation of global warming to 1.5 °C and is based on related scenarios by the International Energy Agency (IEA) (net zero emissions by 2050, scenario for sustainable development, etc.) that are linked to the transition from a CO_2-intensive to a low-carbon economy. A two-stage assessment process was used to determine the (net) climate-related transition risks and opportunities.

In the first step, the analysis identified 15 potential risks and three potential opportunities that could all materialize in a medium- to long-term timeframe. The analysis was based on general and sector-specific assumptions that are listed in the Appendix under > 7.4 Index on GRI, TCFD (Including Assumptions on Climate-related Transition Risks), and SASB. These were rated according to probability and impact, whereby the classification relies on the methodology defined in the ERM system. The assessment identified six potentially significant risks and one potentially significant opportunity.

In a second step, these six transition risks identified as being potentially significant were explored further. Existing, proposed, or under evaluation risk mitigation measures were taken into account.

Transition Risks and Opportunities – Long List / Short List

Risks prior to risk-mitigating measures – Long List

Risks after risk-mitigating measures – Short List

Long List

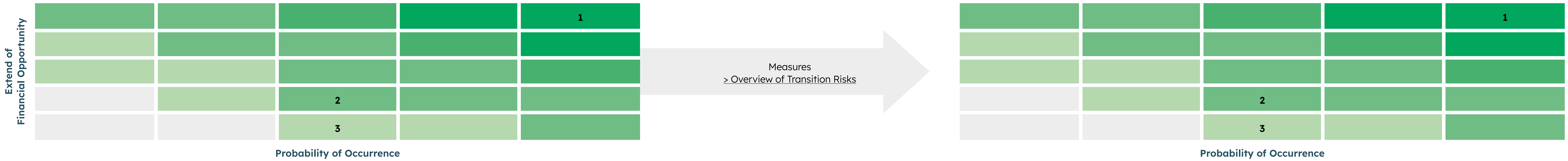
1 - Unsuccessful investment in new low-carbon products or or production processes
1 - Loss of revenues due to stigmatization
2 - Key customers switching to competitor's products
- Ban of non-efficient products / materials / processes
3 - Increased need for substituting of current products with low-carbon products
4 - Challenge to attract talents
5 - Increased cost of rare earth elements
6 - Legal action taken against ams OSRAM
7 - Non-compliance with reporting obligations
8 - Decrease of demand due to longer replacement cycles
- Inability to comply with circularity demands
- Inability to comply with end-of-life treatment
9 - Increased energy costs in operations
10 - Higher costs due to upstream carbon
11 - Higher costs due to statutory carbon pricing for own emissions

Short List

1 - Unsuccessful investment in new low-carbon products or production processes
2 - Increased cost of rare earth elements
3 - Key customers switching to competitor's products
4 - Increased need for substituting current products with low-carbon products
- Loss of revenues due to stigmatization
- Ban of non-efficient products / materials / processes

Opportunities prior to measures – Long List

Opportunities after measures – Short List



Long List

1 - Increased demand for energy-efficient products
2 - Increased resource and cost efficiency due to recycling of material / circularity
3 - Payback of current investment in renewable energy

Short List

1 - Increased demand for energy-efficient products
2 - Increased resource and cost efficiency due to recycling of material / circularity
3 - Payback of current investment in renewable energy

Overview of Transition Risks:

Risk	Scenario & timeframe	Potential impacts	Risk-mitigating measures	Risks after mitigating measures
Risk of key accounts switching to competitor's products with a lower CO_2 footprint (Element of the Risk of Competition for the Introduction of New Technologies)	1.5 °C scenario; market-related event; medium to long term	Investments made cannot be recouped through sales revenues, or only insufficiently, or only after a time lag	- Expansion of R&D for low-carbon products and services - Expansion of focused communication to foster awareness of the benefits of the Company's low-carbon products and services - Expansion of customer management/marketing - Expansion/systematic management of sustainability-relevant data customers require - Realization of focused market research activities	The risk is currently considered low. However, considered to be increasing, as long-term trends in a dynamic market environment are hard to predict. Uncertainties could be political developments that might lead to unexpected decisions, e.g., on transparency requirements for products
Risk that non-efficient products and services get banned (element of Legal and Compliance Risks[1])	1.5 °C scenario; regulation-driven transition event; medium to long term	Declining revenues and/or higher capital expenditures (CapEx) and R&D costs to develop products that comply with the new regulations	- Continuation/expansion of cooperation between the relevant business units to incorporate regulatory changes into product and service development at an early point in time - If required, elaboration of a transition plan to gradually phase out products and introduce compliant alternatives - Proactive interaction with customers to boost their demand for energy-efficient and thus lower-carbon products	Although the regulation of products is increasing, ams OSRAM currently rates the risk as low, as monitoring processes have been put in place. The risk could be higher in the long term, as global developments make it difficult to predict how quickly or progressively legislation will develop in the respective countries.
Risk of loss of revenues due to stigmatization of the Company as lagging behind industry standards	1.5 °C scenario; reputation-related transition event; long term	Declining revenues and/or higher operational expenditures (OpEx), also because of higher personnel and recruiting costs	- Implementation of a science-based climate strategy - Ongoing advances in the sustainability strategy, incl. objectives - Continued close customer relationships to understand and predict customer requirements and reflect this in the product development - Continued communications activities to position the Company as a key player in the semiconductor industry for innovative, low-carbon products - Continued participation in EU innovations programs for a climate-friendly transformation - Continued participation in industry associations to constantly monitor the sector's role and reputation - Compliance with all regulatory requirements and efforts that go even further	Since ams OSRAM has already implemented the above-mentioned strategies and upholds the described processes and measures, the Company expects no material risks here. At present, ams OSRAM is the market leader in its core businesses or is one of the market leaders.
Risk of a greater need to substitute current products with lower-carbon products (element of the Risk Competition for the Introduction of New Technologies[1])	1.5 °C scenario; technology-based transition event; medium to long term	Rising capital expenditures (CapEx) and R&D costs to develop products that meet the new requirements and expectations	- Continued investments in R&D in the field of low-carbon products and services - Continued participation in EU innovation programs for a climate-friendly transformation - Continued participation in industry associations to constantly monitor the sector's role and reputation - Close customer relationships to generate a need for/an interest in low-carbon products	Given existing strategies and processes, the Company does not expect any material risks in the long term. Long-term developments are, however, hard to predict. Political developments could lead to unexpected customer decisions.
Risk of unsuccessful investments in new low-carbon products or production processes (element of the Risk of Competition for the Introduction of New Technologies[1])	1.5 °C scenario; technology-based transition event; medium to long term	Declining revenues and/or rising capital expenditures (CapEx) and/or R&D costs	- Continued market research to monitor trends, the competition, consumer preferences, and legal requirements as regards low-carbon products - Continued close customer relationships to understand/predict customer requirements and/or future requirements to manage R&D activities and product developments - Continued participation in industry associations to constantly monitor the sector's role and reputation - Continuation/expansion of cooperation between the relevant business units to reflect regulatory changes in the development of products and services at an early point in time	As a supplier, ams OSRAM classifies the risk as moderate in the medium to long term, as more rapid adjustments may be necessary, which could possibly also lead to undesirable developments and higher costs.
Risk of higher costs for rare earths and other scarce resources (element of the risk of Dependence on Suppliers[1])	1.5 °C scenario; market-related transition event; medium to long term	Rise in procurement costs that could result from higher commodity prices	- Continued investment in R&D to lower reliance on rare earths and other scarce resources, e.g., for alternative materials in existing technologies or the development of new technologies that require no/fewer rare earths - Continued monitoring of market forecasts/reports on supply/demand of rare earths and alternatives - Long-term supply relationships including long-term contracts for access to materials with attractive/plannable prices	ams OSRAM rates the risk as moderate in the medium to long term. Uncertainties could come into play, in particular as geopolitical conflicts could lead to trade conflicts with unexpected impacts on prices (see also Geopolitical Risks[1]).
Opportunity of greater demand for energy-efficient products	1.5 °C scenario; market-related transition event; medium to long term	Positive trend in revenues and earnings	- Chapter > 2.2 Business Model and Portfolio of the present report describes how ams OSRAM seeks to create solutions and what measures are being taken to make the best possible use of the resulting business opportunities.	ams OSRAM assumes that these opportunities will materialize through implementation of the corresponding product roadmaps.

[1] > Management Report, Risk Management.

Summary
The aforementioned assessment does not indicate that there are significant short- or medium-term climate-related risks. Given the long period in which the potential physical risks could materialize (at the earliest as of 2030), no actual measures are necessary in the short term. In the medium term, ams OSRAM will monitor developments as required and initiate the corresponding measures.

Moreover, we assume in the medium to long term that the probability of occurrence and the impacts of transition risks will be moderate to low. We will continue to follow the above developments carefully.

The implementation of the “Increased demand for energy-efficient products” opportunity is a key component of the corporate strategy as well as the current and future technology and product roadmap and should help to strengthen the resilience of the business model. In the context of the analysis and evaluation, no assets or business activities were identified that are incompatible with the transition to a climate-neutral economy or entail considerable efforts to achieve compatibility. All transition risks identified relate to business activities and do not involve assets > Notes to the Consolidated Financial Statements, 1. General Principles – Contingencies and Main Judgments.

4.3 Integrity and Ethical Principles

4.3.1 Values and Code of Conduct

Due to its global business activities and the related possible and actual impacts on the economy, environment, and society, ams OSRAM bears a global responsibility. ams OSRAM is, furthermore, obligated to comply with an array of laws, rules, and regulations. In addition, ams OSRAM is committed to doing what is ethically correct. We wish to do justice to the trust our shareholders, customers, investors, employees, and other stakeholders have in us by maintaining high standards of integrity, reliability, and quality.

The Code of Conduct (CoC) constitutes the ethical-legal framework in which the Company operates. It applies to all ams OSRAM employees and board/committee members; it regulates internal interaction and relationships with external partners and the general public. Legal provisions, regulations for capital-market-based corporations[1], the principles of the UN Global Compact as well as the international treaties and agreements on human rights, combating corruption, and sustainability form the basis of our CoC. It is supplemented by specific and more extensive regulations and process descriptions.

The CoC forms a crucial element of the Group-wide compliance management system (CMS). The principles enshrined in the CoC go beyond the compliance issues and lay the foundations, for example, for fair labor conditions, health and safety, and adherence to human rights. Potential violations of the CoC can be reported using the Group-wide whistleblower system “Tell ams OSRAM”.

The CoC is binding for all employees. To sensitize them and embed the CoC within the corporate culture, a continuously improved training system has been established, including regular obligatory training sessions for employees and members of the boards/committees.

Violations of the law and non-adherence to the CoC as well as other internal guidelines can have severe legal consequences for both ams OSRAM and the persons involved. For further details on complaints management, please consult > 4.3.2 Combating Corruption and Anti-Competitive Behavior.

[1] Given its listing on the SIX Swiss Exchange, ams-OSRAM AG is subject to the corporate governance requirements set for publicly listed companies in Switzerland (the Swiss Corporate Governance Guidelines). The Company carefully adheres to these requirements, as it does to those set by Austrian stock corporation law. ams-OSRAM AG likewise takes into account the recommendations of the Austrian Corporate Governance Code and developments in the corresponding bodies of regulations issued by international investors and consultants on voting rights.

We also oblige our suppliers to comply with the values and principles defined in our CoC via our Code of Conduct for Suppliers > 6.1.2 Supply Chain Management.

4.3.2 Combating Corruption and Anti-Competitive Behavior

For ams OSRAM, the field of compliance creates risks and opportunities, the extent of which also depends on parameters such as the regional focus of business activities, the business model chosen, and the sectors in which the Company is active. For example, ams OSRAM is also active in countries that, according to Transparency International, feature an increased risk of corruption. The ams OSRAM business model relies primarily on business relationships between companies. Business activities both with suppliers and with customers therefore predominantly take place with other companies and rarely with governments and/or the public sector.

Corruption and anti-competitive behavior as well as other violations of regulations that are subject to fines and penalties can lead to sanctions, financial losses, or reputational damage. Irrespective of the statutory sanctions, in the case of a confirmed violation the employees in question must also expect disciplinary consequences. ams OSRAM is convinced that legally compliant behavior has a positive effect on the satisfaction of employees and business partners and is an important prerequisite for the Company’s success.

Governance
In the context of its oversight of the Management Board in its executive function within the Company, the Supervisory Board also monitors the functionality, appropriateness, and efficacy of the compliance management system (CMS). At ams OSRAM, this task is assigned to the Audit Committee of the Supervisory Board. The Group Management Board bears overall responsibility for the topic of compliance and the corresponding CMS. The CMS serves the Management Board as a means of fulfilling its mandatory management responsibility, its entrepreneurial due diligence, and its oversight duty to set up a control and monitoring system that at an early stage identifies developments that represent existential threats to the Group. Within the Management Board, the CFO is responsible for all compliance issues.

The compliance organization supports the Management Board in fulfilling its legal responsibility and due diligence obligations for the appropriate and effective management of compliance risks in the Group and the related supervisory duties. The Head of Compliance, Audit & Risk is responsible for the design and global operational implementation of, and continuous development of the CMS. He also ensures the goals set in connection with the compliance rules and guidelines are achieved and heads a global organization of experts at various sites and reports on a quarterly and ad hoc basis on current issues and possible risks both to the Management Board and also directly to the Supervisory Board Audit Committee.

Data privacy[1] is an integral element of the CMS and in organizational terms is embedded in the compliance organization. A Data Privacy Application Board (DPAB) has been set up, of which the Head of Data Privacy is a permanent member. He reports on current developments regularly and on an ad hoc basis directly to the Head of Compliance, Audit & Risk, and also directly to the Management Board. Data Protection Officers or Data Protection Coordinators are designated, as required by the relevant legislation, within the individual Group companies.

Strategy and Regulations
ams OSRAM is committed to fair competition and to preventing corruption and bribery. With its Compliance Strategy and the CMS based on it, ams OSRAM aspires to strengthen a corporate culture that prevents violations of rules that are subject to penalties and fines. To this end, the Company seeks to develop awareness of lawful behavior and integrity as a fundamental element of the corporate culture and advances this mindset on an ongoing basis. The strategy also includes consistently preventing corruption and bribery, investigating any cases of suspicion without exception, and implementing appropriate remedial measures if a suspected case is confirmed. Moreover, the established whistleblower system poses a key strategic element of our approach in terms of anti-corruption.

The CMS is based on the three pillars of Prevent, Detect, and Respond. It covers rules such as the Code of Conduct (CoC) for employees and the Group guideline on Compliance as well as measures and processes in the fields of combating corruption, antitrust and competition law, prevention of money laundering, data privacy, and export controls. These rules also include interaction with business partners and other external groups. Furthermore, there are rules such as the Code of Conduct for Suppliers that are binding for part of the value chain but lie outside the Company itself.

[1] Data privacy was not identified as a material issue in the context of the materiality analysis. We nevertheless address the matter in this chapter, given its general importance.

Adherence to the CoC, which is consistent with the provisions of the United Nations Convention against Corruption and is available in various languages, is binding for all employees and forms the very basis for bonus payments under the Long Term Incentive Plan (LTIP). The Group Compliance guideline specifies the behavioral requirements outlined in the CoC and contains specific guidelines and process requirements on the following points, among others:

- Combating corruption
- Antitrust and competition law
- Export controls
- Reporting and handling of compliance incidents
- Prevention of money laundering

In the field of data privacy, the Group Data Privacy Guideline contains fundamental principles, regulations, and processes to protect the person-related data of employees, customers, suppliers, and business partners. The Head of Data Privacy is responsible for managing risks, developing corresponding action plans, and achieving set goals.

Management of Impacts, Risks, and Opportunities
In order to identify potential compliance risks at an early stage and counter them appropriately, annual risk assessments are carried out at selected Group entities on all compliance issues. After categorizing the Group companies into risk groups, the companies to be audited are selected according to a risk-based approach and then subjected to a risk analysis. Key corporate functions are also scrutinized with regard to their risk potential. Significant compliance risks are likewise the subject of risk management at the Group level and in the relevant reporting.

In the field of data privacy, all processes relating to personal data are documented in a so-called index of procedures. It is used to assess internal processes concerning data privacy risks within the Company.

ams OSRAM has various tool-based processes for dealing with risks resulting from corruption-relevant behavior. For example, due diligence is conducted for risk-related business partners before the conclusion of a contract. Moreover, we also require our suppliers to sign the Code of Conduct for Suppliers and thus commit to prohibiting corruption and bribery > 6.1.2 Supply Chain Management.

There are also tools that support our employees as they assess the legality of benefits such as gifts, hospitality, and invitations to entertainment events, or guide them through the approvals process.

A central feature of the CMS is our “Tell ams OSRAM” whistleblower system (part of the complaints system), which is available in various languages. It is managed by an independent operator and complies with the stringent European data privacy regulations. Employees and third parties (e.g., our suppliers, employees, business partners, and residents of communities around our sites) can use this electronic whistleblower system at any time, and if so desired also point to potential risks and violations anonymously. Alongside compliance topics (see the aforementioned description of the CoC), information can also be reported on risks and violations of human rights, working conditions, and environmental protection (in ams OSRAM’s own business activities and within our supply chain). Complaints/reports can also be filed by other means, for example by mail. Internally, employees can report information to the Compliance, Human Resources (HR), Procurement, or EHS organization as well as to the respective line manager or employee representatives.

All reports of potential compliance violations (see the table Compliance Incidents) will be investigated. If there are concrete indications of a violation, the Company will conduct independent internal investigations in line with the Group compliance guidelines. If this then reveals a violation, the Compliance organization recommends measures to remedy any shortcomings thus identified and will monitor their implementation. In the event of misconduct on the part of our employees, ams OSRAM may take disciplinary action under labor law. At ams OSRAM, there is an independent Corporate Disciplinary Committee to ensure the appropriateness of proposed disciplinary action; its decisions are binding throughout the Group. The application of fixed standards and consistent decision-making criteria (including mitigating measures) is designed to safeguard a fair process that treats all employees equally. The Management Board and the Supervisory Boards are regularly and/or on an ad hoc basis informed of the activities and insights of the Corporate Disciplinary Committee.

Complaints and information reported are always processed by independent employees who are bound to act independently and confidentially when fulfilling their tasks. Moreover, they must obey the data privacy regulations, uphold transparency, and secure the rights of all persons involved. Whistleblowers are involved in the process as far as possible and informed of its results.

ams OSRAM does not tolerate any kind of retaliation against whistleblowers. All persons who report a complaint or information in good faith are then protected against all kinds of retaliation and other disadvantaging (in particular intimidation, animosity, punishment, measures under labor law, or the like). We investigate all plausible claims of disadvantage. Justified allegations of discrimination constitute a compliance violation and are accordingly sanctioned as a severe act of misconduct. This also applies if the information provided should prove to be unfounded. For more information on whistleblower protection, please consult the Code of Conduct and the Rules of Procedure for Complaints Processes.

Proven violations are analyzed on an ongoing basis, and the resulting insights are taken into account in the ongoing further development of the CMS.

The Compliance organization uses various internal training and communications measures to highlight the availability of safe and secure reporting channels, in particular 'Tell ams OSRAM', and calls for these to be used when appropriate.

Moreover, in order to strengthen our compliance culture, we regularly conduct local and cross-location communication measures on current developments in compliance.

In the case of proven risks or violations, the necessary remedial measures are enacted in order to eliminate, minimize, or in the future prevent the shortcomings in question. Under certain conditions, compensation or, if necessary, measures under labor law may be necessary. When defining effective remedial measures, we consider the interests of potentially concerned parties as well as other interest groups, among them employees, suppliers, or civil society actors who can report information on potential risks or violations using the complaints system. The implementation of remedial measures is consistently monitored. This occurs on an ongoing and independent basis through the responsible specialist department (such as HR, EHS, or Procurement) and, later in the process, through the monitoring function of the Group Human Rights Officer.

Our multi-stage, target-group-oriented training concept forms another elementary component of the CMS.

The 'Code of Conduct' training is mandatory for all employees throughout the Group (i.e., for direct employees, including the Management Board, as well as for indirect production staff and technicians who generally do not have direct company access to e-mail). The training must be completed annually and aims to guide employees through all key topics of our CoC. While the indirect employees complete the training online, the training for direct employees takes the form of a video focusing on production-related topics. There is also additional standard online training on anti-corruption and data privacy, which is mandatory for all indirect employees. In addition, in line with a risk-based approach, special online training courses are offered for selected target groups (employees in sensitive functions) in the areas of antitrust law, export controls, and money laundering prevention (see table on Training on Compliance and Ethical Standards). Both the standard and the special training sessions address the possible employee exposure to risks, the correct way to tackle the issue, and the possible consequences for the Company and individual employees in the event of a violation. The training cycle for these courses is three years.

In 2024, the CMS was further developed to respond appropriately to growing global regulatory and customer-specific requirements. Against the backdrop of the Company's increasing focus on the semiconductor business, the export controls team within the Compliance organization was strengthened even further to appropriately implement the relevant changes in legislation and trade restrictions resulting from the trade conflict between the USA and China, and the sanctions against Russia.

Parameters and Objectives

The Company's overarching objective in the field of Compliance is to prevent cases of corruption and bribery as well as other activities potentially breaching criminal law. To achieve this and limit potential negative impacts, the Company has set itself the goal of advancing the CMS already installed on an ongoing basis.

ams OSRAM considers regular employee training sessions as a crucial key to avoiding incidents of corruption. For this reason, relevant employees receive ongoing training as described on compliance topics in a risk-based and target-group-specific manner. Measured in terms of the defined training cycles, the individual training sessions achieved the following coverage ratios as of year-end 2024 respectively.

Training on Compliance and Ethical Standards

	Trainings							
	General and in-depth				Risk-oriented			
	Code of Conduct for indirect employees	Code of Conduct for direct employees	Anti-corruption	Data protection	Antitrust	Export control	Money laundering	Supervisory Board training
Training coverage								
Target group	All indirect employees[1]	All direct employees	All indirect employees[1]	All indirect employees[1]	Employees in risk function[1]	Employees in risk function[1]	Employees in risk function	Members of Supervisory Board
Description of the target group					Sales, marketing, procurement, management (from Grade 19), and selected corporate functions[4]	Top management (from Grade 21), sales, marketing, procurement, and selected corporate functions[4]	Top management (from Grade 21), finance[4]	Members of Supervisory Board
Number of employees in target group[2], respectively members of the Supervisory Board	10,747	8,924	10,747	10,747	3,408	1,870	1,514	12
therein indirect employees	10,747	-	10,747	10,747	3,408	1,855	1,514	-
therein direct employees	-	8,924	-	-	-	15	-	-
Number of trained employees in target group	10,068	7,975	10,415	10,381	3,277	1,786	1,445	12[3]
therein indirect employees	10,068	-	10,415	10,381	3,277	1,776	1,445	-
therein direct employees	n/a[1]	7,975	-	-	-	10	-	-
Type and duration of training								
Presence training								60min
Online training	30min	15min	60min	30min	60min	45min	30min	
Training frequency								
Frequency of the training to be carried out	annually	annually	triennial	triennial	triennial	triennial	triennial	one-time
Topics covered								
General behavioral requirements	x	x						
Human rights and labor conditions	x	x						
Corruption and bribery	x		x					
Antitrust law	x				x			
Data protection	x			x				
Export control						x		
Money laundering							x	
Regulations at ams OSRAM								
Other/occasion-related						x		x[3]

[1] Incl. members of the Management Board; the Management Board completed 100% of the training courses allocated to it in financial year 2024
[2] An employee can be assigned to several target groups so that the total number of employees in the target groups does not correspond to the total number of employees in the Company.
[3] Supervisory Board: training as part of an onboarding process as well as other, also event-related training such as capital market-related compliance training; in financial year 2024 one new member joined the Supervisory Board
[4] The functions classified as at-risk functions are 100% covered by relevant training.

Compliance Incidents[1]

	2024	2023	2022
Number of (unclosed) compliance incidents as of January 1	**14**	**22**	**25**
New compliance incidents	**34**	**27**	**39**
Compliance incidents closed during the year	**38**	**35**	**42**
Number of compliance incidents[2] from 2024 with proven violations	13	12	14
Number of compliance incidents from previous years with proven violations	9	12	14
Number of consequences under labor law in the event of proven violations	1	2	6
therein number of workers dismissed due to corruption or bribery-related incidents	-	-	-
Number of business partner relatonships terminated due to incidents of corruption or bribery	-	-	-
Number of (unclosed) compliance incidents as of December 31	**10**	**14**	**22**
Number of antitrust or monopoly lawsuits	**-**	**-**	**-**
Number of legal actions for other anti-competitive behavior	**-**	**-**	**-**

[1] Compliance incidents encompass especially all plausible allegations of a violation of criminal or administrative law related to ams OSRAM's business activities.
[2] Therein number of compliance incidents with proven violations in the following fields: corruption or bribery: 0; money-laundering or insider trading: 0; conflicts of interest: 0. There were minor incidents in the following areas: incidents against customs regulations: 1; incidents against foreign trade regulations: 1; environmental and occupational health and safety regulations: 2; asset/property crimes: 9.

In the field of data privacy, our goal is to protect any personal data of our employees, customers, suppliers, and business partners in all products and processes, and avoid any possible data privacy breaches. All our employees are obliged to treat personal data confidentially. ams OSRAM has specifically set itself the target of putting in place an automated and integrated procedural register for the entire Group by the end of 2024, and of revising the ams OSRAM Binding Corporate Rules (BCRs[3]) in line with the European Data Protection Board (EDPB). Another focus was on implementing a Group-wide governance system for video surveillance facilities (including a corresponding guideline, documentation, and approvals process).

Below is an overview of enquiries from the authorities and other parties as well as of occurrences in the field of data protection.

Protection and Security of Personal Data

	2024	2023	2022
Governmental data protection requests	-	2	-
Customer complaints	-	-	2
Requests for information[4]			
in time	11	25	53
not in time	-	-	-
Privacy incidents			
without sanctions	4	7	1
with sanctions	-	-	-

[3] BCRs are data protection rules that corporations domiciled inside the EU apply when transmitting personal data to countries outside the EU and within a corporate or company group.
[4] Requests for information are based on data subjects' right to be informed (GDPR). This right allows natural persons (data subjects) to ask the entity responsible for data processing (here ams OSRAM) for information about which data has been collected about them and how it is used.

5 Environmental and Climate Protection

Environmental Management

Climate Protection

- Greenhouse Gas Emissions
- Energy Efficiency at the ams OSRAM Locations

Circular Economy

- Water
- Waste
- Resource Efficiency

EU Taxonomy

5.1 Environmental Management

The ams OSRAM business model involves opportunities and risks regarding the environment. These are outlined in chapter > 2.2 Business Model and Portfolio.

Governance
Overall responsibility for environmental protection and occupational health and safety within the ams OSRAM Group lies with the Chief Executive Officer (CEO), who has delegated tasks and managerial authority to the Head of Corporate EHS. At regular intervals, the EHS Department reports directly to the Management Board on significant developments.

Strategy and Regulations
Protecting the climate and the environment is a precondition for sustainable business. Therefore, at ams OSRAM we are committed to complying with stringent environmental standards and responsible environmental management. The objective is to make efficient use of resources and adhere to the statutory environmental protection regulations. Through our activities and by using a certified environmental management system, we seek to meet the growing expectations of our employees and customers as well as the capital market and society as a whole. In doing so, we not only aspire to fulfill the legal requirements but also to help maintain ams OSRAM's social 'license to operate'.

The EHS Department coordinates environmental protection requirements, oversees their local implementation, and advances the environmental management system on an ongoing basis. To this end, it issues the Group-wide EHS Manual (rules including EHS Policy) and defines supporting EHS processes in order to comply with the environmentally relevant regulations and laws at the local and regional level as well as global internal requirements. The manual takes into account industrial and product-related environmental protection, the transportation of hazardous goods, occupational health and safety, and fire protection. Corresponding reviews of these topics are carried out prior to mergers and acquisitions.

Managing Impacts, Risks, and Opportunities
All production facilities and the headquarters in Premstätten (Austria) have an environmental management system that is certified to the international standard ISO 14001. The locations in Regensburg, Berlin, Schwabmünchen, Herbrechtingen, and Munich (Germany) and, for the first time this year, the Ang Mo Kio (Singapore) site are also using an ISO 50001-certified energy management system. All ams OSRAM employees are trained upon joining the Company on EHS-related issues and are then given further training at regular intervals. The aim is not just to raise awareness of such issues but also to point out the consequences for ams OSRAM of any regulatory breaches. In the financial year 2024, external audits were successfully carried out at seven sites, five of which had ISO 14001 and three ISO 50001 certifications. To monitor the global and enduring application of the EHS management system, the corporate EHS Department also conducted eight corporate EHS audits. These combined audits are based on the ISO 14001 and ISO 45001 standards (occupational health and safety management systems) and, in Germany and Singapore, also on ISO 50001.

ams OSRAM's processes also consider the legislation regulating the use and declaration of specified hazardous substances in semiconductor components, and in electrical and electronic equipment that is relevant to the Company. Our requirements regulate the use and handling of raw materials and substances at our locations and therefore protect people's health and the environment both inside and outside the Company > 5.3.3 Resource Efficiency. The individual business units implement the corporate EHS requirements and are also responsible for designing products to be environmentally compatible and ensuring that both their manufacture and use are energy-efficient.

The corporate EHS Department cooperates with government agencies and industry associations on a variety of topics. It also regularly carries out site visits, inspections, and internal audits to review the implementation of the regulations defined in the EHS Manual and additional processes at the locations.

In our supply chain, we use contractual regulations and the Code of Conduct for Suppliers to emphasize our expectations in terms of environmental and climate protection, and insist these be applied > 6.1.2 Supply Chain Management.

Metrics and Targets
Each year, ams OSRAM sets itself targets for energy consumption, GHG emissions, water withdrawal, and waste generation. These are defined at site level and aggregated to overall global targets. Managers implement the measures specified at the individual manufacturing locations. The results are outlined in the respective sections of chapter 5.

ams OSRAM tracks the data collected and achievement of relative targets at the Group level as part of the quarterly EHS reporting. These relative KPIs set an absolute budgeted target or actual figure in relation to the generated or budgeted operative output[1] (operative output in EUR million). This approach enables us to define relative environmental parameters based on our own operational activity, regardless of contract manufacturing.

Operations in Kunshan (China) were discontinued in mid-year and the activities were transferred to Foshan (likewise China) or discontinued completely. The 8-inch LED factory in Kulim (Malaysia) did not go into operation as planned following the termination of a key microLED project. Nevertheless, this makes a significant contribution to our key environmental figures.

During the reporting period, no relevant penalties or fines of over EUR 10,000 were imposed on ams OSRAM for breaches of environmental protection rules.

Our environmental reporting covers data on energy consumption, GHG emissions, emissions of volatile organic compounds (VOC), water withdrawal, wastewater volumes, and the generation of waste. The data published in the present report covers more than 99% of our own environmental impacts[2] and the locations where 90% of all employees work.

The data and targets reported in the chapters on Energy Efficiency at the ams OSRAM Locations, Greenhouse Gas Emissions, Waste, and Water entail both absolute and relative KPIs.

[1] Operative output is production output valued at standard costs, chiefly comprising the cost of materials and personnel expenses, depreciation, and value creation.
[2] This estimate is made on the basis of energy consumption, which is the most relevant metric in the context of ams OSRAM's environmental impacts.

5.2 Climate Protection

To combat climate change, the international community committed within the framework of the 2015 Paris Agreement to limiting the global temperature increase to 1.5 °C if at all possible, and in any event to well below 2 °C. In Europe, the European Commission in particular has taken action, in this regard with its Green Deal. However, the capital market, customers, and civil society also place demands on companies. As an industrial corporation, ams OSRAM contributes to climate change specifically through the manufacture of its products, as this entails greenhouse gas emissions. The following describes how the Company fulfills its responsibility.

5.2.1 Greenhouse Gas Emissions

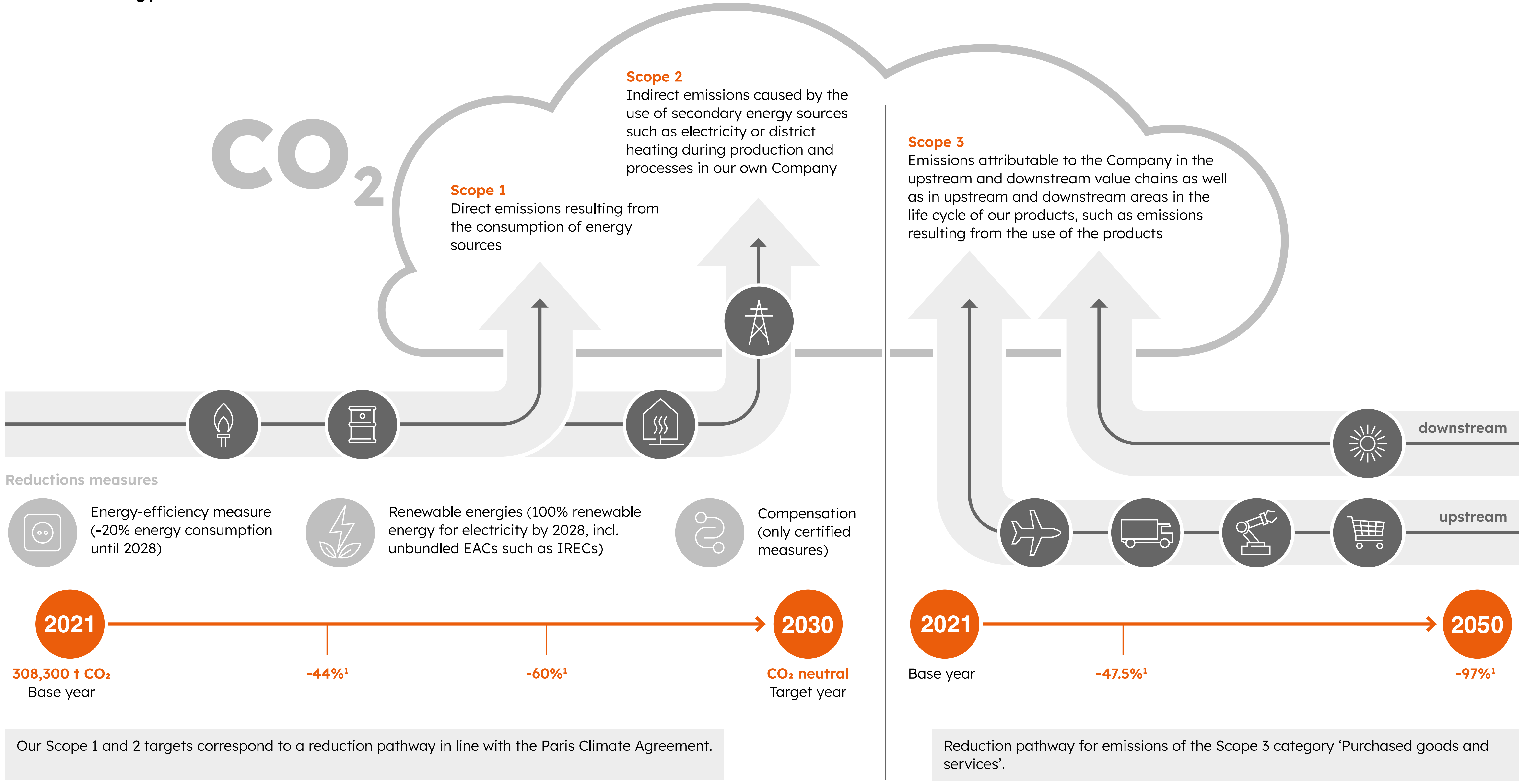
Strategy and Regulations
ams OSRAM has committed to reducing emissions of climate-damaging greenhouse gases in its own business activities. In 2021, the decision was made to achieve carbon-neutral operations with regard to Scope 1 and Scope 2 (in accordance with the Greenhouse Gas Protocol) by the year 2030. As part of our climate strategy, a reduction pathway was agreed upon for achieving the Scope 1 and Scope 2 targets consistent with a maximum warming of 1.5 °C. The climate strategy developed to achieve this target in 2022 was consistently pursued in 2024. Additionally, ams OSRAM is committed to reducing emissions caused in the upstream Scope 3 category 'Purchased goods and services' by 47.5% per EUR of value added by 2030 and lowering them further by a total of 97% by 2050 > 6.1.2 Supply Chain Management.

In this context, ams OSRAM focuses on the following:

1 Avoiding direct and indirect emissions and further reducing energy consumption (> 5.2.2 Energy Efficiency at the ams OSRAM Locations)
2 Purchasing green electricity with guarantee-of-origin certification or Unbundled Energy Attribute Certificates (EACs)
3 The plan is to compensate emissions that cannot be avoided through reduction or efficiency programs, or that cannot be avoided with the sourcing of renewable energy, by offsetting them with high-grade certificates (Carbon Credits), e.g., Gold Standard or Verified Carbon Standard (VCS) credits. This instrument was not relevant in the financial year 2024 and was not used.

In 2023, we launched our 'Operations Sustainability Program' for our semiconductor sites, which are responsible for 85% of the Group's GHG emissions. One emphasis is on putting our Climate Strategy into practice at these sites.

Climate Strategy



[1] In comparison to base year

Managing Impacts, Risks, and Opportunities
Direct and indirect GHG emissions resulting chiefly from our use of energy contribute to climate change. Climate-relevant emissions also arise in our upstream and downstream value chain. ams OSRAM is therefore committed to reducing its emissions as part of its Climate Strategy (see the section Metrics and Targets).

ams OSRAM records and reports its GHG emissions in accordance with the recognized Greenhouse Gas (GHG) Protocol standard and the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). It thus subdivides its emissions into:

- Scope 1: direct emissions from the use of energy sources and of gases with climate-relevant characteristics that are used in manufacturing processes and cannot be completely broken down in the exhaust gas flow,
- Scope 2: indirect emissions resulting from the use of secondary energy sources such as electricity or district heating, and
- Scope 3: emissions that occur upstream or downstream in our value chain and are attributable to the Company.

We report our Scope 2 emissions using both market-based accounting, i.e. based on the vendor-specific emission factor, and location-based accounting, i.e. using the regional and national specific emission factor in the electricity mix. Scope 1 and Scope 2 emissions are recorded based on energy consumption and are reported as absolute figures at location level and converted using the corresponding factors. Emissions resulting from residues of climate-relevant process gases are estimated from the quantities used, the operating period, and the efficiency of the waste gas treatment facilities at our locations in Premstätten (Austria), Kulim (Malaysia), Regensburg (Germany), and Wuxi (China). ams OSRAM is working on refining and consolidating this model through measurements within the exhaust systems and comparisons with data published elsewhere in the semiconductor industry. This year, emissions from the loss of coolants were also taken into account for the first time, even if this contribution is relatively small.

For 2024, ams OSRAM prepared figures for individual Scope 3 categories for the entire Group. Purchased goods and services as well as capital goods were included. An approximation model[1] recognized in the industry was used for this purpose. GHG emissions from upstream transport and distribution activities as well as from business travel are calculated based on data[2] we obtained from our business partners and service providers.

[1] estell 6, Systain

To ensure our efforts are externally assessed, ams OSRAM takes part in the CDP annual survey, the world's biggest rating platform for climate protection.

CDP Climate Change

	2024	2023	2022	2021	2020
Score	B	B	C	B-	C

Metrics and Targets
ams OSRAM has set itself an ambitious target for Scope 1 and 2[3], and has compared the reduction pathway with the method put forward by the Science Based Targets initiative (SBTi). The intention is to ensure that, at a minimum, it meets and/or surpasses the SBTi requirements. The following approach was chosen:

- Coverage: Scope 1 and 2
- Method: absolute reduction
- Scenario: 1.5 °C and/or reduction pathway envisaging a reduction of at least 42% by the year 2030 or an annual reduction of at least 4.2%
- Timeframe: by the year 2030

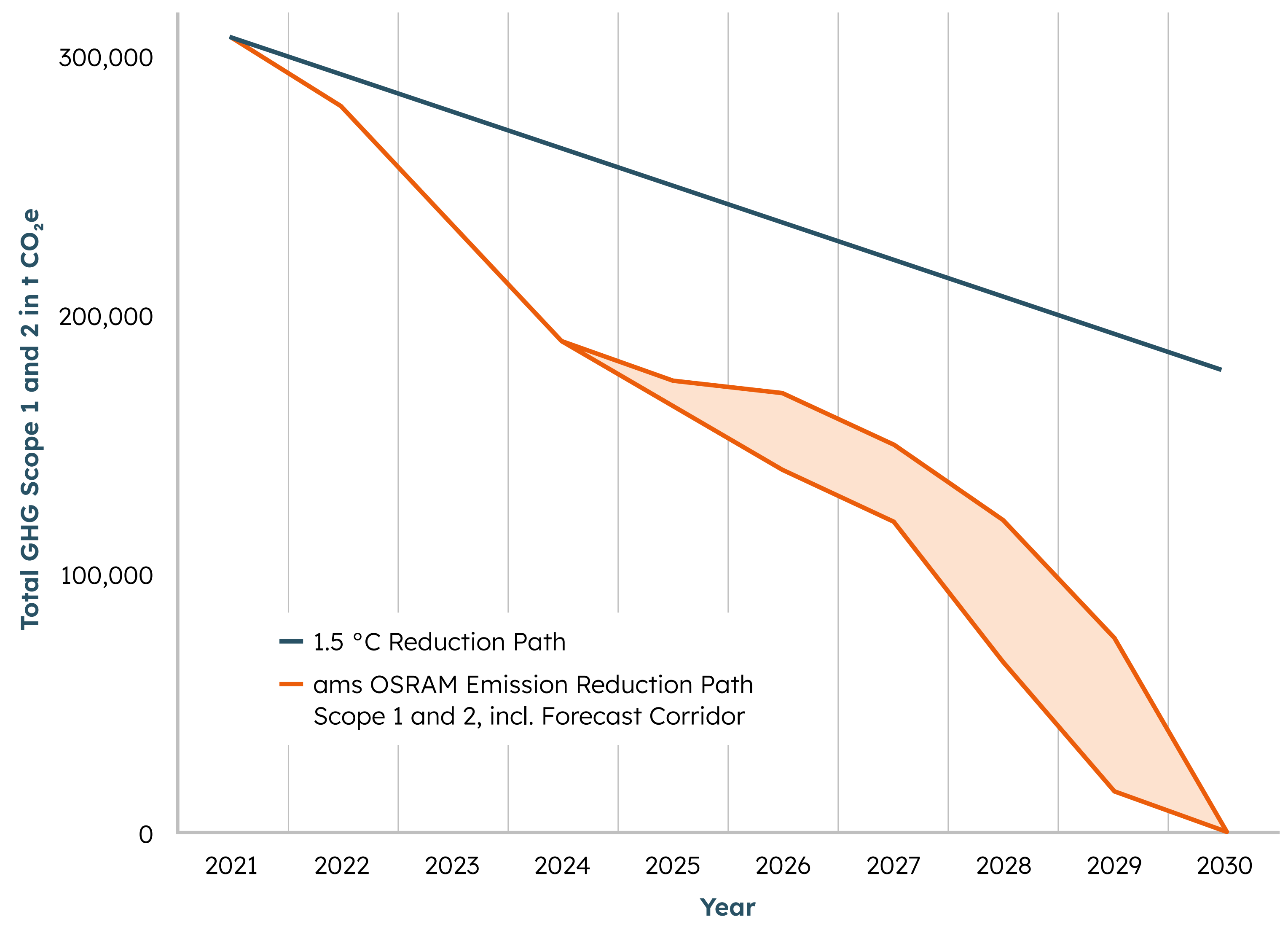
The reduction pathway accordingly shows what adherence to the 1.5 °C limit would mean at the corporate level. Due to possible portfolio changes and growth potentials, this pathway is dynamic, whereby the target remains constant. It is presented below as a timeline:

For Scope 3[3], ams OSRAM has also set a base year and harmonized the reduction path with the SBTi method. The intention was to ensure that, at the least, it fulfilled or indeed surpassed the SBTi stipulations. The following approach was chosen:

- Coverage: Scope 3, category 'Purchased Goods and Services'
- Method: economic intensity
- Scenario: 1.5 °C and/or reduction path that envisages a reduction of at least 47.5% by the year 2030 or an annual reduction of at least 7.0%
- Timeframes: by the year 2050 (interim target: by the year 2030)

[2] The data are in part based on estimates.
[3] The target is currently not registered with SBTi; registration is a medium-term objective.

Emission Reduction Path Scope 1 and 2



As regards Scope 1 and 2 as well as Scope 3 (category 'Purchased Goods and Services'), the year 2021 was chosen as the base year for the Climate Strategy. Since only a few sites emit VOCs and only in minor volumes, in this field, we have set ourselves the goal of a general reduction rather than specific targets.

The annual GHG emissions and energy-efficiency targets are closely bound up with each other as regards Scope 1 and 2. ams OSRAM calculates the overall global target in metric tons of CO_2 equivalents (t CO_2e) in relation to operative output > 5.1 Environmental Management.

In the 2024 reporting year, we succeeded in significantly reducing GHG emissions, among other things by procuring more green electricity (e.g. in Wuxi (China)). and certificates (e.g. in Penang (Malaysia)). than planned. In addition, there was an increase in the purchase of electricity from nuclear sources in Wuxi. As a result, we actually significantly outperformed the internally communicated interim target for 2024 given in the Climate Roadmap. Furthermore, the relative target scaled to operative output was achieved and significantly improved compared to the previous year.

GHG Emissions

in metric tons CO_2e	2024	2023	2022	2021	2020
GHG Scope 1 emissions[1]	**53,100**	**51,700**	**65,500**	**46,600**	**51,700**
Natural gas	21,700	23,600	27,100	29,600	29,900
Liquefied petroleum gas, diesel for on-site use, heating oil	2,000	1,800	2,600	2,600	2,800
Process gas emissions (PFC, HFC, SF6, NF3, N2O)	27,500	26,300	35,800	14,400	19,000
Emissions from coolants	1,900				
GHG Scope 2 emissions (market-based)	**211,600**	**229,400**	**230,500**	**261,700**	**264,100**
Electricity	209,200	225,900	225,300	256,000	258,000
District heating and steam	2,400	3,500	5,200	5,700	6,100
GHG Scope 2 emissions (location-based)	**308,600**	**292,900**	**291,000**	**321,400**	**332,300**
Total GHG Scope 1 and 2 emissions (market-based)	**264,700**	**281,100**	**296,000**	**308,300**	**315,800**
Metric tons of GHG emissions from own activities (Scope 1 and 2) per EUR 1 million operative output	**140**	**169**	**149**	**146**	
Target for metric tons of GHG emissions from own activities (Scope 1 and 2) per EUR 1 million operative output	169	168	140		
Metric tons of GHG emissions from own activities (Scope 1 and 2) per EUR 1 million revenues	**78**				
Compensation of GHG emissions by EACs (Energy Attribute Certificates)	91,600	46,700	15,100		
Net GHG Scope 1 and Scope 2 emissions (market-based)	**173,100**	**234,400**	**280,900**	**308,300**	**315,800**
GHG reduction compared to base year 2021 (308,300 metric tons CO_2e), absolute	135,200	73,900	27,400		
GHG reduction compared to base year 2021	44%	24%	9%		
Avoidance of GHG emissions due to use of renewable energies incl. EACs (Energy Atrribute Certificates)	158,300	108,900	70,500	60,500	62,800
Avoidance of GHG emissions through energy efficiency projects (major projects)	2,100	5,200	1,800	4,600	
GHG Scope 3 emissions					
Purchased goods and services	623,700	718,300	1,119,800	1,106,400	1,071,300
Reduction of GHG emissions per EUR of value added compared to base year 2021	11%				
Capital goods	105,600	301,200	199,100	76,800	54,100
Upstream transport and distribution	33,400	42,200	47,400	59,700	54,500
Business travel	6,000	5,400	7,200	2,600	4,000
Sum of all GHG emissions, gross (marked-based)	**1,033,400**	**1,348,200**	**1,669,500**	**1,553,800**	**1,499,700**
Sum of all GHG emissions, gross (location-based)	**1,130,400**	**1,411,700**	**1,730,000**	**1,613,500**	**1,567,900**
VOC emissions	**48**	**26**	**34**	**30**	**29**

[1] None of our Scope 1 emissions are subject to any regulated trading scheme.

Renewable Energy
To achieve our climate target by the year 2030, alongside energy-efficiency measures ams OSRAM is primarily prioritizing green electricity and plans to expand its use. However, the purchase of renewable energies is currently not economically viable or available at all locations. Therefore, we also resort to the option of Renewable Energy Certificates (unbundled EACs) there to offset emissions.

In the reporting year, our consumption of electricity from renewable energy sources was as follows:

- The Premstätten (Austria) site has relied on carbon-neutral electricity from hydroelectric power stations and wind turbines since 2011.
- In Germany, the locations in Munich, Berlin, Regensburg, Herbrechtingen, and Schwabmünchen were switched to renewable energy sources at the start of 2020.
- At the Calamba facility (Philippines), 5,300 MWh of electricity was generated by solar power; this amounts to about 30% of the electricity consumed.
- The Exeter and Hillsboro sites are located in the US state of New Hampshire, where electricity suppliers are obliged under the 'Electric Renewable Portfolio Standard' to provide a minimum share of 15.8% of the electricity mix from renewable energy sources.
- At the site in Wuxi (China), an electricity mix with a 22% renewable share was purchased for the first time in 2023. This corresponds to 16,600 MWh of green energy. The plan is to gradually increase this ratio over the next few years.

In addition to the Wuxi and Premstätten sites, the Regensburg and Nové Zámky (Slovakia) sites also contributed to our in-house generation of renewable energy, bringing the total volume to around 2,200 MWh.

In addition, the consumption of the Calamba (Philippines) and Penang (Malaysia) sites was partially offset and the consumption of the Ang Mo Kio site (Singapore) and the second module at the Kulim site (Malaysia) was fully offset with a total of 165,449 green electricity certificates (unbundled EACs).

In order to achieve ams OSRAM's target of carbon neutrality in its own value chain by the year 2030, a ratio of up to 100% electricity from renewable energy sources will presumably be required, including the use of green electricity certificates. The consumption of electricity from renewable energy sources and their share of total electricity consumption as well as the number of EACs purchased are stated in the Energy Consumption table > 5.2.2 Energy Efficiency at the ams OSRAM Locations, Metrics and Targets.

5.2.2 Energy Efficiency at the ams OSRAM Locations

As an industrial company, ams OSRAM consumes primary and secondary energy, with electricity and natural gas predominating as energy sources. Particularly relevant here are the production sites, which use electricity in all areas, from production to administration. Natural gas is used primarily for heating and in post-combustion for process gas treatment at the semiconductor locations. The production of lamps, such as halogen lamps (automotive) that have glass bodies not made of quartz glass, depends essentially on natural or liquefied gas. Furthermore, ams OSRAM has operated several natural-gas-driven cogeneration units in Germany in 2024.

Strategy and Regulations
All production sites that exceed a constant annual consumption threshold of 1,400 megawatt-hours (MWh) are certified to ISO 14001 and thus also have energy-efficiency programs and measures in place. In addition, sites in Germany (5) and Singapore (1) are ISO 50001-certified. The assessment of regulatory requirements and potential improvement measures is also compulsory for these locations. This will reduce the burden on the environment and make production costs more competitive.

For information on the rules and certifications, please consult chapter > 5.1 Environmental Management and > 5.2.1 Greenhouse Gas Emissions, Metrics and Targets.

Managing Impacts, Risks, and Opportunities
The following selected energy-efficiency measures have contributed to reducing CO_2 emissions:

Selected Key Projects

Plant/location	Measure/result	Saving (Mwh)	Saving (CO_2 emissions in metric tons)
Kulim (Malaysia)	Along with the continued optimization of the cooling units, the air conditioning system's cooling method was switched from air cooling to water cooling.	1,644	972
Premstätten (Austria)	The room lighting was partially upgraded to LED technology. The cooling units underwent an overhaul, and the emergency power batteries were replaced. Additionally, the air treatment system within the air conditioning system was upgraded to meet the latest technical standards.	1,429	0
Penang (Malaysia)	The cooling water temperature in the plant was increased, resulting in reduced load on the chiller. Additionally, the air conditioning system was optimized.	1,282	972
Herbrechtingen (Germany)	Installation of a capacity-optimized air separation unit for nitrogen production to replace an older, now oversized unit.	922	0
Berlin (Germany)	Installation of a new and more efficient compressor for compressed air generation.	438	0
Foshan (China)	Modernization of the lighting system in a production hall by installing LED lighting. Additionally, the circulation pumps in the cooling water circuits were partially modernized, allowing redundant ones to be removed.	243	155
Overall savings of selected energy efficiency measures		**~6,000**	**~2,100**

Metrics and Targets

The relative target for energy consumption set for 2024 and expected total greenhouse gas emissions are compatible with the reduction path defined in 2022 to achieve our climate target.

In 2024, absolute energy consumption remained at around the same level as in the previous year (an increase of 1.7%). The relative target scaled to operative output was clearly achieved and specific energy consumption was reduced by 11% compared to the previous year. The second production module in Kulim (Malaysia) accounted for 8% of total energy consumption in 2024, without contributing to operative output.

ams OSRAM launched its ‘Operations Sustainability Program’ for its own semiconductor production sites in 2023 and thus set itself ambitious objectives. For example, by the year 2028, the plan is to use energy-efficiency measures to reduce energy consumption by the semiconductor sites by 20% on the 2022 figure.

Energy Consumption

<table>
<tr><th>in MWh</th><th>2024</th><th>2023</th><th>2022</th><th>2021</th><th>2020</th></tr>
<tr><td>Primary energy</td><td>130,400</td><td>137,300</td><td>162,100</td><td>175,500</td><td>173,900</td></tr>
<tr><td>Natural gas</td><td>109,400</td><td>118,500</td><td>136,300</td><td>149,200</td><td>149,000</td></tr>
<tr><td>therein used for tri-generation</td><td>46,000</td><td>52,800</td><td></td><td></td><td></td></tr>
<tr><td>Liquefied petroleum gas, diesel, heating oil for on-site use</td><td>8,500</td><td rowspan="2">18,800</td><td rowspan="2">25,800</td><td rowspan="2">26,300</td><td rowspan="2">24,900</td></tr>
<tr><td>Hydrogen (gray)</td><td>12,500</td></tr>
<tr><td>Secondary energy (non-renewable)</td><td>271,900</td><td>340,600</td><td>418,800</td><td>716,900</td><td>725,400</td></tr>
<tr><td>Electricity, purchased, from fossil sources</td><td>183,800</td><td rowspan="2">322,000</td><td rowspan="2">396,000</td><td rowspan="2">689,100</td><td rowspan="2">689,100</td></tr>
<tr><td>Electricity, purchased, from nuclear sources</td><td>74,300</td></tr>
<tr><td>District heating and steam</td><td>13,800</td><td>18,600</td><td>22,800</td><td>27,000</td><td>27,200</td></tr>
<tr><td>Secondary energy (renewable)</td><td>396,700</td><td>307,500</td><td>249,500</td><td></td><td></td></tr>
<tr><td>Electricity from renewable sources</td><td>396,700</td><td>307,500</td><td>249,500</td><td></td><td></td></tr>
<tr><td>therein purchased energy or offset compensated by EACs (Energy Attrbute Certificates)</td><td>394,500</td><td>306,700</td><td>249,100</td><td></td><td></td></tr>
<tr><td>therein energy generated in-house (solar)</td><td>2,200</td><td>800</td><td>400</td><td>400</td><td>400</td></tr>
<tr><td>Share of total energy consumption</td><td>61%</td><td>49%</td><td>39%</td><td>32%</td><td>30%</td></tr>
<tr><td>Total energy consumption from fossil sources</td><td>328,000</td><td rowspan="2">477,900</td><td rowspan="2">580,900</td><td></td><td></td></tr>
<tr><td>Total energy consumption from nuclear sources</td><td>74,300</td><td></td><td></td></tr>
<tr><td>Total energy consumption from renewable sources</td><td>396,700</td><td>307,500</td><td>249,500</td><td></td><td></td></tr>
<tr><td>Total (primary and secondary energy)</td><td>799,000</td><td>785,400</td><td>830,400</td><td>892,400</td><td>899,300</td></tr>
<tr><td>Specific energy consumption (primary and secondary energy) per EUR 1 million operative output</td><td>421</td><td>473</td><td>418</td><td>425</td><td></td></tr>
<tr><td>Target specific energy consumption per EUR 1 million operative output</td><td>460</td><td>452</td><td>412</td><td></td><td></td></tr>
<tr><td>Specific energy consumption (primary and secondary energy) per EUR 1 million revenues</td><td>234</td><td></td><td></td><td></td><td></td></tr>
<tr><td>Energy production in-house</td><td>37,400</td><td>41,500</td><td></td><td></td><td></td></tr>
<tr><td>therein non-renewable (tri-generation)</td><td>35,200</td><td>40,700</td><td></td><td></td><td></td></tr>
<tr><td>therein renewable (solar)</td><td>2,200</td><td>800</td><td></td><td></td><td></td></tr>
<tr><td>Purchased EACs (Energy Attribute Certificates)</td><td>165,449</td><td>92,000</td><td>31,500</td><td></td><td></td></tr>
<tr><td>Savings through energy efficiency measures (significant projects)</td><td>6,000</td><td>14,700</td><td>3,600</td><td>8,700</td><td></td></tr>
</table>

5.3 Circular Economy

A functioning circular economy is a key driver to counteract global challenges such as resource scarcity or high waste volumes. Raw materials should be kept in the cycle wherever possible, recycling expanded, and resource efficiency promoted.

ams OSRAM invests in resource-efficient processes and technologies as well as in the corresponding manufacturing technologies. It is constantly looking for opportunities to reduce resource consumption through new ways of recycling and reusing materials. We have been recycling germanium since 2021, and the pure germanium thus gained is used to make new wafers. The recycling of other materials is also being pursued.

Since mid-2024, through our “Eco-Friendly Packaging” project, we have been switching all OSRAM brand automotive aftermarket packaging to a plastic-free cardboard packaging variant for the ELAMEA regions (Latin America, Europe, and the Middle East). The aim is to complete the project by 2025 and from 2026 onwards to exclusively deploy plastic-free packaging in the automotive aftermarket in those regions.

The Company is also working on fundamentally new technologies > 2.2 Business Model and Portfolio. A fundamental development goal is also the increasingly smaller dimensions of the manufactured products.

5.3.1 Water

Water is an important resource that, due to climate change, is becoming increasingly scarce around the world. Water also plays a key role at ams OSRAM: as a process medium in the manufacture of semiconductors, for cooling in production, and for sanitary purposes. Rationing water at our locations would compromise productivity, so at ams OSRAM we focus on using water carefully and efficiently.

Strategy and Regulations

ams OSRAM’s strategic approach is to operate an efficient water management system at all its sites, thus minimizing the withdrawal of water and adequately purifying the wastewater produced and then returning it into the water cycle. In this way, the Company makes certain that a large proportion of the water used can be reintroduced, and negative environmental impacts reduced as far as possible or avoided entirely.

Managing Impacts, Risks, and Opportunities

At all our locations, as part of our water management program we are careful to withdraw water sparingly. ams OSRAM makes certain wastewater is treated chemically and physically in accordance with the statutory requirements, or that it is properly disposed of. ams OSRAM uses only freshwater with less than 1,000 mg/l total dissolved solids and takes the majority of it from the public drinking water supplies (third-party water) and from groundwater. We are aware of sensitive sources and reservoirs that are close to our production sites, and these are not used.

In order to identify water supply bottlenecks at an early point in time, we conduct a risk analysis of the water requirements at our locations every year using the World Resources Institute’s Aqueduct Water Risk Atlas.[1] This factors in the levels of water withdrawal as well as the type and amount of wastewater discharges at the locations. Data on wastewater volume per individual location are collected every year. Most of it is discharged as industrial or sanitary wastewater into the sewage system but also into surface water.

Where the quality of the withdrawn water has been compromised by our production processes, we purify the water before it is discharged. Here, we comply with the relevant legislation in the countries concerned. Such legislation is in force in all countries where ams OSRAM has production facilities and provides the basis upon which government authorities grant permits. All our sites have permits to discharge wastewater and, where applicable, to operate neutralization plants. The permits generally set out very specific requirements concerning permitted quantities, temperature, and chemical composition of the wastewater and the tests to be carried out. Some of the wastewater is hazardous and therefore has to be specially treated by duly expert external companies. The rest is released into the atmosphere via evaporative chillers.

[1] The ‘business as usual’ scenario (SSP2 RCP8.5) applied by the World Resources Institute’s Aqueduct tool assumes a rise in average global temperatures of 2.6-4.8 °C compared with figures recorded between 1986 and 2005.

In the reporting year, among others, the following measures were taken to reduce water withdrawal:

- At the plant in Penang (Malaysia), the wastewater from the electro-deionization system has been fed back into the raw water tanks since 2024. Some of it is also used in the cooling towers. This saves 10,500 m³ of fresh water from municipal sources every year.
- In Regensburg (Germany), a concentrate water recovery system integrated into the ultrapure water system was introduced in 2024. This will save us at least 23,000 m³ of water per year.

Metrics and Targets

ams OSRAM does not currently consider water availability to be very critical at any of its sites (water stress). The above-mentioned risk analysis has shown that there is a high water risk at our two sites in China and in Calamba (Philippines), meaning that we classify and report the quantities of withdrawal here as withdrawal in areas with water risks. Based on the data available, we will also continue to monitor developments in Malaysia, where two of our semiconductor production facilities are located. Climate-related physical risks are outlined in chapter > 4.2.3 Climate Risks.

At ams OSRAM, there is no stored water at any of its locations that is not intended for a specific purpose.

Water Withdrawal in m³	2024	2023	2022	2021	2020
Municipal water supply	3,566,000	3,312,000	3,283,000	3,407,000	3,497,000
Groundwater from own supply	628,000	650,000	697,000	701,000	706,000
Other water	0	0	0	2,000	2,000
Water consumption (total)	**4,194,000**	**3,962,000**	**3,980,000**	**4,110,000**	**4,205,000**
therein consumption in areas at water risk	461,000				
therein water recycled	866,000				
Share of water recycled from water consumption (total)	21%				
therein ultrapure water (UPW) consumption	1,152,000	1,193,000	1,010,000	1,053,000	877,000
Specific water withdrawal per EUR 1 million operative output	**2,212**	**2,386**	**2,005**	**1,965**	
Target for water withdrawal in m³ per EUR 1 million operative output	2,410	2,152	2,057		
Specific water withdrawal in m³ per EUR 1 million revenues	1,228				

Absolute water withdrawal increased by 5.8% in 2024 compared to the previous year. The target scaled to operative output was clearly achieved.

ams OSRAM does not pursue any specific targets for the discharge of wastewater. However, volumes are recorded and monitored within the framework of our EHS management. Around 21% of total water withdrawal in 2024 was attributable to losses through waste value streams or evaporation into the atmosphere.

Very high-quality data is available on wastewater discharges from our neutralization plants. For other wastewater paths, however, data in some cases has to be estimated. The official water quality monitoring values were mostly met. Containment measures are taken immediately when values are exceeded, and corrective measures to prevent future incidents are agreed with the authorities.

Wastewater by Destination in m³	2024	2023	2022	2021	2020
Into public sewers as industrial wastewater	2,324,000	2,411,000	2,274,000	2,282,000	2,507,000
Into public sewers as sanitary wastewater	638,000	413,000	473,000	595,000	564,000
Into saline surface water as industrial wastewater	319,000	333,000	337,000	391,000	389,000
Into non-saline surface water as industrial wastewater	13,000	17,000	22,000	30,000	30,000
Into the groundwater as chemically unchanged wastewater from cooling processes	0	61,000	101,000	113,000	100,000
Total	**3,294,000**	**3,235,000**	**3,208,000**	**3,411,000**	**3,590,000**
Consumption – through evaporation, disposal as waste, other losses	**900,000**	**727,000**	**772,000**	**699,000**	**615,000**

In order to enable an external assessment of efforts, ams OSRAM takes part in the annual survey by the CDP Water Security Initiative on reporting the relevant data.

CDP Water Security

	2024	2023	2022	2021
Score	B	C	B-	B-

5.3.2 Waste

ams OSRAM uses numerous substances in its production whose procurement, transport, use, and disposal can impact people and the environment. In semiconductor production, various chemicals and gases are used that have by-products which then require special treatment. Moreover, in some of our traditional lamp manufacturing sites and at the Schwabmünchen plant (Germany) we also use low-level radioactive materials and materials containing mercury; the related waste is subject to special due diligence and documentation requirements.

Strategy and Regulations

ams OSRAM's strategic aim is to avoid manufacturing waste at all our locations, to recycle it, or – if neither is possible – to ensure its professional disposal. In this way, we make certain that valuable materials are returned to the material cycle and that negative environmental impacts on the environment are avoided as far as possible or completely.

Managing Impacts, Risks, and Opportunities

We record locally the amounts of waste that are recycled[1] or sent away for disposal and distinguish in these categories between hazardous and non-hazardous waste. Priority is assigned to reducing waste requiring disposal. In most cases, the quantities are calculated based on quantified receipts from the waste disposal providers.

Waste that is sent for recycling includes glass, metals, and paper/cardboard as well as solutions containing gold and contaminated N-Methyl-2-pyrrolidone (NMP) that are used in the semiconductor industry. These are primarily separated on-site or, where this is not technically feasible, by a certified service provider. The recovery of these valuable resources is always carried out by duly qualified specialist companies.

In the case of waste for disposal, we use both the option of incineration and landfill. The choice depends on the local regulations and on what is technically and economically feasible. Employees who work with waste are trained in the locally applicable regulations.

Waste management at our sites is supported by measures taken as part of the local EHS programs. At the Premstätten site (Austria), for example, investments were made in a chemical recycling station for the solvent limonene, which is used in certain process steps. This installation will be activated at the beginning of 2025 and will recycle 18,000 liters of limonene per year.

Waste is also generated along the upstream supply chain. To ensure that waste is managed appropriately and in a way that conserves resources, ams OSRAM makes certain that suppliers maintain an ISO 14001-certified environmental management system > 6.1.2 Supply Chain Management.

[1] ams OSRAM does not reuse the corresponding waste but sends it directly and entirely for recycling.

Metrics and Targets

In 2024, the most important KPIs developed as follows:

Waste in metric tons	2024	2023	2022	2021	2020
Total waste	**12,100**	**11,800**	**13,200**	**15,700**	**15,400**
Waste for recycling	**6,100**	**6,100**	**7,200**	**8,500**	**8,600**
therein hazardous	2,200	2,200	2,200	2,300	2,900
therein non-hazardous	3,900	3,900	5,000	6,200	5,700
Waste for disposal / non-recycled waste	**6,000**	**5,700**	**6,000**	**7,200**	**6,800**
share of total waste	50%	48%	45%	46%	44%
hazardous – incineration	1,400				
hazardous – landfill	2,600	4,000	3,900	4,400	4,600
hazardous – other disposal operations	300				
non-hazardous – incineration	800				
non-hazardous – landfill	900	1,700	2,100	2,800	2,200
non-hazardous – other disposal operations	-				
Waste for disposal in metric tons per EUR 1 million operative output	**3.17**	**3.41**	**3.04**	**3.37**	
Target for waste for disposal in metric tons per EUR 1 million operative output	3.72	3.25	3.53		

The quantities of waste generated for recycling and disposal in the reporting period were at the same level as the previous year. The target scaled to operative output was achieved, and the values were lower than the previous year's figure.

Hazardous waste is recycled and disposed of with due care by specialist service providers in line with the respective local regulations. There were no known breaches of the relevant legal regulations and requirements in the reporting period.

5.3.3 Resource Efficiency

As we market our products around the world, the raw and other materials used in production and remaining within products must satisfy increasingly stringent requirements and laws. Many of our customers set further requirements which are more rigorous than the legal regulations. For these reasons, the resource-conserving use of materials and raw materials is important to ams OSRAM. It has a positive effect on the environmental balance, product costs, and the economic development of the Company. At the same time, it can increase customer acceptance of the products.

Strategy and Regulations

At ams OSRAM, resource efficiency begins as early as R&D for new processes, technologies, and products. The business units are in charge of implementing it.

The corporate Environmental Protection, Health and Safety (EHS) Department issues specifications for the environmentally compatible design of products in terms of materials used in manufacture and materials remaining in the product during the use phase. The specified processes safeguard compliance with legal requirements and customer demands regarding environmental compliance, in particular the constituent substances, for new products and for ongoing product optimization. EHS advises and informs all business units on the relevant statutory requirements and monitors compliance with them.

Our involvement in various industry associations enables us to anticipate new and likely regulations at an early point in time > 3.1 Dialog with Stakeholders. Current legislation calls for product recycling to be made easier and the use of harmful substances avoided wherever possible or declared. This serves to protect customers, users, and the environment > 6.1.3 Quality and Product Safety.

Managing Impacts, Risks, and Opportunities

ams OSRAM concentrates in particular on controlling and reducing hazardous and critical substances that are used in product manufacturing and, in part, also remain within the products. This also includes materials that could potentially be classed as conflict minerals > Section Conflict Minerals.

The statutory requirements concerning prohibited, restricted, and declarable substances are continually monitored with regard to the development, acquisition, and manufacture of our products. In order to meet our responsibilities along the supply chain, we also involve our suppliers in this process. They are required to promptly provide the necessary declarations, measured values, and information for the qualification of new materials and new parts as well as for changes in the relevant laws > 6.1.2 Supply Chain Management.

In operational implementation, a distinction is made between the semiconductor business (OS and CSA business units) and the L&S business unit. For the Semiconductor business units, we provide new and existing suppliers of direct materials and external manufacture with our requirements when relevant changes occur, such as prohibited substances Company website (see ams OSRAM product responsibility and list of critical substances). Suppliers must confirm receipt of these requirements and provide evidence of compliance, for example in the form of the analytical test results. The business units provide a material declaration for all semiconductor products. In the case of the L&S business unit, we monitor the use of critical substances at the component level. Prior to their use, the respective suppliers must have confirmed their compliance with the ams OSRAM requirements. Against a backdrop of ever-increasing requirements, we use a special IT application to ensure that our electric and electronic devices are compliant, and we insist suppliers provide the relevant compliance documents when there are material changes to the law. Cross-industry databases such as IMDS and BOMcheck[1] provide a framework for this.

Metrics and Targets

For ams OSRAM, adherence to all statutory requirements is a matter of course. In addition, we pursue the goal of reducing resources for products across the various phases of their respective lifecycle. The relevant R&D approach is outlined in > 2.2 Business Model and Portfolio.

[1] IMDS is a materials data sharing and management system for the automotive industry. BOMcheck is a database for materials declarations in the electronics industry. BOM stands for 'bill of materials'.

Where required by law, we inform customers and the public via our > Company website. There, relevant declarations on the conformity of our products with key legal requirements are posted and thus also demonstrate the effectivity of the measures we take. Products in the business unit L&S are subject to specific legal requirements, according to which customers must be given information about substances used. This information is provided directly in the product catalog, which is also to be found on our Company website.

Conflict Minerals

The ams OSRAM product portfolio also requires the use of materials that could potentially be classed as conflict minerals due to their origin. This is particularly true of those that originate in the Democratic Republic of the Congo and neighboring countries, as well as for conflict-affected and high-risk areas (CAHRAs), as defined in EU Regulation 2017/821. We are aware of the associated risks and are mitigating them according to the following approach.

For the Semiconductors business, responsibility for conflict minerals falls within the scope of the corporate EHS Department; within the L&S business unit, Procurement is responsible. Both units collaborate closely here.

At ams OSRAM, a global Conflict Minerals Policy is in place that can be accessed online Conflict Minerals Policy. It is based, among others, on our commitment to the OECD's 'Due Diligence Guidance for Responsible Mineral Supply Chains'.

In order to fulfill our human rights responsibilities in the area of conflict minerals, we have put in place appropriate due diligence processes covering procurement activities > 6.1.1 Respect for Human Rights and > 6.1.2 Supply Chain Management.

ams OSRAM is a member of the Responsible Minerals Initiative (RMI). The information that can be accessed via the RMI and interaction between RMI members help us to permanently monitor our supply chains with regard to conflict minerals, including mica and cobalt. If necessary, urge suppliers to restore the conformity of deliveries with the specifications. RMI training materials are made available to our suppliers via an online training portal. When purchasing raw materials, ams OSRAM makes sure it uses certified sources. For example, all smelters with whom we place direct orders for conflict minerals are RMI-certified.

Furthermore, we seek, via direct contact with our suppliers and the smelters who work for them, to obtain additional information and external audit results, in order to then incorporate these into the risk analysis.

ams OSRAM strives for full transparency with regard to conflict minerals, including mica and cobalt, for its complete purchasing volume. We rely on specialized tools to verify compliance by our suppliers in order to meet the requirements with respect to conflict minerals in our supply chain. Missing declarations are automatically requested and responses are then subjected to verification. Non-compliant smelters are identified in this way and can be phased out if necessary. We report on achieving our transparency targets by outlining the degree to which our purchasing volume is covered by the Conflict Minerals Reporting Template (CMRT) and the Extended Minerals Reporting Template (EMRT) in > 6.1.2 Supply Chain Management.

In the 2024 reporting period, OSRAM GmbH again exceeded the quantity threshold for tungsten as an EU importer ('Union importer' in accordance with EU/2017/821), and ams OSRAM International GmbH exceeded the quantity threshold for gold. The associated measures to comply with due diligence obligations were implemented. Our management system in this area was externally certified in 2024, and a corresponding auditor's report was published on our website > Company website.

We update our Conflict Mineral Reporting Templates for the L&S business unit and the Semiconductor business annually on our Company website. In addition, we have been publishing a monthly due diligence report on the two businesses for our customers and the public since 2023.

5.4 EU Taxonomy

Introduction and Strategic Context
Within the framework of the Sustainable Finance Action Plan and the European Green Deal, the European Union is aiming to become climate-neutral by 2050. To this end, the EU Taxonomy Regulation (EU) 2020/852 establishes a standardized classification system to define "environmentally sustainable" economic activities. In doing so, it aims to enhance transparency in order to direct capital flows into sustainable investments.

The six environmental objectives of the EU Taxonomy Regulation as per Commission Delegated Regulations (EU) 2021/2139 and (EU) 2023/2486 are:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

In order to be classified as "taxonomy-aligned", an economic activity must not only be deemed 'taxonomy-eligible', but must also meet the technical screening criteria for making a 'substantial contribution' to at least one of the environmental objectives; it must 'do no significant harm' (DNSH) to other environmental objectives; and it must comply with the minimum social safeguards (e.g., regarding human rights and labor standards).

Over the past two years, ams OSRAM has already voluntarily reported on taxonomy-eligible economic activities in order to ensure early transparency on its sustainability strategy. Even though ams OSRAM's taxonomy reporting requirement does not take effect until the 2025 financial year, an additional step is being taken this year: In addition to reporting on eligible economic activities, ams OSRAM is, for the first time, reporting on the taxonomy alignment of relevant economic activities. This illustrates the extent to which ams OSRAM is already contributing to the EU environmental objectives and pursuing sustainable economic activities in line with the EU Taxonomy Regulation.

ams OSRAM's sustainability strategy is guided by the European and global climate objectives. In the long term, the company's portfolio and value chain are oriented toward the corporate climate strategy in order to contribute to a climate-neutral and resource-efficient economy > 3.3 Sustainability Strategy and Objectives.

Methodology and Evaluation Process
The two-tier approach to identifying and evaluating taxonomy-eligible and taxonomy-aligned economic activities is based on the methods developed in the prior financial year and further fine-tuned in the reporting year:

1. **Identification of Taxonomy-Eligible Economic Activities:**
   Based on a matrix approach, the products in the ams OSRAM portfolio are assigned to the economic activities stated in the relevant Delegated Regulations. In order to ensure precise identification in this regard, they are classified at the level of product families, application fields, and technologies. This tried-and-true approach has been supplemented to include newly published or changed stipulations.

2. **Assessment for Taxonomy Alignment:**
   The eligible economic activities identified are then assessed to establish whether they meet the technical screening criteria and comply with the minimum social safeguards. In this context, ams OSRAM relies on existing management systems (e.g., ISO 14001) and internal processes and guidelines > 5.1 Environmental Management, 6.1.1 Respect for Human Rights, 4.3.2 Combating Corruption and Anti-Competitive Behavior. When classifying revenues, capital expenditures (CapEx), and operating expenses (OpEx), allocation keys are applied to ensure an appropriate and consistent classification.

Transparency of the Database and Documentation
The three KPIs subject to reporting requirements (revenues, CapEx, and OpEx) are based on the figures disclosed in the consolidated financial statements prepared according to IFRS. In line with the financial reporting, the total amounts calculated cover all Group entities included in the scope of consolidation minus those that are not considered in the EU Taxonomy Report. The assignment of revenues, CapEx, and OpEx to eligible and aligned economic activities was undertaken on the basis of allocation keys that were established for the lowest consolidation level (down to the product-family level). In order to achieve the greatest possible accuracy in the application of these allocations, the allocation keys of the respective lowest consolidation level (group, segment, business line, application to product family level) were assigned and calculated according to their total population. A clear and consistent methodology was developed to avoid double counting in the assignment of revenue, CapEx, and OpEx KPIs. This ensures that each KPI is always assigned to only one economic activity, thereby excluding multiple recordings of the same values. Compared to the previous reporting period, there were no significant changes to the underlying calculation methodology. If adjustments become necessary in the future, they will be disclosed and explained to what extent they enable more reliable and meaningful information.

Revenues:
The KPI for revenues is based on the net revenues reported in the Consolidated Statement of Income disclosed in the Annual Report as per IFRS 15 (EUR 3,428 million (2023: EUR 3,590 million); > Consolidated Statement of Income for the Financial Year 2024). Revenues from Group companies not considered are deducted from this figure, resulting in a taxonomy revenue denominator of EUR 3,416 million (2023: EUR 3,477 million) for the 2024 reporting year. Next, the relevant revenues are allocated by product and application field to the eligible economic activities. This process factors in the activities defined in Annexes I and II of Delegated Regulation (EU) 2021/2139 as well as Annexes I to IV of Delegated Regulation (EU) 2023/2486. Total revenues from eligible economic activities form the numerator. A separate sub-figure is reported for activities identified as aligned. On this basis, the share of revenues already fulfilling all alignment criteria is calculated. This way, the share of revenues that already meet all alignment criteria is shown, as well as the distinction of the remaining revenues for which this is not yet the case. In combination of taxonomy-eligible and aligned activities, a total numerator of EUR 1,914 million is obtained. The exact figures are listed in the Annex > 7.2 EU Taxonomy KPIs. Compared to the previous year (EUR 1,879 million), only minimal deviations are observed; accordingly, no additional explanation is deemed necessary.

During the reporting period, no environmentally sustainable bonds or debt securities were issued for the purpose of financing specific taxonomy-aligned activities.

CapEx:
The CapEx KPI covers all additions to intangible assets, tangible assets (including right of use) in the reporting year (totaling EUR 405 million; > Notes to the Consolidated Annual Financial Statements, Note 13-15). The Taxonomy CapEx denominator for the 2024 reporting year amounts to EUR 405 million (2023: EUR 790 million).

Additions to advance payments made are included in CapEx in line with the approach used in financial reporting. To identify the share of eligible and aligned capital expenditures, project descriptions and investment plans are analyzed by profit center and application field. The numerator is then calculated based on defined revenue keys or selection of specific measures that are directly associated with an eligible (and possibly an aligned) economic activity. Hence, the total numerator amounts to EUR 199 million (2023: EUR 422 million). Although the absolute level of investments changed compared to the previous year (e.g., due to reduced investment budgets), the relative share of investment expenditures for taxonomy-eligible or -aligned activities remained largely stable. Detailed figures on each aggregated addition and their respective allocations can be found in the corresponding table in the appendix.

OpEx:
The OpEx KPI refers to the direct, non-capitalized costs of R&D, building modernization measures, short-term leases, maintenance and repairs, as well as other direct expenses on ongoing maintenance of property. To ensure the required level of detail for the corresponding components of the Taxonomy Regulation (e.g., building modernization measures, maintenance and repair expenses, and other direct maintenance expenses), a data query was conducted among the Group companies consolidated under EU Taxonomy reporting. Accordingly, the Taxonomy OpEx denominator for the 2024 reporting year amounts to EUR 594 million (2023: EUR 661 million). Here, too, revenue keys or project-related classifications were used in order to define the eligible and aligned OpEx. The sum of the taxonomy-eligible (and, if applicable, aligned) OpEx forms the numerator. For the 2024 financial year, this results in a total numerator of EUR 308 million (2023: EUR 218 million). The change is primarily attributable to the Research & Development area, as adjusting the profit centers facilitated a more precise allocation to the respective revenue-generating activities.

As in the previous year, all KPIs (revenues, CapEx, OpEx) are listed individually in a table in the Annex > 7.2 EU Taxonomy KPIs, showing the respective taxonomy-eligible and taxonomy-aligned shares. From this, both the absolute and relative changes compared to the previous year can be seen.

Detailed Description of the Revenue-Generating Economic Activities
The portfolio includes the following taxonomy-eligible activities:

- **CCM 3.4 (Manufacture of batteries, environmental objective: climate change mitigation):** manufacture of electrical components for battery controls
- **CCM 3.5 (Manufacture of energy efficiency equipment for buildings, environmental objective: climate change mitigation):** development of energy-efficient LEDs and sensors for building management systems
- **CCM 3.6 (Manufacture of other low-carbon technologies, environmental objective:** climate change mitigation): powerful LEDs to support considerable emission reductions in other sectors
- **CE 1.2 (Manufacture of electrical and electronic equipment, environmental objective: transition to a circular economy):** manufacture of devices for end applications (e.g., lighting, sensors)
- **CE 5.2 (Sale of spare parts, environmental objective:** transition to a circular economy): replacement parts to modernize existing applications

Compared to the prior year, taxonomy-eligible activities have not substantially changed. However, this year was the first time that all revenue-relevant activities were assessed for alignment. The activities under CCM 3.4, CCM 3.5, and CCM 3.6 meet the technical screening criteria for making a substantial contribution to climate change mitigation (e.g., adherence to specific emission thresholds, use of energy-efficient technologies), do not cause any DNSH violations, and comply with the minimum social safeguards. These activities are therefore reported as taxonomy-aligned. Furthermore, CCM 3.4, CCM 3.5, and CCM 3.6 are considered enabling activities because they are based on LED and sensor technology that significantly reduce energy consumption and GHG emissions. Examples include optimized battery controls for vehicles (CCM 3.4), energy-efficient LED and sensor solutions for buildings (CCM 3.5), and high-performance LEDs that can be used across sectors to minimize CO_2 emissions (CCM 3.6).

As for the activities under CE 1.2 and CE 5.2, not all alignment criteria were met, so these continue to be reported as taxonomy-eligible but not taxonomy-aligned.

By applying allocation keys and assigning them at the profit center level, it is also possible to accurately capture CapEx and OpEx for aligned revenue-generating activities. Other investment and operating expenses related to infrastructure activities were reported as taxonomy-eligible but not aligned in this reporting year. The exact details can be found in the tables in the annex.

Substantial Contribution and Alignment
The technical screening criteria for an activity making a substantial contribution were assessed in detail for each relevant economic activity on the basis of the Delegated Regulations. In the case of CCM activities, this meant, among other things, adherence to specific emission thresholds or proof that the products or technologies achieve substantial reductions in greenhouse gas emissions. Where these criteria were fully met, the activity was classified as aligned. The proportion of revenues, CapEx, and OpEx attributable to these aligned activities serves as the indicator of their ecological benefit.

DNSH and Minimum Social Safeguards
As regards our aligned activities, we have confirmed that they do not cause any significant harm (DNSH) to other environmental objectives and comply with the minimum social safeguards. We factored into our assessment the criteria stated in Annexes A–D of the relevant Delegated Regulations:

- **Climate risks (DNSH Appendix A):**
  We have conducted a physical climate risk analysis for our production sites, key suppliers, and key customers. To this end, we relied on standardized climate scenarios (e.g., SSP1-2.6, SSP2-4.5, SSP3-7.0, SSP5-8.5) to identify possible physical risks under different future emission pathways. This screening is updated every three years for existing risks and every five years for long-term developments, or on an ad hoc basis if fundamental assumptions change (e.g., new IPCC reports are published). Based on the findings, we implement suitable adaptation measures where necessary to minimize potential harm.
- **Water resources (DNSH Appendix B):**
  When assessing water-related risks, we use the Aqueduct Water Risk Atlas to identify sites located in regions potentially exposed to water stress > 5.3.1 Water. For sites with direct water discharge, we verify compliance with the stipulations of the EU Water Framework Directive (WFD) via local discharge permits. Through ISO 14001 certification of a site, we ensure that an effective water management system is in place. If intolerable water risks are detected, we introduce suitable countermeasures to avoid production bottlenecks that may result from rationed water supplies. Where no formal environmental impact assessment (EIA) has been

carried out, we opt for alternative authorization processes (e.g., official site permits) to ensure that all water-relevant requirements are met.

- **Use of chemicals and pollution prevention (DNSH Appendix C):**
  As part of our product and process management, we continuously monitor the use of substances that may pose environmental risks. We incorporate newly added requirements for the substitution of substances of very high concern (SVHC). Where we cannot completely comply with the regulations, we declare the respective activity as non-aligned. For our aligned activities, we make certain that the relevant substances are identified, potential alternatives are examined, and substitutions are undertaken where feasible. Internal processes, a hazardous substances register, training sessions, and regular audits help us avoid or minimize emissions into the air, water, and soil.
- **Biodiversity (DNSH Appendix D):**
  In order to identify potential risks to sensitive ecosystems at an early stage and thereby contribute to the protection and restoration of biodiversity, we use tools such as the Natura 2000 Expert Viewer, IBAT (Integrated Biodiversity Assessment Tool) and the WWF Risk Filter. If a site is located close to a biodiversity-sensitive area, we examine whether the corresponding nature protection or environmental impact assessment has been carried out.

(NB: Appendix E on the environmental objective: transition to a circular economy is at present not relevant to our aligned activities.)

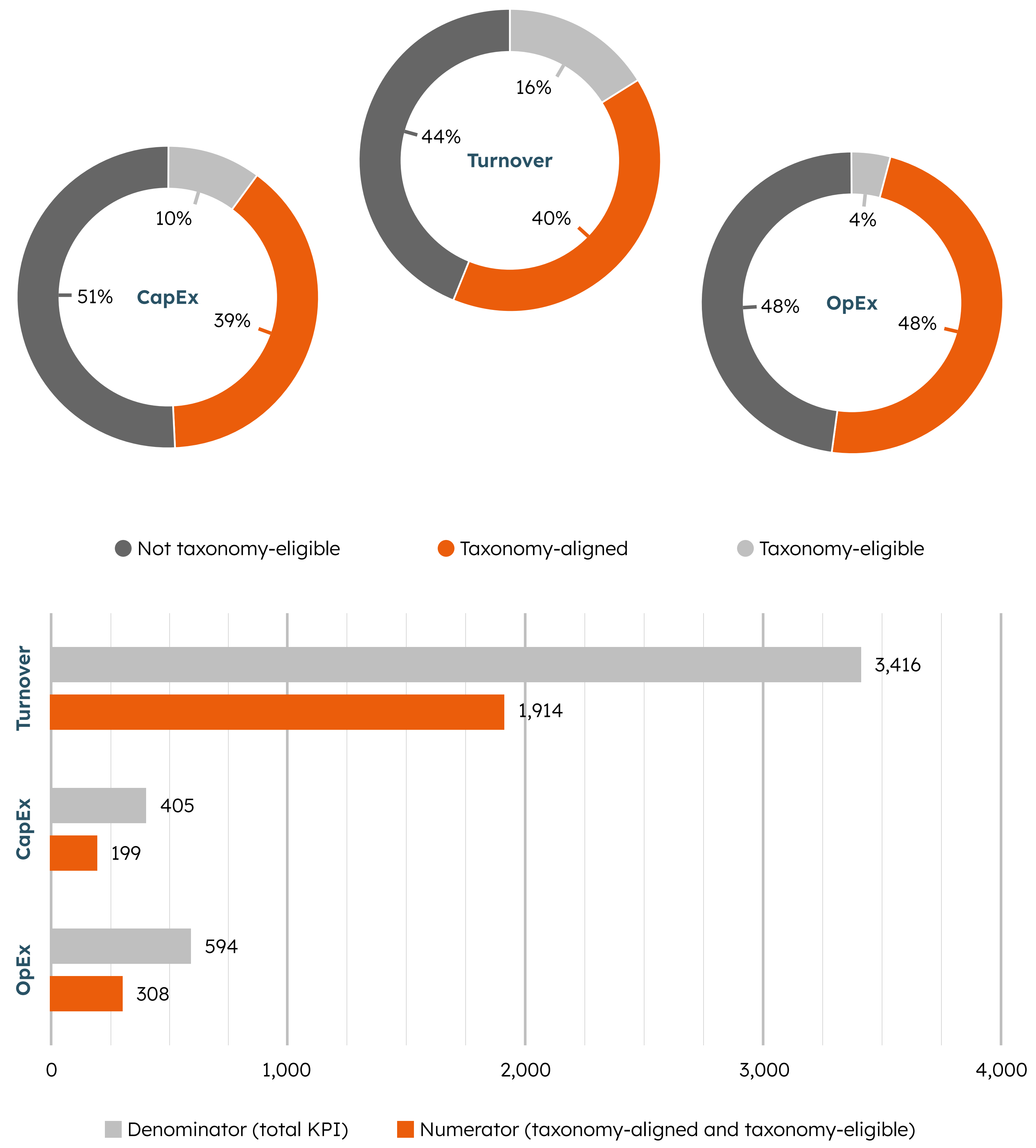
Implementation of Minimum Social Safeguards:
Compliance with human rights, labor standards, and anti-corruption and compliance stipulations forms an integral part of our due diligence system > 6.1.1 Respect for Human Rights, 6.1.2 Supply Chain Management, 4.3.2 Combating Corruption and Anti-Competitive Behavior. This includes:

- Binding internal guidelines and supplier codes (e.g., prohibiting forced or child labor, fair wages, anti-discrimination)
- Regular training for employees to create awareness of human rights and ethical standards
- A global whistleblower system ('Tell ams OSRAM') enabling the anonymous reporting of violations. Reports are examined by specialized teams, corrective measures initiated, and their implementation monitored.
- Risk analyses, audits, and, if necessary, a change of supplier should requirements not be met

Future Prospects and Development Measures
We monitor the further development of the EU Taxonomy on an ongoing basis in order to swiftly integrate new or amended Delegated Regulations into our evaluation process. Although no specific quantitative targets have been defined at this time for increasing the share of aligned economic activities, we continuously assess potential improvements in R&D, supplier relations, and internal processes (> Management Report, 3. R&D, 2.2 Business Model and Portfolio, 6.1.2 Supply Chain Management).

Summary and Outlook
We will further optimize our processes, steadily improve our data basis, and proactively prepare for future regulatory requirements in order to meet the expectations of investors, customers, and society at large.

Overview



6 Social Responsibility

Society

Respect for Human Rights

Supply Chain Management

Quality and Product Safety

Employees

Human Resources Work

Occupational Health and Safety

Diversity and Equal Opportunities

People Development

Employee Satisfaction and Remuneration

6.1 Society

Given its business model, ams OSRAM bears comprehensive social responsibility. This is true of its upstream value chain, which includes conducting due diligence on and interactions with suppliers and, downstream, for the safety of our customers when they use our products. In this chapter, we distinguish between society and our own employees.

6.1.1 Respect for Human Rights

As an international company with a broad variety of products and complex global value chains, ams OSRAM is aware that some business relationships entail the potential risk of human rights violations. This applies both to our own employees and to all external persons and groups of persons who could experience negative impacts from ams OSRAM's business activities.

Governance

The Management Board has appointed the Head of Audit, Compliance & Risk (who reports directly to the CFO) as the Group Human Rights Officer for the ams OSRAM Group. He is responsible for monitoring the fulfillment of all due diligence obligations relating to human rights, including implementation and updating of the risk management system as per the German Supply Chain Due Diligence Act ('Lieferkettensorgfaltspflichtengesetz', LkSG), throughout the ams OSRAM Group. Moreover, he informs the Management Board and Supervisory Board of material developments and risks quarterly.

Various corporate departments at ams OSRAM work closely together to continuously fulfill our human rights and environmental due diligence obligations. The HR and/or the EHS Departments of the ams OSRAM Group are responsible for the operational fulfillment of the corresponding activities assigned to them in their own business area of the ams OSRAM locations. The Procurement Department is responsible for implementing our due diligence obligations for the entire supply chain, while the Compliance Department is responsible for the 'Tell ams OSRAM' Group electronic whistleblower system, which is the main channel used by our complaints management.

At least once a year and on occasion if necessary, the above-mentioned central specialist departments in the so-called Human Rights Council report to the Human Rights Commissioner of the Group on the status of due diligence efforts. Moreover, management of the German Group member companies that come under the scope of LkSG are informed twice a year by this committee.

Strategy and Regulations

ams OSRAM does not tolerate any form of modern slavery, child labor, forced labor, human trafficking, or other human rights violations, either within its own business activities or at supplier or business partner operations. ams OSRAM meets increasing regulatory and customer-specific requirements by exercising stricter due diligence both in its own business operations and in the supply chain.

Of particular relevance are the ams OSRAM facilities that are based, or carry out their main business activities, in regions that, according to international rankings such as "Transparency International", have a higher human rights risk and therefore require increased due diligence. In keeping with the expectations of our stakeholders (e.g. legislators, customers, the capital market, and the general public), we see respect for human rights as one of the basic preconditions for our business. To guarantee that our principles are upheld, ams OSRAM's strategy is to set clear human rights and environmental guidelines for our cooperation and business relationships with suppliers, to adhere to compliance, and at the same time to further sensitize our own employees to respect and uphold human rights. The strategy is realized on the basis of a systematic, integrated, and risk-based approach within an established monitoring and management system. Since ams OSRAM views meeting its human rights due diligence obligations as an ongoing task, it regularly reviews its approach and mechanisms and enhances them as required.

Under the Group-wide Human Rights Policy, ams OSRAM affirms its commitment to the OECD Guidelines for Multinational Enterprises, which ams OSRAM actively supports as a member of the UN Global Compact. This policy defines our stance on respecting human rights, the process for fulfilling due diligence obligations, the complaint procedure, and monitoring measures. It applies to all employees, including permanent employees, temporary employees, agency staff, migrant workers, and students, as well as non-employees (self-employed individuals). The Human Rights Policy is supplemented by our Code of Conduct for Suppliers, which stipulates the safeguarding of our due diligence obligations.

Managing Impacts, Risks, and Opportunities

As part of the implementation of the due diligence obligations on the Group companies that fall under the scope of the LkSG, risk analyses were carried out in the reporting period on human rights and environmental risks both in the Group's own business areas and in the supply chain (direct suppliers). The Company's objective is to expand the methods and insights from these risk analyses to include other Group companies in order to prepare for the introduction of the European Supply Chain Law. A human rights risk management system has been established that is designed to identify, assess, and prioritize potential risks and violations of human rights and their impacts on the environment within our value chain, and likewise to regularly review suitable prevention and mitigation measures and their efficacy. ams OSRAM identifies, assesses, and prioritizes the risks by means of regular internal and external risk analyses in the fields of human rights, safety at work, and environmental protection conducted by specialist corporate functions (HR, EHS, and Procurement) both for their own business activities and also covering the supply chain. On this basis, corresponding prevention and mitigation measures are defined and their implementation is monitored.

In order to identify risks, additional risk analyses are conducted in the form of external RBA audits at our sites. These cover both human rights and environmental aspects. In the event of risks being identified, possible mitigation and preventive measures are implemented by the relevant specialist departments (including Compliance, HR, and EHS) together with the site management and consistently tracked.

Risks in the supply chain are identified and processed through the supply chain management organization. For example, one of the aims of the purchasing strategy is to continuously increase transparency in the supply chain in this regard > 6.1.2 Supply Chain Management. Furthermore, the ams OSRAM product portfolio also requires the use of materials that could potentially be classed as conflict minerals due to their origin. ams OSRAM has introduced guidelines and management systems for due diligence to identify, avoid, mitigate and, if applicable, eliminate risks in connection with conflict minerals > 5.3.3 Resource Efficiency, Conflict Minerals.

Another essential element of the human rights risk management system is the Group-wide grievance mechanism. Complaints or indications relating to risks or possible violations in the field of human rights and environmental protection can be reported – anonymously if so desired – using the Company's own Group-wide electronic whistleblower system 'Tell ams OSRAM'. ams OSRAM has also put additional reporting channels in place to enable all persons to access the complaints system. Complaints or indications relating to risks or violations can thus also be reported by e-mail to the responsible specialist departments (Compliance, HR, EHS, and Procurement) and by post, and for ams OSRAM employees to the respective managers or the local Human Rights Coordinator responsible. If risks or violations are proven, the Company will implement the necessary mitigation measures and, under corresponding conditions, compensations or, if necessary, measures under labor law to eliminate, minimize, or prevent any further grievances. When determining effective mitigation measures, ams OSRAM tries to consider the interests of the persons potentially affected as well as other stakeholders and players, such as employees, suppliers, or representatives of civil society who may report risks or violations to the Company using the existing complaints channels. Once mitigation measures have been decided, the Company closely follows their implementation. This is carried out, on the one hand, continuously and independently by the respective operationally responsible specialist department (HR, EHS, and Procurement) and, on the other, subsequently through the monitoring function of the Group Human Rights Officer. The corporate internal Audit unit constantly reviews on a Group-wide basis the appropriateness, efficacy, and efficiency of our human rights risk management system, including the complaints procedure. The design and methodology underpinning the ams OSRAM 'Tell ams OSRAM' whistleblower system is described in detail in chapter > 4.3.2 Combating Corruption and Anti-Competitive Behavior.

The Company makes use of fundamental prevention measures such as regular employee training sessions to enhance awareness and ensure compliance with the Code of Conduct. As part of the annual Code of Conduct training sessions, all employees are also trained on issues relating to human rights and fair working conditions. An overview of the type, scope, and depth of this training is provided in the section on combating corruption.

In the 2024 financial year, the first report on the fulfillment of the LkSG due diligence obligations for the German ams OSRAM company concerned was submitted to the authority responsible for the implementation and control of the LkSG (German Federal Office of Economics and Export Control/BAFA) and published. Another focus of the corporate departments responsible was on laying the foundations for the introduction of the planned EU Corporate Sustainability Due Diligence Directive (CSDDD). In this context, a human rights management system was established.

Metrics and Targets

ams OSRAM seeks to strengthen respect for human rights along the entire value chain and further enhance corresponding sensitization within its own organization.

ams OSRAM derives the effectiveness of its measures and guidelines using metrics such as participation in the mandatory human rights training sessions offered and relevant violations (see the following table) and can thus make specific conceptual adjustments as required.

Adjustments to the prevention measures put in place can also result from insights both from the risk analysis and from regional and/or country-specific requirements (e.g., changes in regulatory regimes).

Overview of Reports/Complaints against Human Rights and Fair Working Conditions
(Within our own business activities and in the upstream supply chain)

	2024	2023
Incidents during the reporting period	**37**	**33**
Incidents closed during the reporting period	**27**	**28**
Number of incidents with proven violations	5	7
therein number of incidents of discrimination, incl. harassment	5	4
Total amount of fines in connection with discrimination, including harassment	-	-
therein serious violations related to human rights (forced labor, human trafficking, or child labor)	-	-
Total amount of fines in connection with serious violations related to human rights (forced labor, human trafficking, or child labor)	-	-
therein number of consequences under labor law in the event of proven violations	5	6
Number of unclosed incidents as of December 31	10	5

One of the incidents classified under "Discrimination, including harassment" in the table above pertains to a confirmed allegation involving a service provider of one of our suppliers – specifically a Tier 2 supplier. In response, appropriate measures were implemented, including replacing the management at the service provider and providing training to the new management and staff regarding working conditions.

6.1.2 Supply Chain Management

The optical semiconductor supply chain is complex and entails many stages and players, from extraction of the raw materials through to delivery of the prefabricated wafers or components. Given the high purchasing volume, the performance of the procurement system can have a significant impact on the financial development of the ams OSRAM Group. The main sourcing countries are Germany, China, Taiwan, Singapore, and Malaysia. The highest-volume material categories are contract manufacturing, equipment, and pre-materials for optical semiconductors. ams OSRAM faces a variety of supply chain risks, such as the risk of security of supply if the necessary materials or pre-products are not available on time and in sufficient quantity. Prices for individual materials can also rise, or the quality may be inadequate. In addition, there are social and ecological risks in the supply chain in the production or extraction of certain materials.

Governance
The CFO is the Management Board member responsible for procurement activities. The procurement responsibility for the semiconductor business (OS and CSA business units) lies with the CFO. For the procurement within the L&S business unit, the responsibility lies with the Head of Controlling. The Head of Procurement oversees the ESG program in the supply chain.

The procurement function of ams OSRAM operates on a global scale. Depending on the business unit concerned and the procurement markets for specific materials and services, procurement activities take place either globally or regionally.

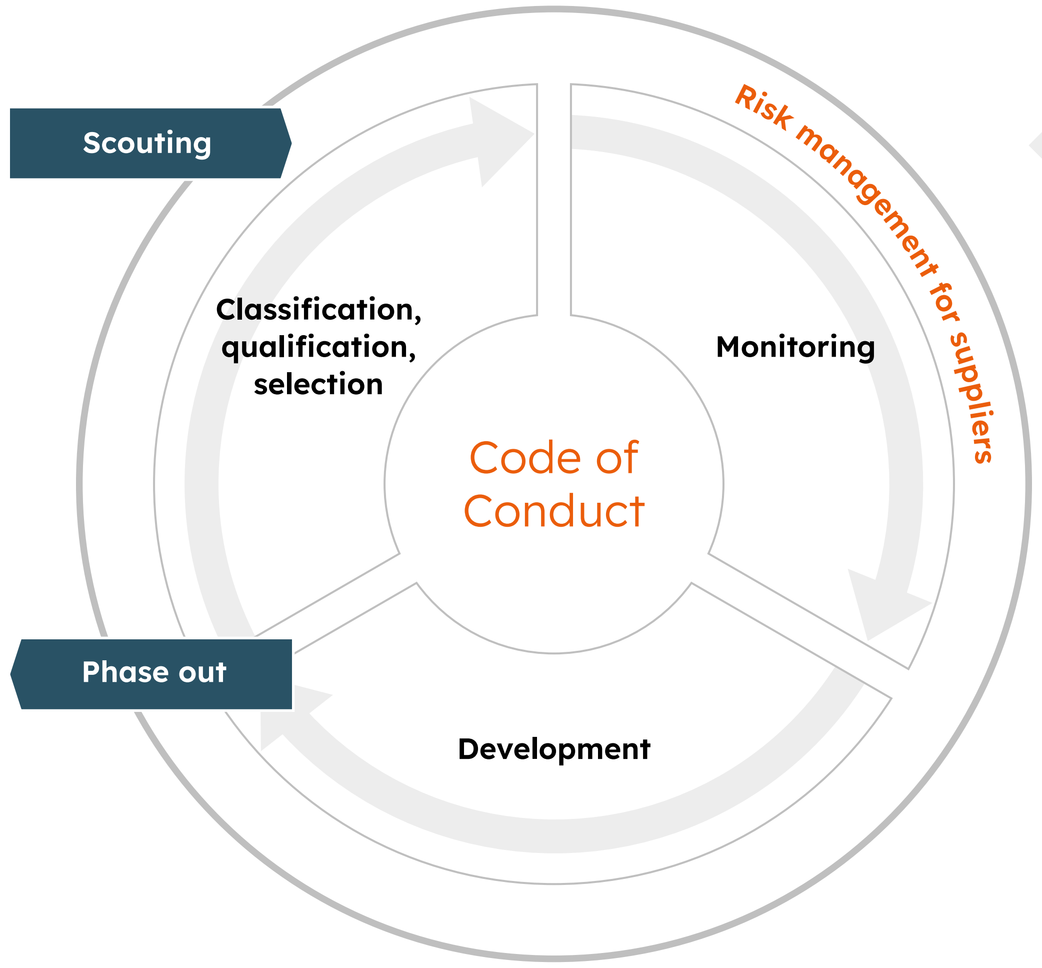
Strategy and Regulations
ams OSRAM maintains a procurement strategy which is based on the principles of responsible procurement, supports resilient supply chains, and drives and promotes the sustainable development of the Company's success.

Sustainability forms an integral part of ams OSRAM's procurement. It is anchored in our procurement strategy rules, processes, and tools and put into practice in our local procurement organizations. The global procurement guideline, our Code of Conduct for Suppliers Code of Conduct for Suppliers as well as our supplier and risk management process constitute the framework in which we cooperate with suppliers. These elements are indispensable instruments for effectively managing the opportunities and risks in procurement.

The Code of Conduct for Suppliers[1] defines the principles and requirements for our suppliers in terms of their responsibility for adhering to human rights, fair working conditions, and environmental protection. These requirements comply with international standards such as the UN Global Compact, the Code of Conduct of the Responsible Business Alliance (RBA), and the Conventions of the International Labour Organization (ILO).

[1] Mandatory as of a purchasing volume of EUR 50,000.

Supplier Management Process



Risk management:
- Risk analysis
- Supplier prioritization
- Prevention and mitigation
- Supplier development

Supplier requirements:
- Sustainability assessment
- Conflict Minerals Policy and declaration, incl. cobalt and mica
- Corporate Responsibility Self-Assessment (CRSA)
- Category-dependent certificates
- Corporate Responsibility Audits

Managing Impacts, Risks, and Opportunities
Ongoing reviews of the procurement process to identify possible risks form a core element of supplier management. The handling of supply chain risks specific to procurement and sustainability is also embedded in the Company-wide risk management system > Management Report, Risk Management.

A potential risk of negative impacts of supply chain management on people, the environment, or society exists for Tier 1 suppliers mainly in the case of social and environmental issues, such as possible violations of fair working conditions or non-compliance with environmental regulations. New suppliers are therefore checked according to environmental and social criteria. Regarding the wider supply chain (beyond Tier 1), raw material extraction presents the greatest risk of potential violations of human rights.

The procurement volume is analyzed each year concerning governance-related (business ethics and human rights), social (labor, health, and safety), and ecological risks. Here, we rely on the Responsible Business Alliance (RBA) risk assessment platform. This abstract risk rating is based on an array of criteria that allow geographical and product-related risk ratings to be carried out. In a second step, the supplier risk is individually assessed using existing certificates, self-assessments (Corporate Responsibility Self-Assessment – CRSA), sustainability evaluations, and other information. The suppliers can also be asked to undertake an audit (Corporate Responsibility Audit), for example, according to the RBA standard (see the KPI table).

In the event of potential risks, preventative mitigation measures are defined and introduced, either as short or medium-term development plans or as training sessions.

Measures in connection with human-rights-related due diligence, environmental protection, and governance are reflected as sustainability-related requirements in the supplier management process. The process includes mechanisms that systematically review the scope of and adherence to the requirements. These requirements depend on the procurement material and country of origin and include the following points:

- Mandatory self-declaration of corporate responsibility by suppliers from countries with increased social risks;
- Mandatory certification as per ISO 14001 and compliance with RoHS (Restriction of Hazardous Substances in Electrical and Electronic Equipment) and REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) by suppliers of production materials;
- Mandatory auditing in accordance with VDA 6.3 (German Association of the Automotive Industry) for automotive-sector suppliers in direct material purchasing (including social and ecological criteria);

- Cross-checking of all new suppliers against international sanctions lists. The review includes, for example, whether suppliers are flagged for human rights violations, such as those on the U.S. Department of Homeland Security's Entity List in connection with the Uyghur Forced Labor Prevention Act (UFLPA). Existing suppliers are checked with every order and before every payment run;
- Inclusion of the expected energy consumption or CO_2 emissions for energy-intensive equipment in the calculation of total cost of ownership. This means that cost savings, for example through lower energy consumption over the entire service life, are also taken into account.

We rely on motivated and properly trained employees to enable us to implement and further advance our supplier management process. ams OSRAM regularly provides information and training for our global procurement teams on overarching topics such as human rights, responsible sourcing practices, and on specific changes. All procurement employees are expected to attend the training sessions provided. In order to pass on sustainability-specific expertise to our suppliers, ams OSRAM conducts training sessions through webinars and regularly publishes information and training documents on its Supplier Portal.

Metrics and Targets
To implement the Group-wide procurement strategy objectives are set and progress is monitored regularly. The current targets and progress made in achieving them in the financial year 2024 are outlined in the following table:

Procurement Figures

	2024	2023	2022
Total number of Tier-1 suppliers	**9,656**	**11,041**	**12,714**
Total number of significant[1] suppliers in Tier-1	**520**	**508**	**1,013**
Share of total spend (PVO) on significant[1] suppliers in Tier-1	**73%**	**70%**	**75%**
Share of total spend (PVO) attributable to local[2] suppliers	**50%**	**52%**	**53%**
Coverage of total spend (PVO) with supplier Code of Conducts	**98%**	**98%**	**92%**
Coverage target in the respective year	100%	100%	100%
Coverage of direct spend (PVO) of direct material with ISO 14001 certification	**94%**	**95%**	**94%**
Coverage target in the respective year	100%	100%	100%
Coverage of relevant spend (PVO) with Corporate Self Assessments (CRSAs)[3]	**99%**	**98%**	**92%**
Coverage target in the respective year	100%	100%	100%

[1] Significant Tier-1 suppliers are suppliers that are identified as having a significant business relevance to the Company, substantial risks of negative ESG impacts, or a combination of both. The business relevance of the suppliers is defined by the supplier classification, material risk level, and/or the purchasing volume with the supplier.
[2] Local suppliers are defined as those that are based in the same country as the purchasing ams OSRAM location.
[3] Coverage rate based on defined CSRA relevant group of suppliers; includes social and environmental criteria

6.1.3 Quality and Product Safety

ams OSRAM markets its products worldwide. Accordingly, compliance with all statutory requirements, standards, and norms for the products and their safety, including their labeling, as applicable in the respective regions and countries in which we operate, is mandatory, and/or changes must be made in time and integrated into internal rules such as product safety specifications. Non-compliance could lead to delays in product launches, claims by customers, and a loss of revenues.

Product safety and quality are key purchasing propositions. Our automotive customers in particular set high standards, compliance with which is essential for the business relationship. For a small part of the portfolio, there is contact with end customers and thus a potential risk of injury in the event of defects. Details on the corresponding risks are listed in the Risk Report[4].

Governance
At Management Board level, responsibility for product safety and quality lies with the Chief Executive Officer (CEO), who has delegated the tasks and authority to the Head of R&D and Corporate Quality. In addition to being responsible for technical and product-related quality, he is also responsible for ensuring the proper functioning of the quality management system.

The corporate Quality Management department reports to the CEO on a regular basis on significant developments. The CEO is also informed immediately of any incident classified as a critical quality issue by the business unit responsible.

Operational responsibility for implementing legislation and internal rules regarding product safety and quality lies with the respective heads of the business units.

Strategy and Regulations
ams OSRAM stands for high levels of quality, safety, and reliability in its products and solutions. In order to keep this promise to our customers and thus contribute to the long-term success of our business, we have established a quality strategy and anchored corresponding quality management within the Company. The quality strategy provides for strict process and risk management as well as continuous improvement on the one hand and the integration of product safety

[4] > Management Report, Risk Report. The topics listed relate primarily to compliance and quality risks.

and quality throughout the entire product life cycle – from product and technology development to the procurement and production process through to the use of the products and their service life on the other.

The corporate Quality Management department issues rules applicable to the whole Group and consistently reviews compliance with them. The Group-wide Quality Policy is publicly available. In addition to the scope of application, this also provides for a quality culture within the Company and describes the ambition. This policy is supported by our guidelines and processes which cover, among other things, product safety and how this is factored into product development, as well as how we deal with any defective products and any necessary escalation measures.

ams OSRAM has implemented a zero defects strategy in line with our quality policy. Accordingly, the effectiveness and efficiency of our processes are checked and improved on an ongoing basis in order to reduce costs and conserve resources.

Managing Impacts, Risks, and Opportunities
ams OSRAM operates a certified management system in order to limit the aforementioned risks so that deficiencies can be identified and corrected at an early stage. Our processes and management systems are regularly certified to quality management standard ISO 9001 and, for automotive customers, also to the International Automotive Task Force standard IATF 16949. In addition, ams OSRAM regularly conducts internal audits of its factories, processes, and suppliers. Most new suppliers from whom products are purchased directly are audited before placement of the first order, as prescribed by VDA 6.3 (process audit in the automotive sector) > 6.1.2 Supply Chain Management. Regular training for employees also forms part of quality management.

Certain mandatory methods designed to safeguard quality must be applied as early as the product design stage in order to meet specific development milestones. Product approval is subject to standardized checklists that are used to identify risks. In addition, we regularly review the current product portfolio with regard to its impacts on health and safety.

All products for the automotive sector are tested in accordance with defined schedules in our environmental simulation laboratories, which are accredited to ISO/IEC 17025. Accreditation of the laboratories enables ams OSRAM to comply with global standards. By testing product performance through artificial aging processes and environmental simulations, we can identify how long the products should last as well as shortcomings in their design or components, and then initiate improvements before failures occur in actual use.

Customers can return defective products at any time and will find the relevant information online. Employees can also report possible incidents, for example, using easily accessible structures that are established in production or through the ‘Tell ams OSRAM’ whistleblower system > 4.3.2 Combating Corruption and Anti-Competitive Behavior. By involving employees, potential quality issues can be identified and eliminated in good time.

When a matter relevant to product safety is reported, we immediately check and assess the risks using a risk assessment matrix. The EU General Product Safety Directive (GPSD) 2001/95/EC, which sets out a structured framework for risk assessment, provides the global basis for our evaluation of potential product safety violations and of action plans to remedy such violations. As soon as any product safety risks are identified, appropriate processes are triggered to contain and eliminate these risks as quickly as possible. The corresponding internal and customer-oriented measures are defined and range from simple customer information to product recalls.

Metrics and Targets
The most important targets relating to product safety are, first, the safety of users of the products and, second, compliance with statutory requirements.

In the financial year 2024, we again conducted a review of the quality management system: All the checks in the context of certifications went well and reinforced our zero-defects strategy. A total of 31 locations are certified according to ISO 9001, and 13 according to IATF 16949.

Quality and Product Safety

	2024	2023	2022
Number of indications of possible violations regarding adverse effects of products on the health or safety of customers or product recalls	-	1	-

The recall action reported in the previous year was successfully continued in 2024, and affected products can still be returned to ams OSRAM by customers.

6.2 Employees

6.2.1 Human Resources Work

Our human resources (HR) work plays a key role in ams OSRAM's efforts to drive sustainability. We believe that employees who are satisfied, well-qualified, and healthy form a key pillar supporting the Company's long-term success.

The strategic focus and key issues of ams OSRAM's HR work can be summarized as follows:

- Employees should be offered a safe workplace that promotes their health.
- ams OSRAM wishes to offer fair working conditions in a work atmosphere that is free of discrimination; it grasps diversity as an opportunity. For our Company, diversity, justice, and inclusion are crucially important, as these principles lay the foundations for innovation and sustainable success.
- Fair remuneration as well as opportunities and prospects for personal development constitute the key pillars of HR development.
- Employee satisfaction is essential to corporate success and should enhance employee retention.

Governance
The Supervisory Board is kept informed on developments in our HR work and the above-mentioned strategic thrust as well as the objectives. The CEO is the Management Board member responsible for human resources. The Human Resources (HR) unit is responsible for handling the HR work. The Head of Global HR is at the helm of our global HR effort and reports directly to the CEO; as a member of the management team, she influences strategic decisions. Alongside the corporate HR functions, there are also local HR units.

Our HR work rests on tried-and-true regulations and processes for the employees and executives, e.g., as regards the topics of recruitment, diversity and inclusion, equal opportunities, onboarding new talent, developing talent, further training, remuneration, and benefits. The Group-wide HR guideline contains binding requirements to ensure global standards for HR practices.

The above-mentioned HR governance framework at ams OSRAM covers the following chapters: Diversity and Equal Opportunities, People Development, and Employee Satisfaction and Remuneration. There is a different governance structure in place for Occupational Health and Safety that is described in the corresponding chapter Occupational Health and Safety.

By the end of 2024, 19,665 individuals (2023: 20,378) were employed at ams OSRAM. The decline is due to personnel reduction measures as well as divestitures and liquidations of business units. The number of temporary staff, most of whom are employed in manufacturing, fell as of December 31, 2024, by 34% to 190 (2023: 287). This development is due to a decline in demand caused by the ongoing challenging market environment.

Countries by Number of Employees
(Top 5 countries based on share of total workforce)

Number of employees as of December 31	2024	2023
Malaysia	5,844	5,870
Germany	4,701	4,901
China	2,710	2,624
Austria	1,373	1,321
Singapore	1,277	1,912
Others	3,760	3,750
Total	**19,665**	**20,378**
of which outside Austria	18,292	19,057

For further KPIs[1] on employee-related topics, please consult section > 7.3 Detailed KPIs for Chapter 6.2 Employees in the Appendix.

[1] Due to the very small number (< 5) of people who identify as non-binary or belonging to a different gender, these groups are not shown separately in our HR reporting.

6.2.2 Occupational Health and Safety

As a corporation with our own manufacturing facilities and extensive administrative functions, ams OSRAM considers occupational health and safety (OHS) to be a key topic. Employees are exposed to various risks in the performance of their work which can lead to accidents and injuries. Moreover, there are activities that entail special hazards owing to the work setting, such as handling chemicals. We have put in place a corresponding management system in order to protect the health of our employees and prevent financial impacts and reputational damage.

Governance
Environmental protection and occupational health and safety within the corporation are the overall responsibility of the CEO, who has delegated the relevant tasks and authority to the head of EHS. The latter regularly reports directly to the Management Board on significant developments.

The corporate EHS unit has the power at ams OSRAM to issue guidelines in the area of occupational health and safety > 5.1 Environmental Management.

Strategy and Regulations
As part of its EHS policy, ams OSRAM has committed to offering its employees a safe and healthy working environment. This includes minimizing the risk of occupational illnesses and accidents at work. In this way, we fulfill our social responsibility and also avoid economic damage. The processes, structures, and corresponding rules covering the implementation of the EHS policy are outlined in the Company's 'process house'.

Managing Impacts, Risks, and Opportunities
The production sites in Ang Mo Kio (Singapore), Wuxi and Foshan (both China), Penang and Kulim (both Malaysia), Calamba (Philippines), and the headquarters in Premstätten (Austria) are all certified in accordance with ISO 45001, the standard for occupational health and safety management systems. During the reporting period, four locations passed external audits as part of the matrix certification scheme. Our internal requirements also oblige the other production facilities to maintain a management system for occupational health and safety as per the ISO 45001 standard. The corporate EHS Department carried out seven additional corporate EHS audits to verify this requirement. Moreover, the plant in Foshan was again certified

according to amfori BSCI, an internationally recognized standard for social accountability.

While development and sales locations with more than 50 employees operate a reduced management system, they also contribute data on health and safety KPIs. The EHS Department also includes in its reporting a selection of locations that do not quite have this headcount and, as a result, our reporting accounts for 96% of the employees. Our responsibility for occupational safety also covers employees of external companies working on site. However, because we do not specifically document their respective numbers or how many hours they work, the aforementioned figure only includes our own full-time employees.

At the locations mentioned, the managers responsible have to conduct a risk assessment for each area of activity in accordance with internal requirements. Our managers also attend regular training sessions on these matters. The quality and completeness of the risk assessments are reviewed internally and externally. Hazards at ams OSRAM can be of an ergonomic, mechanical, radiation-related, or chemical nature. Specific measures are then taken in line with the assessment of the risks. These may include the use of safety barriers and rails, floor markings, or vapor extraction and ventilation systems. Where necessary, personal protective equipment (PPE) is provided. To support managers, the local medical personnel (Company doctors and nurses) and, in some instances, employee representatives are also involved in the risk assessment.

Quality assurance for the medical services starts with procurement or, at larger locations where we have our own medical personnel, as part of the recruitment process. Company doctors provide all reports required by law, while always upholding patient confidentiality. Access to medical services for employees is regulated at the location level, and the consulting hours are communicated to staff.

We have also formed committees for occupational health and safety, either in line with local legal requirements or on a voluntary basis. These committees also incorporate environmental issues in their work and hold meetings both on a regular basis and in accordance with local requirements. In addition to accident prevention experts (such as safety officers or safety representatives), these committees also include representatives of the local management, the employees, and the medical staff. Their resolutions are minuted and the resolved measures are followed up.

Employees' Responsibilities and Obligations

All ams OSRAM employees have the responsibility and duty to pay attention to safety in their respective safety in their respective environment. In accordance with the requirements of ISO 45001, employees are encouraged to report hazardous situations (without fear of reprisals) and may at all times take themselves out of potential harm's way without having to ask for permission. They are also included in the process of compiling or updating risk assessments and determining the causes of incidents.

On joining the Company and at regular intervals thereafter, ams OSRAM employees are informed of potential hazards at their workplace. If they change jobs internally, they can only commence their new activities once they have received new training with regard to the possible new hazards there. This also applies to employees who work remotely. Managers are expected to draw attention to the possible ergonomic risks of working from home and/or to recommendations for installing ergonomic workstations there.

ams OSRAM also attaches importance to the health and medical care of its employees outside the world of work. For this reason, in most of the countries in which we operate and where there is no mandatory health insurance, we purchase such coverage for our employees on a voluntary basis.

Countless global and local health and safety measures were continued in 2024, too, with examples being:

- By means of posters and an article on the company Intranet, a global awareness-raising campaign was carried out for all ams OSRAM employees on the appropriate use of mobile devices while walking on the grounds at our sites.
- At our Penang and Kulim (both Malaysia) sites, the EHS teams issue regular communication to all employees to enhance EHS awareness. A variety of topics is covered, ranging from information on accidents to raising awareness of topics such as labeling of chemicals, road traffic safety, etc.
- The Schwabmünchen site was awarded the Berufsgenossenschaft Energie Elektro Medienerzeugnisse (BG ETEM) Prize for Preventative Action in December 2024. The site had prepared information on the safety of machines and all plant featuring modern technologies, such as VR goggles, tablets, mobile phones, and QR codes, and had distributed the materials to all the employees.

Requirements for the Supply Chain

We oblige all ams OSRAM suppliers to accept and sign our Code of Conduct for Suppliers, which sets out our OHS requirements. Depending on their country of origin, new suppliers must also complete an online questionnaire on aspects of sustainability, including OHS, which is then evaluated by Procurement, if necessary with the involvement of the EHS Department. Selected suppliers are also asked to initiate corporate responsibility audits (> 6.1.2 Supply Chain Management). We attach great importance to outsourced processes and their impacts on environmental protection and OHS. These are covered in a special Appendix of the Group's global Procurement Policy.

Metrics and Targets

Our goal is to offer our employees a safe and healthy workplace. We therefore aim to continually improve our OHS parameters, including documenting work-related injury data at our locations as a basis for calculating the internationally recognized KPIs of the 'Lost Time Injury Frequency Rate' (LTIFR) and the 'Severity Rate' (SR). Each accident resulting in lost time is analyzed to determine the causes. This analysis, for which the 'five whys' method is recommended, serves as a basis for deriving corrective and preventive measures and for updating our risk assessments.

Targets are always set on a site-specific basis. As regards the LTIFR, the target is based on achieving a reduction relative to the mean for the past three years. The SR target factors in the regional average absence rates per injury. On the basis of these individual figures, we then aggregate our regional and global targets. We already expect a zero injury rate at non-production locations.

The global LTIFR in 2024 was significantly below the previous year's figure. However, the challenging target (see table) was not achieved this year. Compared to the previous year, the absolute number of accidents fell and reached the lowest level since the introduction of joint reporting. Of the accidents reported, none was so serious that the employee in question was unable to recover in less than six months or is unlikely to be able to do so at all.

By contrast, the achieved SR was above the target and also higher compared to the previous year. The EMEA region had the greatest influence with some very significant cases.

As in the previous year, in financial 2024 there were no fatalities caused by occupational accidents or occupational illnesses among our own employees or employees of subcontractors at our locations.

In the reporting period, no relevant penalties or fines amounting to more than EUR 10,000 were imposed on ams OSRAM for breaches of OHS regulations.

Occupational Health and Safety

	Target 2024	2024	2023	2022	2021	2020
Global LTIFR[1]	**0.22**	**0.22**	**0.24**	**0.27**	**0.23**	**0.31**
LTIFR EMEA		0.47	0.42	0.47	0.39	0.34
LTIFR Americas		0.37	0.25	1.01	0.30	0,47
LTIFR Asia/Pacific		0.07	0.12	0.10	0.13	0.28
Global SR[1]	**5.8**	**6.1**	**5.2**	**4.7**	**7.4**	**5.0**
SR EMEA		15.0	10.6	9.4	13.2	9.6
SR Americas		2.7	7.6	7.0	14.6	15.4
SR Asia/Pacific		1.3	1.7	1.9	3.0	1.4
Number of accidents resulting in absence from work		45	51	64	63	87
Number of high-consequence accidents[2]		0	1	1	3	2
Number of cases of recognized occupational illness[3]		0	1	0	3	0

6.2.3 Diversity and Equal Opportunities

ams OSRAM, as a global company with employees of many nationalities and cultures, believes diversity is one of the drivers of success, innovation, and better decision-making. By promoting diversity and equal opportunities, the company aims to create opportunities to better compete globally, increase employee motivation and satisfaction, and successfully counteract the existing and intensifying shortage of skilled labor. An inclusive corporate culture strengthens the sense of belonging and creates a work environment where all employees can realize their full potential through the promotion of psychological safety. Additionally, a diverse workforce with intercultural competencies supports access to customers and talent. ams OSRAM has developed a programmatic approach to promoting diversity and equal opportunities within the company.

[1] The LTIFR represents the number of accidents at work resulting in at least one day lost in relation to the total number of working hours during the fiscal year. The SR represents the total number of days lost in relation to the total number of working hours during the fiscal year. Both KPIs are scaled to 200,000 working hours, excluding commuting accidents.
[2] Accidents that result in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within six months.
[3] Occupational diseases are illnesses suffered by employees as a result of their professional activity and which are recognized as such by authorities or insurance carriers. ams OSRAM adheres to local legislation with regard to the responsible authorities and the procedures to be followed.

Strategy and Regulations

Our Diversity, Equity & Inclusion (DEI) strategy aims to foster a corporate culture that promotes diversity. ams OSRAM is guided by the so-called seven diversity dimensions[4]. The focus of our reporting is on the dimensions of gender, age, and nationality. Inclusion and equal opportunities are, alongside diversity, central elements of the DEI strategy. Diversity is also an integral part of ams OSRAM's Group-wide HR Policy, which is intended to establish the framework for integrating this topic into our corporate culture.

As a signatory to the UN Global Compact, ams OSRAM supports the former's Principles 1 (protection of human rights) and 6 (anti-discrimination). We respect the human and personal rights of all employees, business partners, and customers, as well as their personal dignity and privacy to ensure equal opportunities and avoid any possible disadvantage. These principles are set out in the ams OSRAM Code of Conduct and Human Rights Policy. We do not tolerate any violations of these principles > 4.3.2 Combating Corruption and Anti-Competitive Behavior.

ams OSRAM is a signatory to the "Charter of Diversity", a voluntary commitment by German companies to promoting diversity within their corporation. In addition, ams OSRAM is involved in other voluntary initiatives such as the PROUT AT WORK-Foundation that aspire to anchor and strengthen diversity and inclusion within companies.

Managing Impacts, Risks, And Opportunities

To leverage a conscious approach to diversity as a competitive advantage, the central activities are managed and coordinated through a corporate-level function. Our regional Diversity Ambassadors support this function when it comes to a decentralized realization of this approach; they are nominated by the Business Units and Regions. In 2024, the Diversity Action Month in May was again implemented at various locations by the Diversity Ambassadors through a range of different events. Moreover, the DEI Strategy helps mitigate the risk of a shortage of skilled labor outlined in the Risk Report > Management Report, Risk Report.

[4] Age, ethnic origin and nationality, gender and gender identity, physical and mental abilities, religion and belief, sexual orientation, and social origin.

Various Employee Groups provide all employees with the opportunity to exchange ideas on specific topics or aspects of diversity. For example, local initiatives such as the ‘Internationals Table’, ‘Diversity Walk’, and ‘Women Connect Austria’ – designed specifically for women – are offered. These initiatives are intended to strengthen the sense of belonging, provide opportunities for networking and exchange, and create an inclusive atmosphere.

Securing equal opportunities is considered an important precondition for diversity. This principle is therefore reflected in important processes: ams OSRAM relies on standardized processes, clearly defined criteria, and the use of the dual control principle to ensure fair and equal treatment in recruitment, the Performance Management Process (PMP), in selecting employees to participate in our talent programs, and in the classification of candidates.

In 2024, the HR Leadership Team attended a training session on unconscious bias. Currently, planning is underway for further awareness-raising within the Company.

ams OSRAM makes use of a regularly reviewed structured model of salary bands as the basis for a fair remuneration system. Person-related factors and differences such as gender, religion, origin, performance, experience, etc. have no relevance to the definition of the respective salary band and are not included in defining them. This reflects our principle of equal pay for equal work. A person’s position within the salary band is determined solely by activity-related factors such as level of education, performance, and degree of responsibility. To ensure compliance with our principle of ‘equal pay for equal work’, we analyze the gender pay gap each year.

Women in Management Positions
ams OSRAM recognizes the positive effects of a diverse composition of leadership positions with respect to various criteria. The current emphasis is on the gender dimension, which is to be achieved primarily by increasing the proportion of women in management. In the high-tech industry, particularly in the semiconductor sector, women remain underrepresented in many countries, which is why it is especially important to promote their inclusion and thereby enhance the potential of gender-mixed leadership teams.

The DEI Strategy accordingly features these overarching objectives in this regard, namely considering women in recruiting, development, promotion, and succession planning. Thus, the filling of positions and the selection of employees at ams OSRAM should, among other things, be based on diversity criteria.

To realize these objectives in practice, special programs to promote women and develop female managers have been launched. The global “Women Leadership Forum” offers both women in management positions and those with a strong interest in assuming such roles the opportunity to foster their leadership skills and network within the ams OSRAM organization. Female talents also have the possibility of participating in our Female Mentoring Program to expand their networks and receive support for their personal and professional development. To attract female talent, ams OSRAM participates in specialized recruitment fairs and events.

ams OSRAM also makes it easier to combine work and family life by offering parental leave and models for flexible working hours, such as the option of working part-time or from home. Employees dealing with special family needs, such as caring for relatives, have the option to reduce their working hours. At a number of locations, ams OSRAM offers support in the form of childcare or arranging childcare for employees.

Metrics and Targets
A central goal of the DEI Strategy is to boost the proportion of women in management positions. In order to highlight the importance of this objective and to achieve further progress, in 2021 the Management Board set a target of 25% for the proportion of women in the first two management levels of the entire ams OSRAM Group. This goal has to be achieved by the end of 2026. In 2024, the figure was 23% (2023: 22%). The detailed presentation of the two management levels can be found in the following table.

Share of Female Managers

	First management level[1]			Second management level[2]			Total		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
Total	**340**	**336**	**351**	**3,650**	**3,776**	**4,161**	**19,665**	**20,378**	**22,461**
<30 years	-	1	1	12	25	26	2,717	3,354	3,190
30–49 years	101	119	118	2,193	2,484	2,595	11,989	12,612	13,898
>49 years	239	216	232	1,445	1,267	1,540	4,959	4,412	5,373
therein female	**46**	**44**	**45**	**875**	**869**	**890**	**8,592**	**8,960**	**9,785**
Share (in %)	**14%**	**13%**	**13%**	**24%**	**22%**	**21%**	**44%**	**41%**	**44%**
<30 years	-	-	-	4	7	10	1,412	1,744	1,757
30–49 years	19	20	16	628	654	661	5,387	5,621	6,139
>49 years	27	24	29	243	208	219	1,793	1,595	1,889

6.2.4 People Development

People development is a crucial aspect of ams OSRAM’s HR work. Given the continuously changing requirements of the modern workplace, it is important for us to ensure – through appropriate personnel development measures – that employees possess the necessary skills and competencies to pursue their personal goals and contribute to the Company’s success. Through targeted investment in employee development, ams OSRAM not only strengthens the competence and motivation of its workforce but also mitigates the challenges and risks associated with a shortage of skilled workers, thereby securing its competitiveness.

Strategy and Regulations
In view of technological change and the fierce pace of innovation, on the one hand, and demographic change and social trends, on the other, the importance of HR work is steadily increasing. It constitutes a key pillar of the Company’s strategy and focuses on training and advanced lifelong training for employees. In personnel development, ams OSRAM pursues a strategy that addresses not only the individual skills and interests of its employees but also the corporate and technological developments in the relevant industry, as well as general behavioral trends. In this way, we seek to ensure long-term loyalty to the Company of key skilled workers and

[1] Senior managers with a defined function rating or higher.
[2] Managers, with a management function in a defined function evaluation area.

managers. ams OSRAM is convinced that well-trained, satisfied, and motivated employees lay the foundations for business success. Effective people development is destined to boost high employee satisfaction and our attractiveness as an employer, and thus contribute to a correspondingly low employee turnover rate.

Managing Impacts, Risks and, Opportunities

ams OSRAM has chosen a systematic approach to people development and to this end established a performance management process (PMP). In the framework of the PMP process, a continuous and structured dialog takes place between employees and managers supported by an IT tool. Through this close and personal dialogue, ams OSRAM aims to ensure that shared development goals are agreed upon and implemented and that employees receive targeted feedback to support their development journey. The PMP process also serves as the basis for the global identification and development of talent.

For ams OSRAM, people development entails corporate opportunities and risks. By aligning it with the business model and the corporate strategy, ams OSRAM can positively influence its success and strengthen employee retention. Risks such as the aforementioned shortage of skilled labor are of great importance to ams OSRAM and are addressed and actively managed as part of the Group-wide risk management system.

We implement a wide range of personnel development measures. For example, the vocational training at ams OSRAM offers young people an opportunity to join the Company straight after completing school and thus is therefore an integral part of the Company's efforts to secure new young talent.

The career path model developed by ams OSRAM comprises five equivalent development paths: Engineering, Leadership, Project Management, Sales, and Specialist. Our employees are offered individual training and development programs tailored to where they are in their careers and according to their skill profiles. Within the leadership career path, a vast range of management training courses and programs – such as 'Succeeding as a New Manager' or the 'Advanced Leadership Program' – up to and including individual executive coaching offerings can be completed.

We encourage employees with the potential to assume greater responsibilities within the Group – irrespective of their particular career path – through talent programs.

While the local talent program was conducted only in Malaysia in 2024, the newly designed global talent programs for various career levels are open to all employees within the company.

Among other things, the annual Performance Management Process (PMP) identifies candidates who can be nominated for our talent programs.

The Key Expert Program is open to employees on the Engineering career path who work in our R&D Departments. To this end, we have defined "TechFields" that reflect current and future technological topics of central importance to ams OSRAM.

The 'ams OSRAM University' offers a Company-wide modern training program, containing over 16,000 learning modules. These offer a broad range of training and advanced training opportunities, which can be used flexibly. In light of new forms of work, the goal is to make training content easily accessible.

Metrics and Targets

In the field of people development, a key aim of ams OSRAM is to provide employees with personal development opportunities through appropriate measures. In this way, we want to strengthen our attractiveness as an employer and grow a pool of talent for specialist and management positions within the Company.

Average Hours of Training per Employee by Function

	Production and service			Research and development			Administration and selling			Total workforce		
	2024	2023	2022	2024	2023	2022	2024	2023	2022	2024	2023	2022
Number of employees by function (in FTE, annual average)	13,857	14,098	16,479	2,783	3,144	3,453	2,938	3,289	3,389	19,577	20,530	23,322
Average hours of training per employee by function	7.3	7.2	4.8	16.8	18.5	12.1	9.8	10.3	8.3	9.0	9.4	6.4
Average hours of training per female employee by function	5.7	4.8	3.1	24.8	26.6	16.4	10.9	11.5	10.2	7.9	7.5	5.0

Global outlays for further training measures in the reporting year came to EUR 3.7 million (2023: EUR 4.4 million).

Share of Employees Receiving Regular Performance and Career Development Reviews
(in headcount as of December 31)

	2024		2023		2022	
	Share of employees[1] who have received regular performance and career development reviews		Share of employees[1] who have received regular performance and career development reviews		Share of employees[1] who have received regular performance and career development reviews	
	Headcount	Percentage of employees receiving regular performance and career development reviews	Headcount	Percentage of employees receiving regular performance and career development reviews	Headcount	Percentage of employees receiving regular performance and career development reviews
Male	5,596	69%	4,847	59%	4,567	50%
Female	2,560	67%	2,382	61%	1,768	42%
Total[1]	**8,156**	**69%**	**7,229**	**59%**	**6,335**	**48%**

[1] The figures shown relate to the performance management process (PMP, indirect employees) established at ams OSRAM. The percentage increase in the coverage of indirect employees can also be partly explained by an expansion of the central documentation of results from countries with a locally implemented PMP. Tariff employees in Germany follow a separate annual performance appraisal process and are not included in the figures shown above.

6.2.5 Employee Satisfaction and Remuneration

Motivated and committed employees are one of the most important success factors for a company but also comprise a significant risk. In order to retain our employees, and in particular those in key positions, going forward it is important for management to know what the mood in the Company is like and how committed employees are. Satisfied employees identify with their employer and have a high level of loyalty to the Company. In particular, in times of change, there is a high risk that employees may feel insecure, and precisely here interaction and communication play an important role.

Strategy and Regulations

ams OSRAM is convinced that employee satisfaction is an indicator of how the Company treats and values its employees. All our employees, irrespective of their personal characteristics and outlook, are offered the same opportunities and possibilities for personal development. We value our employees and treat them with respect, and this includes offering them fair remuneration, which is essentially also enshrined in our Code of Conduct and HR Policy. Our remuneration system is designed to ensure that pay is fair and commensurate with performance. It does not distinguish by gender or other characteristics that could lead to discrimination > 6.2.3 Diversity and Equal Opportunities.

ams OSRAM aspires to retain its employees by offering them a long-term and attractive remuneration package. A profit-sharing program for all employees of ams OSRAM (Profit-Sharing Plan 2020) supplements the existing stock option plans and remuneration programs, such as the LTIP. With the profit-sharing program, ams OSRAM expresses that its employees are the most important factor in the company's success and rewards their joint contribution to the success of ams OSRAM's business.

In Group companies with collective bargaining agreements, the respective collective bargaining agreement forms the basis for the evaluation and the remuneration system; this is the case at ams OSRAM in Germany[2], for example. Depending on the national rules and regulations, ams OSRAM offers discretionary benefits over and above the legal requirements in areas such as health and accident insurance, a company pension, and forms of deferred compensation models.

[2] i.e., in the former OSRAM companies

Our understanding of fair working conditions includes the right to freedom of association and the possibility to conclude collective agreements, for example on remuneration issues. These are set out in our Code of Conduct.

Managing Impacts, Risks, and Opportunities
To measure employee satisfaction, engagement, and loyalty, we conducted the first worldwide employee survey at ams OSRAM in 2022. Based on the results, global, local, and departmental measures were continuously implemented in 2023. The key issues identified were discussed at Group level and within the teams responsible, leading to the development of the relevant measures and their subsequent implementation.

In the financial year 2024, another survey of all employees was conducted on organizational health (Organizational Health Index, OHI). The aim of the survey was to rate various dimensions such as communication, cooperation, and decision-making. In total, 75% of the entire headcount took part in the survey, and the score was an overall OHI Index of 64 points. The results of the global OHI survey show that worldwide 73% of employees are satisfied with their work. On the basis of the findings, global focus topics were defined. These are supported by measures at the Business Unit, Corporate Function, and location level, scheduled for implementation in 2024 and 2025. The next survey is planned for the end of 2025.

With regard to fair pay, we view it as a matter of course to comply with local legal remuneration requirements. We compare the remuneration for our staff to benchmark data for comparable companies per country or location. We promote employee performance with clearly defined bonus programs based on globally determined guidelines for variable remuneration and sales bonuses. The definition and scale of the respective remuneration are based on the corresponding job evaluation. This is carried out in a non-discriminatory manner on the basis of the neutral criteria uniformly set for the Group in 2021.

ams OSRAM believes open dialog is an important instrument for maintaining and/or boosting employee satisfaction. In order to create opportunities for dialog between the employees and management, we regularly hold town hall meetings and organize webcasts with the Management Board and other management representatives, where employees can ask questions and give feedback.

Other internal measures to retain employees included the continuation of the global ‘SmartWorking’ scheme, the streamlining of approval processes, and the intensified marketing of the ‘ams OSRAM University’.

Metrics and Targets
The key aims are satisfied staff, employee turnover in line with economic conditions, fair working conditions, and ideally, as a result, great attractiveness as an employer. The relevant turnover rate in this context (see the table in Appendix > 7.3 Detailed KPIs for Chapter 6.2 Employees) was lower in 2024 compared to the previous year. ams OSRAM monitors the turnover rate at short intervals.

Collective bargaining agreements are in place at our European Group companies[1] with the biggest workforces. At the end of 2024, in these Group companies, 97% of the workforce was covered by such agreements. We also work closely with employee representatives (both works councils and trade unions). In Germany and Austria, for example, this has resulted in a large number of work agreements

In Germany, 100% of the employees at OSRAM Group companies came under collective bargaining agreements. A total of 39% of the employees of German ams Group companies were covered by collective agreements. In Austria, 100% of the employees of ams OSRAM Group companies were covered.

[1] In Austria, the Czech Republic, Germany, Italy, and Slovakia

7 Appendix

Audit Report

EU Taxonomy KPIs

Detailed KPIs for Chapter 6.2 Employees

Index on GRI, TCFD (incl. Assumptions on Climate-related Transition Risks) and SASB

7.1 Audit Report

To the Management Board
ams-OSRAM AG,
Premstätten

We have performed a limited assurance engagement in connection with the consolidated non-financial reporting according to the GRI Standards (hereafter "non-financial reporting") in the Group annual report in section "7. Sustainability Report" for the financial year 2024 of the

ams-OSRAM AG,
Premstätten
(hereinafter also referred to as "ams OSRAM" or "Company").

Conclusion with limited assurance
Based on our procedures performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the consolidated non-financial reporting (hereafter "non-financial reporting") in the Group annual report in section "7. Sustainability Report" is not prepared, in all material respects, in compliance with:

- the GRI Standards, and
- the reporting requirements according to Article 8 of the EU Regulation 2020/852 (hereinafter referred to as "EU-Taxonomy-Regulation") in respect to the disclosure requirements in the non-financial reporting

in the currently valid version.

Basis for conclusion with limited assurance
Our limited assurance engagement on the non-financial reporting was conducted in accordance with the statutory requirements and Austrian Standards on Other Assurance Engagements and additional expert opinions as well as the International Standard on Assurance Engagements (ISAE 3000 (Revised)) applicable to such engagements. An independent assurance engagement with the purpose of expressing a conclusion with limited assurance ("limited assurance engagement") is substantially less in scope than an independent assurance engagement with the purpose of expressing a conclusion with reasonable assurance ("reasonable assurance engagement"), thus providing reduced assurance.

Our responsibility under those requirements and standards is further described in the „Responsibility of the auditor of the consolidated non-financial reporting" section of our assurance report.

We are independent of the Company in accordance with the Austrian professional regulations and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our audit firm is subject to the provisions of KSW-PRL 2022, which essentially corresponds to the requirements of ISQM 1, and applies a comprehensive quality management system, including documented policies and procedures for compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained up to the date of the limited assurance report is sufficient and appropriate to provide a basis for our conclusion as of that date.

Other information
Management is responsible for the other information. The other information comprises all information included in the Annual Report 2024 but does not include non-financial reporting and our independent assurance report.

Our conclusion on the non-financial reporting does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our limited assurance engagement on the non-financial reporting, our responsibility is to read the other information when available and, in doing so, consider whether the other information is materially inconsistent with the non-financial reporting or our knowledge obtained in the limited assurance engagement or otherwise appears to be misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this context.

Responsibility of the management
Management is responsible for the preparation of a non-financial reporting including the determination and implementation of the materiality assessment process in accordance with requirements and standards. This responsibility includes:

- identification of the actual and potential impacts, as well as the risks and opportunities associated with sustainability aspects and assessing the materiality of these impacts, risks and opportunities,
- preparing of a non-financial reporting in compliance with the requirements of the Global Reporting Initiative (GRI) Standards
- inclusion of disclosures in the consolidated non-financial reporting in accordance with the EU-Taxonomy-Regulation, and
- designing, implementing and maintaining of internal controls that management consider relevant to enable the preparation of sustainability report that is free from material misstatement, whether due to fraud or error; and to enable the materiality assessment process to be carried out in accordance with the requirements of the GRI Standards.

This responsibility includes also the selection and application of appropriate methods for non-financial reporting and the making of assumptions and estimates for individual sustainability disclosures that are reasonable in the circumstances.

Inherent limitations in the preparation of non-financial reporting
When reporting forward-looking information, the company is obliged to prepare this forward-looking information based on disclosed assumptions about events that could occur in the future and possible future actions by the company. Actual results are likely to differ as expected events often do not occur as assumed.

When determining the disclosures in accordance with the EU-Taxonomy-Regulation, the management is obliged to interpret undefined legal terms. Undefined legal terms can be interpreted differently, also regarding the legal conformity of their interpretation and are therefore subject to uncertainties.

Responsibility of the auditor of the consolidated non-financial reporting
Our objectives are to plan and perform a limited assurance engagement to obtain limited assurance about whether the non-financial reporting, including the described approach regarding the materiality assessment to determine the information to be

reported and the reporting in accordance with the EU-Taxonomy, is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. 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 based on this non-financial reporting.

In a limited assurance engagement, we exercise professional judgement and maintain professional scepticism throughout the assurance engagement.

Our responsibilities include

- performing risk-related assurance procedures, including obtaining an understanding of internal controls relevant to the engagement, to identify disclosures where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of expressing a conclusion on the effectiveness of the Company's internal controls;
- design and perform assurance procedures responsive to disclosures in the non-financial reporting, where material misstatements are likely to arise. 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.

Procedures – Summary of the work performed
A limited assurance engagement involves performing procedures to obtain evidence about the non-financial reporting.

Our engagement does not include the assurance of prior period figures, printed interviews or other additional voluntary information of the company, including references to websites or other additional reporting formats of the company.

The nature, timing and extent of assurance procedures selected depend on professional judgement, including the identification of disclosures likely to be materially misstated in the non-financial reporting, whether due to fraud or error.

In conducting our limited assurance engagement on the non-financial reporting, we proceed as follows:

- We obtain an understanding of the company's processes relevant to the preparation of non-financial reporting.
- We assess whether all relevant information identified by the materiality assessment process carried out by the company has been included in the non-financial reporting.
- We evaluate whether the structure and presentation of the non-financial reporting is in compliance with the requirements of the GRI-Standards.
- We perform inquiries of relevant personnel and analytical procedures on selected disclosures in the non-financial reporting.
- We perform risk-oriented assurance procedures, on a sample basis, on selected disclosures in the non-financial reporting.
- We reconcile selected disclosures in the non-financial reporting with the corresponding disclosures in other sections of the Group Annual Report.
- We obtain evidence on the methods for developing estimates and forward-looking information.
- We obtain an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in non-financial reporting.

Limitation of liability, publication and terms of engagement
This limited assurance engagement is a voluntary assurance engagement. We issue this conclusion based on the assurance contract concluded with the client, which is also based, with effect on third parties, on the "General Conditions of Contract for the Public Accounting Professions" issued by the Chamber of Tax Advisors and Auditors. These can be viewed online on the website of the Chamber of Tax Advisors and Auditors (currently at https://ksw.or.at/berufsrecht/mandatsverhaeltnis/). With regard to our responsibility and liability under the contractual relationship, point 7 of the AAB 2018 applies.

Our assurance report may only be distributed to third parties together with the consolidated non-financial reporting contained in section "7. Sustainability Report" of the group annual report and only in complete and unabridged form. Because our report is prepared solely on behalf of and for the benefit of the company, its contents may not be relied upon by any other third party, and consequently, we shall not be liable for any other third party claims. Auditor responsible for the assurance engagement.

The auditor responsible for the assurance engagement of the non-financial reporting is Mag. Dr. Johannes Bauer.

Vienna
March 5, 2025

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft
signed by:
Mag. Dr. Johannes Bauer
Wirtschaftsprüfer
(Austrian Chartered Accountant)

7.2 EU Taxonomy KPIs

Proportion of turnover from products or services associated with Taxonomy-aligned economic acitivities – disclosure for year 2024

Financial year 2024		**2024**		**Substantial Contribution Criteria**						**DNSH criteria ('Does Not Significantly Harm')**									
Economic activities	Code(s)	Turnover	Proportion of Turnover, year 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year 2023	Category enabling activity	Category transitional activity
		EURO	%	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)																			
Manufacture of batteries	CCM 3.4	10	0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%[1]	E	
Manufacture of energy efficiency equipment for buildings	CCM 3.5	52	2%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%[1]	E	
Manufacture of other low carbon technologies	CCM 3.6	1,315	39%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%[1]	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**1,377**	**40%**	**40%**	**0%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0%[1]**		
Of which Enabling		1,377	40%	40%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E	
Of which Transitional		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	50	2%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								1%		
Manufacture of batteries	CCM 3.4	-	-	-	-	-	-	-	-								0%		
Manufacture of energy efficiency equipment for buildings	CCM 3.5	-	-	-	-	-	-	-	-								1%		
Manufacture of other low carbon technologies	CCM 3.6	-	-	-	-	-	-	-	-								37%		
Sale of spare parts	CE 5.2	487	14%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								14%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**537**	**16%**	**0%**	**0%**	**0%**	**0%**	**16%**	**0%**								**54%**		
A. Turnover of Taxonomy eligible activities (A.1+A.2)		**1,914**	**56%**	**40%**	**0%**	**0%**	**0%**	**16%**	**0%**								**54%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		1,502	44%																
TOTAL		**3,416**	**100%**																

[1] The activities reported eligible in the previous year are now classified as aligned in the current reporting year. Since no separate comparative values were available for these activities, a figure of 0% is shown.

Proportion of CapEx from products or services associated with Taxonomy-aligned economic acitivities - disclosure for year 2024

Financial year 2024		**2024**		**Substantial Contribution Criteria**						**DNSH criteria**									
Economic activities	Code(s)	CapEx	Proportion of CapEx, year 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) CapEx, year 2023	Category enabling activity	Category transitional activity
		EURO	%	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)																			
Manufacture of batteries	CCM 3.4	0	0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%[1]	E	
Manufacture of energy efficiency equipment for buildings	CCM 3.5	9	2%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%[1]	E	
Manufacture of other low carbon technologies	CCM 3.6	149	37%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%[1]	E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**158**	**39%**	**39%**	**0%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0%[1]**		
Of which Enabling		158	39%	39%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E	
Of which Transitional		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	1	0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0%		
Manufacture of batteries	CCM 3.4	-	-	-	-	-	-	-	-								0%		
Manufacture of energy efficiency equipment for buildings	CCM 3.5	-	-	-	-	-	-	-	-								1%		
Manufacture of other low carbon technologies	CCM 3.6	-	-	-	-	-	-	-	-								14%		
Sale of spare parts	CE 5.2	13	3%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								1%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	5	1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1%		
Construction of new buildings	CCM 7.1	-	-	-	-	-	-	-	-								32%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	1	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.4	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Acquisition and ownership of buildings	CCM 7.7	20	5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								5%		
Data processing, hosting and related activities	CCM 8.1	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**40**	**10%**	**7%**	**0%**	**0%**	**0%**	**3%**	**0%**								**53%**		
A. CapEx of Taxonomy eligible activities (A.1+A.2)		**199**	**49%**	**46%**	**0%**	**0%**	**0%**	**3%**	**0%**								**53%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		**207**	**51%**																
TOTAL		**405**	**100%**																

[1] The activities reported eligible in the previous year are now classified as aligned in the current reporting year. Since no separate comparative values were available for these activities, a figure of 0% is shown.

Proportion of OpEx from products or services associated with Taxonomy-aligned economic acitivities – disclosure for year 2024

Financial year 2024		2024		Substantial contribution criteria						DNSH criteria									
Economic activities	Code(s)	OpEx	Proportion of OpEx, year 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) OpEx, year 2023	Category enabling activity	Category transitional activity
		EURO	%	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)																			
Manufacture of batteries	CCM 3.4	2	0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%[1]	E	
Manufacture of energy efficiency equipment for buildings	CCM 3.5	20	3%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%[1]	E	
Manufacture of other low carbon technologies	CCM 3.6	260	44%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%[1]	E	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**282**	**48%**	**48%**	**0%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0%[1]**		
Of which Enabling		282	48%	48%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E	
Of which Transitional		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	3	0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0%		
Manufacture of batteries	CCM 3.4	-	-	-	-	-	-	-	-								0%		
Manufacture of energy efficiency equipment for buildings	CCM 3.5	-	-	-	-	-	-	-	-								1%		
Manufacture of other low carbon technologies	CCM 3.6	-	-	-	-	-	-	-	-								30%		
Sale of spare parts	CE 5.2	20	3%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								2%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	2	1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1%		
Data processing, hosting and related activities	CCM 8.1	1	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**25**	**4%**	**1%**	**0%**	**0%**	**0%**	**3%**	**0%**								**33%**		
A. OpEx of Taxonomy eligible activities (A.1+A.2)		**308**	**52%**	**49%**	**0%**	**0%**	**0%**	**3%**	**0%**								**33%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		**286**	**48%**																
TOTAL		**594**	**100%**																

[1] The activities reported eligible in the previous year are now classified as aligned in the current reporting year. Since no separate comparative values were available for these activities, a figure of 0% is shown.

Proportion of Turnover/Total Turnover

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	40%	40%
CCA	0%	0%
WTR	0%	0%
CE	0%	16%
PPC	0%	0%
BIO	0%	0%

Proportion of CapEx/Total CapEx

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	39%	46%
CCA	0%	0%
WTR	0%	0%
CE	0%	3%
PPC	0%	0%
BIO	0%	0%

Proportion of OpEx/Total OpEx

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	48%	49%
CCA	0%	0%
WTR	0%	0%
CE	0%	3%
PPC	0%	0%
BIO	0%	0%

Template 1 – Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

7.3 Detailed KPIs for Chapter 6.2 Employees

Employees by Age Category, Gender, and Region
(absolute figure and proportion of workforce)

	EMEA						Americas						Asia/Pacific						Total					
	2024		2023		2022		2024		2023		2022		2024		2023		2022		2024		2023		2022	
Male	**5,167**	**66%**	**5,333**	**66%**	**6,191**	**67%**	**731**	**68%**	**709**	**69%**	**709**	**70%**	**5,174**	**48%**	**5,376**	**48%**	**5,776**	**47%**	**11,072**	**56%**	**11,418**	**56%**	**12,676**	**56%**
<30 years	377	5%	510	6%	487	5%	127	12%	111	11%	76	8%	800	7%	989	9%	870	7%	1,304	7%	1,610	8%	1,433	6%
30-49 years	2,789	36%	2,966	37%	3,382	37%	258	24%	271	26%	257	25%	3,555	33%	3,754	33%	4,120	34%	6,602	34%	6,991	34%	7,759	35%
>49 years	2,001	26%	1,857	23%	2,322	25%	346	32%	327	32%	376	37%	819	8%	633	6%	786	6%	3,166	16%	2,817	14%	3,484	16%
Female	**2,644**	**34%**	**2,714**	**34%**	**3,066**	**33%**	**336**	**31%**	**314**	**31%**	**300**	**30%**	**5,612**	**52%**	**5,932**	**52%**	**6,419**	**53%**	**8,592**	**44%**	**8,960**	**44%**	**9,785**	**44%**
<30 years	183	2%	258	3%	244	3%	58	5%	56	5%	34	3%	1,171	11%	1,430	13%	1,479	12%	1,412	7%	1,744	9%	1,757	8%
30-49 years	1,466	19%	1,546	19%	1,700	18%	129	12%	123	12%	118	12%	3,792	35%	3,952	35%	4,321	35%	5,387	27%	5,621	28%	6,139	27%
>49 years	995	13%	910	11%	1,122	12%	149	14%	135	13%	148	15%	649	6%	550	5%	619	5%	1,793	9%	1,595	8%	1,889	8%
Total	**7,811**	**100%**	**8,047**	**100%**	**9,257**	**100%**	**1,068**	**100%**	**1,023**	**100%**	**1,009**	**100%**	**10,786**	**100%**	**11,308**	**100%**	**12,195**	**100%**	**19,665**	**100%**	**20,378**	**100%**	**22,461**	**100%**

People Working for the Company by Contractual Relationship

	EMEA			Americas			Asia/Pacific			Total		
	2024	2023	2022	2024	2023	2022	2024	2023	2022	2024	2023	2022
Employees with permanent contracts	**7,670**	**7,905**	**9,010**	**1,067**	**1,023**	**1,008**	**10,270**	**10,643**	**9,085**	**19,007**	**19,571**	**19,103**
therein female	2,568	2,639	2,951	336	314	299	5,227	5,420	4,616	8,131	8,373	7,866
Employees with temporary contracts	**141**	**142**	**247**	**1**	**-**	**1**	**516**	**665**	**3,110**	**658**	**807**	**3.358**
therein female	76	75	115	-	-	1	385	512	1,803	461	587	1.919
Total	**7,811**	**8,047**	**9,257**	**1,068**	**1,023**	**1,009**	**10,786**	**11,308**	**12,195**	**19,665**	**20,378**	**22,461**
therein female	2,644	2,714	3,066	336	314	300	5,612	5,932	6,419	8,592	8,960	9,785
Workers outside the company												
Temporary workers	145	240	271	17	-	2	28	47	91	190	287	364
therein female	50	84	95	7	-	1	19	23	45	76	107	141

Full-Time and Part-Time Employees

	EMEA			Americas			Asia/Pacific			Total		
	2024	2023	2022	2024	2023	2022	2024	2023	2022	2024	2023	2022
Full-time employees	**6,691**	**7,022**	**8,186**	**976**	**953**	**976**	**10,786**	**11,306**	**12,195**	**18,453**	**19,281**	**21,357**
therein female	1,972	2,069	2,380	309	292	290	5,612	5,930	6,419	7,893	8,291	9,089
Part-time employees	**1,120**	**1,025**	**1,071**	**92**	**70**	**33**	**-**	**2**	**-**	**1,212**	**1,097**	**1,104**
therein female	672	645	686	27	22	10	-	2	-	699	669	696
Total	**7,811**	**8,047**	**9,257**	**1,068**	**1,023**	**1,009**	**10,786**	**11,308**	**12,195**	**19,665**	**20,378**	**22,461**
therein female	2.644	2,714	3,066	336	314	300	5,612	5,932	6,419	8,592	8,960	9,785

New Hires by Age Category, Gender, and Region
(absolute figure and proportion of workforce)

	EMEA						Americas						Asia/Pacific						Total					
	2024		2023		2022		2024		2023		2022		2024		2023		2022		2024		2023		2022	
Male	**226**	**62%**	**178**	**59%**	**350**	**65%**	**171**	**66%**	**125**	**64%**	**108**	**68%**	**462**	**48%**	**523**	**56%**	**955**	**53%**	**859**	**54%**	**826**	**58%**	**1,413**	**57%**
<30 years	53	15%	57	19%	85	16%	72	28%	57	29%	40	25%	249	26%	274	30%	378	21%	374	23%	388	27%	503	20%
30-49 years	133	37%	101	34%	227	42%	60	23%	46	23%	42	27%	204	21%	242	26%	538	30%	397	25%	389	27%	807	32%
>49 years	40	11%	20	7%	38	7%	39	15%	22	11%	26	16%	9	1%	7	1%	39	2%	88	6%	49	3%	103	4%
Female	**138**	**38%**	**123**	**41%**	**188**	**35%**	**89**	**34%**	**71**	**36%**	**50**	**32%**	**510**	**52%**	**404**	**44%**	**841**	**47%**	**737**	**46%**	**598**	**42%**	**1,079**	**43%**
<30 years	27	7%	45	15%	62	12%	30	11%	31	16%	12	8%	298	31%	235	25%	445	25%	355	22%	311	22%	519	21%
30-49 years	78	21%	64	21%	107	20%	35	13%	27	14%	24	15%	209	22%	166	18%	379	21%	322	20%	257	18%	510	20%
>49 years	33	9%	14	5%	19	4%	24	9%	13	7%	14	9%	3	0%	3	0%	17	1%	60	4%	30	2%	50	2%
Total	**364**	**100%**	**301**	**100%**	**538**	**100%**	**261**	**100%**	**196**	**100%**	**158**	**100%**	**972**	**100%**	**927**	**100%**	**1,796**	**100%**	**1,597**	**100%**	**1,424**	**100%**	**2,492**	**100%**

Employee Turnover by Age Category, Gender, and Region
(absolute figure and proportion of workforce)

	EMEA						Americas						Asia/Pacific						Total					
	2024		2023		2022		2024		2023		2022		2024		2023		2022		2024		2023		2022	
Male	**426**	**8%**	**1,124**	**21%**	**474**	**8%**	**189**	**26%**	**157**	**22%**	**327**	**46%**	**769**	**15%**	**986**	**18%**	**1,319**	**23%**	**1,384**	**13%**	**2,267**	**20%**	**2,120**	**17%**
<30 years	51	14%	92	18%	76	16%	48	38%	40	36%	63	83%	191	24%	183	19%	333	38%	290	22%	315	20%	472	33%
30-49 years	195	7%	502	17%	266	8%	76	29%	68	25%	141	55%	454	13%	162	4%	883	21%	725	11%	732	10%	1,290	17%
>49 years	180	9%	530	29%	132	6%	65	19%	49	15%	123	33%	124	15%	641	101%	103	13%	369	12%	1,220	43%	358	10%
Female	**231**	**9%**	**512**	**19%**	**222**	**7%**	**69**	**21%**	**72**	**23%**	**131**	**44%**	**883**	**16%**	**896**	**15%**	**1,493**	**23%**	**1,183**	**14%**	**1,480**	**17%**	**1,846**	**19%**
<30 years	24	13%	47	18%	30	12%	25	43%	15	27%	14	41%	234	20%	264	18%	531	36%	283	20%	326	19%	575	33%
30-49 years	96	7%	231	15%	129	8%	23	18%	29	24%	58	49%	540	14%	65	2%	832	19%	659	12%	325	6%	1,019	17%
>49 years	111	11%	234	26%	63	6%	21	14%	28	21%	59	40%	109	17%	567	103%	130	21%	241	13%	829	52%	252	13%
Total	**657**	**8%**	**1,636**	**20%**	**696**	**8%**	**258**	**24%**	**229**	**22%**	**458**	**45%**	**1,652**	**15%**	**1,882**	**17%**	**2,812**	**23%**	**2,567**	**13%**	**3,747**	**18%**	**3,966**	**18%**

7.4 Index on GRI, TCFD (incl. Assumptions on Climate-Related Transition Risks) and SASB[1]

GRI Content Index

Indicator No.	Indicator	Comment	Page
2-1	Organizational details	Based on the Global Industry Classification Standards (GICS, a classification of industry into sectors), ams OSRAM is assigned to the Semiconductors and Semiconductor Equipment Industry Group within the Information Technology sector.	75
2-2	Entities included in the organization's sustainability reporting		73
2-3	Reporting period, frequency, and contact point	ams OSRAM publishes its sustainability reporting annually. This report covers the period Jan. 1- Dec. 31, 2024, and was publsihed on March 21, 2025. For feedback or further information please contact Group Sustainability (SU), Marcel-Breuer-Strasse 4, D-80807 München, Germany, E-mail: sustainability@ams-osram.com, https://ams-osram.com/about-us/sustainability.	
2-4	Restatements of information		73
2-5	External assurance		73, 129
2-6	Activities, value chain, and other business relationships		73, 75/76
2-7	Employees		121, 125, 127, 137
2-8	Workers who are not employees		73, 121, 135
2-9	Governance structure and composition	No underrepresented groups are represented on the Management Board and Supervisory Board. Different competencies and also stakeholder perspectives are covered by the elected Supervisory Board members; these can be viewed in the CVs that are published on the Company website.	88/89
2-10	Nomination and selection of the highest governance body	Voting results for the Supervisory Board election can be viewed on our Company website	89
2-11	Chair of the highest governance body		88,91
2-12	Role of the highest governance body in overseeing the management of impacts	Due to our listing on the stock exchange, we generally pursue a congruent information policy. Information for all stakeholders is available on the Company website.	80, 90
2-13	Delegation of responsibility for managing impacts		90
2-14	Role of the highest governance body in sustainability reporting		90
2-15	Conflicts of interest		75, 89

Indicator No.	Indicator	Comment	Page
2-16	Communication of critical concerns	b. Information incomplete (nature of critical concerns) Due to the new reporting requirements of the CSRD as of FY 2025, data that is not relevant under the CSRD the data will not be collected.	100
2-17	Collected knowledge of the highest governance body		88
2-18	Evaluation of the performance of the highest governance body	c. The results of the Supervisory Board's self-evaluation are confidential.	88
2-19	Remuneration policies		89/90
2-20	Process to determine remuneration	b. Voting results for the remuneration policy can be viewed on the Company website.	89
2-21	Annual total compensation ratio	a. und b. Information incomplete As part of the preparations for CSRD reporting, ams OSRAM intends to expand its reporting in the short to medium term. The Remuneration Report for fiscal year 2024 is generally based on the requirements of section 78c of the Austrian Stock Corporation Act. In accordance with this legal requirement, the average remuneration of employees is used to compare the development of remuneration, see > Remuneration Report, Change in Remuneration of the Managing Board Compared to the Workforce.	
2-22	Declaration of application of the sustainable development strategy	A statement by the CFO on our commitment to sustainable development and the prevention of corruption can be found on our Company website, please click on "Sustainability @ ams OSRAM".	76
2-23	Policy commitments	The Code of Conduct was signed by the Management Board.	96, 98
2-24	Embedding policy commitments		96-98
2-25	Processes to remediate negative impacts		96-98
2-26	Mechanisms for seeking advice and raising concerns		117
2-27	Compliance with laws and regulations		98, 100
2-28	Membership associations		82
2-29	Approach to stakeholder engagement		80/81
2-30	Collective bargaining agreements		127
3-1	Process to determine material topics		80, 83/85
3-2	List of material topics		84

[1] Sustainability Accounting Standards Board (SASB) industry standard for "Semiconductors"

Material Topic	Standard	Indicator No.	Indicator	Comment	Page
Integrity & Responsibility	3 – Material Topics 2021	3-3	Management of material topics	b. In fiscal year 2024, no corresponding company disclosures on business relationships and their potential negative effects were published on the Company website	96-99
	205 – Anti–corruption 2016	205-1	Operations assessed for risks related to corruption	a. Information incomplete Due to the new reporting requirements of the CSRD as of FY 2025, data that is not relevant under the CSRD the data will not be collected.	
	205 – Anti–corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	(see table below) For a statement of the CFO on our committment to sustainable development and net zero tolernace of corruption see our Company website, please click “Sustainability @ ams OSRAM”.	96, 99

	Code of Conduct for indirect employees	Code of Conduct for direct employees	Anti-Corruption	Data Privacy	Antitrust
Employees trained in 2024	**9,980**	**7,975**	**5,881**	**6,993**	**2,313**
EMEA	4,499	2,576	2,903	3,402	1,356
Americas	512	228	313	354	197
Asia/Pacific	4,969	5,171	2,665	3,237	760

Material Topic	Standard	Indicator No.	Indicator	Comment	Page
	205 – Anti–corruption 2016	205-3	Confirmed incidents of corruption and actions taken		100
	206 – Anti–competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, cartel and monopoly practices		100
	415 – Public Policy 2016	415-1	Political contributions	Expenditure on political campaigns and political organizations such as parties: EUR 0. Internal expenditure for lobbying via associations see Lobby register of the German Bundestag (in German only), Register number. R005524 and R005154, registration only in Germany External expenditure for association work > 3.1 Stakeholder Engagement, Political Engagement and Memberships (paragraph on expenditure). Breakdown of expenses by highest contributions (with our memberships in employer associations): German Electro and Digital Industry Association (ZVEI): EUR 58,625; DIN: EUR 36,500; Responsible Business Alliance (RBA): EUR 31,028	82
	418 – Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		100
Geopolitics	3 – Material Topics 2021	3-3	Management of material topics	The risks listed in chapter > 4.2.2 Geopolitical Risks can have an impact on the supplier and customer structure. Information was exchanged with customers and suppliers.	91
	201 – Economic Performance 2016	201-1	Direct economic value generated and distributed	ams OSRAM generates revenues from the sale of products. These revenues are offset by expenses e.g. for material procurement (suppliers), employees (wages and salaries), taxes and other charges (social security, etc.), financing costs (interest) and others. Reserves (which remain with ams OSRAM) are formed from the profits generated. Parts of the profit may also be distributed to shareholders in the form of dividends. Details see > Consolidated Financial Statements, Consolidated Statement of Income & Notes to the Consolidated Financial Statement, and > 6.1.2 Supply Chain Management for material procurement.	

Climate Change	3 – Material Topics 2021	3-3	Management of material topics		103-105
	201 – Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change		93/94, 104/105
	305 – Emissions 2016	305-1	Direct GHG emissions (Scope 1)	c. Information unavailable As part of the preparations for CSRD reporting, ams OSRAM intends to expand its reporting in the short to medium term. g. Tools of the Bavarian State Office for the Environment (in German only)	73, 104/105
	305 – Emissions 2016	305-2	Energy indirect GHG emissions (Scope 2)	‘Location-based’ approach: emission factors from the International Energy Agency (IEA); “market-based” approach: emission factors reported by the respective electricity suppliers.	73, 104/105
	305 – Emissions 2016	305-3	Other indirect GHG emissions (Scope 3)	c. Information unavailable As part of the preparations for CSRD reporting, ams OSRAM intends to expand its reporting in the short to medium term.	104/105
	305 – Emissions 2016	305-4	GHG emissions intensity		105
	305 – Emissions 2016	305-5	Reduction of GHG emissions		105/106
	305 – Emissions 2016	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		105
Energy	3– Material Topics 2021	3-3	Management of material topics		103, 106/107
	302 – Energy 2016	302-1	Energy consumption within the organization	c.ii-iii and d. Not applicable / information incomplete The relevant categories are already reported. As heat and steam are not reported separately according to the CSRD requirements, no breakdown will be initiated for the 2024 reporting. d. Not applicable (no sale) g. Source: Bavarian State Office for the Environment (in German only)	102, 107
	302 – Energy 2016	302-2	Energy consumption outside of the organization	Information unavailable Due to the new reporting requirements of the CSRD as of FY 2025, data that is not relevant under the CSRD the data will not be collected.	
	302 – Energy 2016	302-3	Energy intensity		102, 107
	302 – Energy 2016	302-4	Reduction of energy consumption	b. Information incomplete As the breakdown into types of energy included in the reductions is not required for CSRD reporting, it will not be undertaken in 2024.	102, 106/107
	302 – Energy 2016	302-5	Reductions in energy requirements of products and services	Information unavailable Due to the new reporting requirements of the CSRD as of FY 2025, data that is not relevant under the CSRD the data will not be collected. Nevertheless, we want to expand the creation of LCAs in connection with this indicator (LCAs enable the selection of energy-efficient or energy-efficiently produced materials) > 2.2 Business Model and Portfolio.	
Waste	3– Material Topics 2021	3-3	Management of material topics		77, 107-110
	306 – Waste 2020	306-1	Waste generation and significant waste-related impacts		109
	306 – Waste 2020	306-2	Management of significant waste-related impacts		109
	306 – Waste 2020	306-3	Waste generated		109/110
	306 – Waste 2020	306-4	Waste diverted from disposal		110
	306 – Waste 2020	306-5	Waste directed to disposal		110

Water	3– Material Topics 2021	3-3	Management of material topics		108/109, 111
	303 – Water and Effluents 2018	303-1	Interactions with water as a shared resource		108/109
	303 – Water and Effluents 2018	303-2	Management of water discharge-related impacts		108
	303 – Water and Effluents 2018	303-3	Water withdrawal		108/109
	303 – Water and Effluents 2018	303-4	Water discharge		108/109
	303 – Water and Effluents 2018	303-5	Water consumption		108/109
Human Rights	3– Material Topics 2021	3-3	Management of material topics		116
	204 – Procurement Practices 2016	204-1	Proportion of spending on local suppliers		119
	414 – Supplier Social Assessment 2016	414-1	New suppliers screened on the basis of social criteria		118/119
	414 – Supplier Social Assessment 2016	414-2	Negative social impacts in the supply chain and actions taken	b.-e. Information unavailable Due to the new reporting requirements of the CSRD as of FY 2025, data that is not relevant under the CSRD the data will not be collected.	119
	407 – Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	The methodology for risk assessments described in 6.1.1 also includes the right to freedom of association and collective bargaining.	116, 118, 127
	408 – Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	The methodology for risk assessments described in 6.1.1 also includes the risk of child labor.	116
	409 – Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	The methodology for risk assessments described in 6.1.1 also includes the risk of forced or compulsory labor.	117
Product Stewardship	3– Material Topics 2021	3-3	Management of material topics		121-123
	308 – Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria		118/119
	308 – Supplier Environmental Assessment 2016	308-2	Negative environmental impacts in the supply chain and actions taken	b.-e. Information unavailable Due to the new reporting requirements of the CSRD as of FY 2025, data that is not relevant under the CSRD the data will not be collected.	119
	416 – Customer Health and Safety 2016	416-1	Assessment of the impact of different product and service categories on health and safety	All our products, which corresponds to 100%, have been reviewed for their impact on health and safety.	120
	416 – Customer Health and Safety 2016	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		100, 102, 120

Working Conditions	3– Material Topics 2021	3-3	Management of material topics		121-123
	401 – Employment 2016	401-1	New employee hires and employee turnover		136/137
	401 – Employment 2016	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Information unavailable Due to our activities in many different countries, the collection of data is complex. Due to the new reporting requirements of the CSRD as of FY 2025, data that is not relevant under the CSRD the data will not be collected.	
	401 – Employment 2016	401-3	Parental leave	Information unavailable Due to our activities in many different countries, the collection of data is complex. Due to the new reporting requirements of the CSRD as of FY 2025, data that is not relevant under the CSRD the data will not be collected.	
	402 – Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	Information unavailable Due to our activities in many different countries, the collection of data is complex. Due to the new reporting requirements of the CSRD as of FY 2025, data that is not relevant under the CSRD the data will not be collected.	
	403 – Occupational Health and Safety 2018	403-1	Occupational health and safety management system		121/122
	403 – Occupational Health and Safety 2018	403-2	Hazard identification, risk assessment, and incident investigation		102, 122
	403 – Occupational Health and Safety 2018	403-3	Occupational health services		122
	403 – Occupational Health and Safety 2018	403-4	Worker participation, consultation, and communication on occupational health and safety		122
	403 – Occupational Health and Safety 2018	403-5	Worker training on occupational health and safety		122
	403 – Occupational Health and Safety 2018	403-6	Promotion of worker health		122
	403 – Occupational Health and Safety 2018	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		121
	403 – Occupational Health and Safety 2018	403-8	Workers covered by an occupational health and safety management system	a. ii und iii. Information incomple Our responsibility for occupational health and safety also includes the employees of external companies at our sites. However, because we do not specifically record their numbers and working hours, the above figure only includes our own permanent employees.	121-123
	403 – Occupational Health and Safety 2018	403-9	Work-related injuries	b. Information incomplete Our responsibility for occupational health and safety also includes the employees of external companies at our sites. However, because we do not specifically record their number and working hours, the above figure only includes our own permanent employees. Due to the new reporting requirements of the CSRD as of FY 2025, data that is not relevant under the CSRD the data will not be collected.	122/123
	403 – Occupational Health and Safety 2018	403-10	Work-related ill health	b. Information incomplete Our responsibility for occupational health and safety also includes the employees of external companies at our sites. However, because we do not specifically record their number and working hours, the above figure only includes our own permanent employees. Due to the new reporting requirements of the CSRD as of FY 2025, data that is not relevant under the CSRD the data will not be collected.	122/123
	404 – Training and Education 2016	404-1	Average hours of training per year per employee	a.ii Information incomplete Due to the new reporting requirements of the CSRD as of FY 2025, data that is not relevant under the CSRD, the data will not be collected.	126
	404 – Training and Education 2016	404-2	Programs for upgrading employee skills and transition assistance programs		125
	404 – Training and Education 2016	404-3	Percentage of employees receiving regular performance and career development reviews	a. Information incomplete (employee category) Due to the new reporting requirements of the CSRD as of FY 2025, data that is not relevant under the CSRD, the data will not be collected.	
	405 – Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees		88, 124, 135/136
	405 – Diversity and Equal Opportunity 2016	405-2	Ratio of basic salary and remuneration of women to men	Information unavailable Due to our activities in many different countries, the collection of data is complex. As part of the preparations for CSRD reporting, ams OSRAM intends to expand its reporting in the short to medium term.	124
	406 – Non–discrimination 2016	406-1	Incidents of discrimination and corrective actions taken		117

TCFD Index

TCFD Recommended Disclosures on Climate-Related Risks and Opportunities

Governance		Chapter
Disclose the organization's governance around climate-related risks and opportunities.	a. Describe the Board's oversight of climate-related risks and opportunities.	> 4.1.2 Sustainability Governance Structure, Supervisory Board & Sustainability Department; > 4.2.1 Identifying and Managing Risks, Governance & Strategy and Regulations
	b. Describe management's role in assessing and managing climate-related risks and opportunities.	> 4.2.1 Identifying and Managing Risks, Management of Impacts, Risks and Opportunities; > 4.1 Sustainable Corporate Governance; > 4.1.2 Sustainability Governance Structure, Supervisory Board & Sustainability Council
Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	> 4.2.3 Climate Risks, Basic Information and Difference from the Described ERM Methodology, Assessment of the Physical Risks, Short- to Medium-Term Climate-Related Physical Risks (up to 2030), Overview Physical Risks, Assessment of Transition Risks & Overview Transition Risks
	b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	> 4.2.3 Climate Risks, Short- to Medium-Term Climate-Related Physical Risks (up to 2030) & Overview Transition Risks; > 4.2.1 Identifying and Managing Risks, Management of Impacts, Risks and Opportunities; > 5.2.1 Greenhouse Gas Emissions, Strategy and Regulations
	c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2 °C or lower scenario.	> 4.2.1 Greenhouse Gas Emissions, Strategy and Regulation; > 2.2 Business Model and Portfolio, Strengthening Resilience; > 4.2.3 Climate Risks, Assessment of Physical Risks & Overview Transition Risks
Risk management		
Disclose how the organization identifies, assesses and manages climate-related risks.	a. Describe the organization's processes for identifying and assessing climate-related risks.	> 4.2.3 Climate Risks, Assessment of Physical Risks & Assessment of Transitory Risks; > 7.4 Index on GRI, TCFD (incl. Assumptions on Climate-Related Transition Risks) and SASB
	b. Describe the organization's processes for managing climate-related risks.	> 4.2.3 Climate Risks, Short- to Medium-Term Climate-Related Physical Risks (up to 2030) & Long-Term Climate-Related Physical Risks (2031–2050)
	c. Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	> 4.2.1 Identifying and Managing Risks, Governance
Metrics and targets		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	> 4.1.2 Sustainability Governance Structure, Supervisory Board & Management Board; > 6.1.2 Supply Chain Management, Management of Impacts, Risks and Opportunities; > 5.2.1 Greenhouse Gas Emissions, Metrics and Targets
	b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	> 5.2.1 Greenhouse Gas Emissions, Strategy and Regulations & Metrics and Targets
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	> 5.2.1 Greenhouse Gas Emissions, Strategy and Regulations & Metrics and Targets

SASB Index

Topic	Accounting Metric	Code	Comment
Greenhouse Gas Emissions	(1) Gross global Scope 1 emissions	TC-SC-110a.1	> 5.2.1 Greenhouse Gas Emissions, Metrics and Targets
	(2) Amount of total emissions from perfluorinated compounds		> 7.4 GRI Index, 305-2
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions	TC-SC-110a.2	> 5.2.1 Greenhouse Gas Emissions, Strategy and Regulations & Management of Impacts, Risks and Opportunities
Energy Management in Manufacturing	(1) Total energy consumed (Gigajoules (GJ))	TC-SC-130a.1	Reported in MWh not in GJ; > 5.2.2 Energy Efficiency at the Group's Own Locations, Metrics and Targets
	(2) percentage grid electricity		> 5.2.2 Energy Efficiency at the Group's Own Locations, Metrics and Targets
	(3) percentage renewable		
Water Management	(1) Total water withdrawn	TC-SC-140a.1	> 5.3.1 Water, Metrics and Targets
	(2) total water consumed		
	percentage of each in regions with high or extremely high baseline water stress		n.a. (no production site with extremely or critical water stress), see > 5.3.1 Water, Metrics and Targets
Waste Management	Amount of hazardous waste from manufacturing, percentage recycled.	TC-SC-150a.1	ams OSRAM reports according to GRI 306: Waste 2020; therefore, waste (hazardous and non-hazardous) is reported including the entire activities of the organization (incl. recycling share) and does not separately report waste not from manufacturing (which as ams OSRAM is a production company, is by far the bigger share); > 5.3.2 Waste, Metrics and Targets
Employee Health & Safety	Description of efforts to assess, monitor, and reduce exposure of employees to human health hazards	TC-SC-320a.1	> 6.2.2 Occupational Health and Safety, Governance, Strategy and Regulations & Management of Impacts, Risks and Opportunities
	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations. The entity shall briefly describe the nature, context, and any corrective actions taken as a result of the monetary losses	TC-SC-320a.2	> 6.2.2 Occupational Health and Safety, Governance & Metrics and Targets
Recruiting & Managing a Global & Skilled Workforce	Percentage of employees that are	TC-SC-330a.1	
	(1) foreign nationals and		> 6.2.1 Human Resource Work, Table of 'Countries by Number of Employees'
	(2) located offshore		
	Disclosure shall include a description of potential risks of recruiting foreign nationals and/or offshore employees, and management approach to addressing these risks.		> 6.1.1 Respect for Human Rights, Management of Impacts, Risks and Opportunities
Product Lifecycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances.	TC-SC-410a.1	> 5.3.3 Resource Efficiency; as we market our products worldwide, increasingly strict specifications and laws must be observed for the raw materials and materials used in production and those remaining in products. Many of our customers place further requirements on us. Due to these priorities, we do not report sales according to IEC.
	Processor energy efficiency at a system level for: (1) servers, (2) desktops, and (3) laptops	TC-SC-410a.2	Not applicable (not part of our portfolio)
Materials Sourcing	Description of the management of risks associated with the use of critical materials	TC-SC-440a.1	> 5.3.3 Resource Efficiency, Conflict Minerals; incl. cobalt and mica
Intellectual Property Protection & Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	TC-SC-520a.1	> Management Report, Research and Development, number of patents > 4.3.2 Combating Corruption and Anti-Competitive Behavior, Metrics and Targets

Assumptions in Respect to Climate-Related Transition Risk Assessment

- Guidelines and regulations: Governments introduce regulations and laws to promote the transition to a low-carbon economy. This can involve CO_2 prices and/or taxes and more stringent regulation on energy consumption and carbon emissions by key technologies and/or products.
- Technology: There will be constant advances in low-carbon technologies such as renewable energy, and in carbon capture and storage, or carbon sequestration as it is called.
- Market dynamics: Given factors such as cost competitiveness and consumer preferences, the markets will prefer low-carbon technologies over traditional carbon-intensive technologies.
- Mood among investors: Investors will increasingly prioritize ESG factors, which will lead to a stronger capital allocation to low-carbon projects and to sales of carbon-intensive investments. The risks include investor skepticism, short-termism, and a lack of transparency in ESG reporting.
- Social acceptance and behavioral changes: There will be a broad social acceptance of the need for the transition to a low-carbon economy and the willingness to accordingly change forms of behavior and consumption patterns.
- Physical impacts of climate change: The efforts to slow climate change will be successful when it comes to limiting its physical impacts such as extreme weather events, the rise in sea levels, and the upsetting of the ecosystem.
- Transition costs and economic impacts: It can be assumed that the transition to a low-carbon economy will generate macroeconomic benefits by creating jobs and innovations and improving public health.
- Growing demand for rare earths (REE) and other scarce materials: The transition to a carbon-free economy entails a considerable increase in technologies for renewable energies such as wind turbines, solar panels, and electric vehicles, the manufacture of which depends to a great degree on REEs. This greater demand could put stress on existing supply chains and possibly create bottlenecks if product capacity does not keep pace with demand.
- LED/sensor/lighting market: The assumption is that this market will continue its strong growth trajectory, as energy efficiency will become a top priority for governments, companies, and consumers alike. The combination of regulatory support, cost reductions, technological advances, financial incentives, and environmental aspects is creating a favorable setting for the widespread introduction of semiconductors as key components in the efforts to reduce carbon emissions and weaken climate change.
- Increasing importance of innovations in semiconductor technology: This includes R&D activities to improve energy efficiency, performance, and reliability of semiconductor components. Semiconductor companies can prioritize R&D investments in segments such as semiconductor materials, power electronics, and advanced casing technologies in order to do justice to the emerging demands of a low-carbon economy.
- Stronger regulatory measures to augment energy efficiency in various sectors: This promotes the introduction of energy-efficient electronics and devices that rely on semiconductor components such as microcontrollers, sensors, and power-management chips. The increased demand for these components can lead to delivery bottlenecks if the semiconductor makers are not able to boost their production capacities accordingly.

Group Financial Statments

Consolidated Financial Statements as of December 31, 2024

Notes to the Consolidated Financial Statements

Auditor’s Report

IFRS Consolidated Financial Statements as of December 31, 2024

Consolidated Statement of Income

for the financial year ending December 31, 2024, including prior period

in EUR million	Note	2024	2023
Revenues	> Note 2	3,428	3,590
Cost of sales		-2,571	-2,750
Gross profit		**857**	**840**
Research and development expenses		-419	-480
Selling, general and administrative expenses		-422	-501
microLED adaption expenses[1]	> Note 5	-576	0
Goodwill impairment	> Note 14	-	-1,313
Other operating income	> Note 3	39	81
Other operating expenses	> Note 4	-21	-34
Results from investments accounted for using the equity method, net	> Note 16	-7	-24
Result from operations		**-547**	**-1,430**
Financial income	> Note 6	85	62
Financial expenses	> Note 6	-290	-233
Net financial result		**-205**	**-171**
Result before income taxes		**-752**	**-1,601**
Income taxes	> Note 7	-33	-12
Net result		**-785**	**-1,613**
Attributable to:			
Non-controlling interests		1	1
Shareholders of ams-OSRAM AG		-786	-1,613
Basic earnings per share (in EUR)[2]	> Note 28	-7.94	-52.00
Diluted earnings per share (in EUR)[2]	> Note 28	-7.94	-52.00

[1] The expenses related to the microLED adaption reflect net charges (impairments and reversals of impairments on assets and recognition of provisions) due to the cancellation of the microLED project on February 28, 2024, see > Note 5. microLED Adaption Expenses.
[2] Earnings per share for 2023 were adjusted due to a reverse stock split, see > Note 28. Earnings Per Share.

Consolidated Statement of Comprehensive Income

for the financial year ending December 31, 2024, including prior period

in EUR million	Note	2024	2023
Net result		-785	-1,613
Remeasurements of defined benefit plans	> Note 25, > 26	21	14
therein income tax effect		-4	5
Fair value measurement of equity instruments (FVOCI)	> Note 26	-1	-36
therein income tax effect		0	0
Items that will not be reclassified in profit or loss		**20**	**-22**
Currency translation differences	> Note 26	129	-118
Fair value measurement of debt instruments (FVOCI)	> Note 26	2	-4
therein income tax effect		-1	1
Derivative financial instruments for hedging purposes	> Note 26	-10	-8
therein income tax effect		5	4
Items that may be reclassified subsequently to profit or loss		**121**	**-130**
Other comprehensive income (loss), net of tax		**141**	**-152**
Total comprehensive income (loss)		**-644**	**-1,765**
Attributable to:			
Non-controlling interests		2	0
Shareholders of ams-OSRAM AG		-646	-1,765

Consolidated Balance Sheet

for the financial year ending December 31, 2024, including prior period

in EUR million	Note	December 31, 2024	December 31, 2023 reclassified[1]
ASSETS			
Cash and cash equivalents	> Note 8	1,098	1,146
Trade receivables	> Note 9	496	470
Other current financial assets	> Note 10	49	55
Inventories	> Note 11	809	716
Other current non-financial assets	> Note 12	267	230
Assets held for sale	> Note 31	23	3
Total current assets		**2,743**	**2,620**
Property, plant, and equipment	> Note 13	1,729	1,997
Intangible assets	> Note 14	2,054	2,249
Right-of-use assets	> Note 15	189	215
Investments in associates	> Note 16	4	11
Other non-current financial assets	> Note 17	58	77
Deferred tax assets	> Note 18	74	72
Other non-current non-financial assets	> Note 19	52	160
Total non-current assets		**4,160**	**4,782**
Total assets		**6,903**	**7,401**

in EUR million	Note	December 31, 2024	December 31, 2023 reclassified[1]
LIABILITIES AND EQUITY			
Liabilities			
Current interest-bearing loans and borrowings	> Note 20	495	322
Trade payables		472	572
Other current financial liabilities	> Note 21	1,001	1,021
Current provisions	> Note 22	227	236
Income tax payable		45	64
Other current non-financial liabilities	> Note 23	274	238
Liabilities associated with assets held for sale	> Note 31	-	0
Total current liabilities		**2,514**	**2,455**
Non-current interest-bearing loans and borrowings	> Note 20	2,016	2,136
Other non-current financial liabilities	> Note 21	587	580
Employee benefits	> Note 25	150	147
Non-current provisions	> Note 22	58	43
Deferred tax liabilities	> Note 18	46	58
Other non-current non-financial liabilities	> Note 23	296	79
Total non-current liabilities		**3,153**	**3,042**
Equity			
Issued capital		998	998
Additional paid-in capital		2,090	2,130
Treasury shares		-87	-103
Other components of equity		292	162
Retained earnings		-2,064	-1,289
Total equity attributable to shareholders of ams-OSRAM AG		**1,229**	**1,899**
Non-controlling interests		6	6
Total equity	> Note 26	**1,235**	**1,905**
Total liabilities and equity		**6,903**	**7,401**

[1] Please see > Note 1. General Principles for details concerning reclassifications

Consolidated Statement of Cash Flows

for the financial year ending December 31, 2024, including prior period

in EUR million	Note	2024	2023 reclassified[1]
Operating activities			
Net result		-785	-1,613
Reconciliation between net result and cash flows from operating activities			
Amortization, depreciation, and impairment	> Note 13, > 14, > 15	942	1,892
Expenses from stock option plans (acc. to IFRS 2)	> Note 4	18	49
Income taxes	> Note 7	33	12
Net financial result	> Note 6	205	171
Result from sales of businesses, intangible assets and property, plant, and equipment	> Note 31	-1	-11
Result from investments in associates	> Note 16	7	24
Other adjustments for non-cash items		-	0
Changes in current assets and current liabilities			
Inventories	> Note 11	-79	96
Trade receivables	> Note 9	-7	24
Other current assets	> Note 12	11	32
Trade payables		-4	-73
Current provisions	> Note 22	-14	-13
Other current liabilities	> Note 21, > 23	43	175
Changes in other assets and liabilities		31	-30
Non-current prepayment received from a customer	> Note 23	224	-
Income taxes paid	> Note 7	-48	-85
Dividends received		0	0
Interest received	> Note 6	38	22
Interest paid	> Note 6	-180	-181
Cash flows from operating activities		**435**	**493**

in EUR million	Note	2024	2023 reclassified[1]
Investing activities			
Additions to intangible assets and property, plant, and equipment	> Note 13, > 14	-502	-1,049
Acquisition of financial investments	> Note 17	-1	-1
Inflows from sale of investments, intangible assets, and property, plant and equipment	> Note 13, > 14, > 17	36	90
Inflows from sale of businesses, net of cash and cash equivalents disposed	> Note 31	43	134
Cash flows from investing activities		**-424**	**-826**
Financing activities			
Inflows from capital increase	> Note 26	-	827
Inflows from bonds	> Note 20, > 30	201	981
Transaction costs for the capital increase and the issue of bonds	> Note 20, > 26	-17	-56
Repayment of bonds	> Note 20	0	-1,288
Acquisition of treasury shares	> Note 26	-	0
Sale of treasury shares	> Note 26	2	9
Inflows from loans	> Note 20, > 30	243	378
Repayment of loans	> Note 20, > 30	-422	-481
Repayment of lease liabilities	> Note 20, > 30	-57	-57
Inflows from sale and lease back financing	> Note 21, > 30	10	382
Acquisition of non-controlling interests in OSRAM Licht AG	> Note 21	-25	-232
Dividends paid to shareholders of OSRAM Licht AG	> Note 21	-30	-37
Dividends paid to non-controlling shareholders		-1	-1
Cash flows from financing activities		**-98**	**426**
Change in cash and cash equivalents		-47	47
Effect of changes in foreign exchanges rates on cash and cash equivalents		40	-45
Cash and cash equivalents at the beginning of the period		1,146	1,098
Cash and cash equivalents at the end of the period		**1,098**	**1,146**
Less: Cash and cash equivalents of assets held for sale at the end of period		-	0
Cash and cash equivalents at the end of the period		**1,098**	**1,146**

[1] Please see > Note 1. General Principles for details concerning reclassifications

Consolidated Statement of Changes in Equity

for the financial year ending December 31, 2024, including prior period

in EUR million	Note	Issued capital	Additional paid-in capital	Treasury shares	Other components of equity	Retained earnings	Total equity attributable to shareholders of ams-OSRAM AG	Non-controlling interests	Total equity
Balance as of January 1, 2023		**274**	**2,036**	**-121**	**280**	**358**	**2,826**	**7**	**2,833**
Net result						-1,613	-1,613	1	-1,613
Other comprehensive income (loss), net of tax	> Note 25, > 26				-118	-33	-151	-1	-152
Total comprehensive income (loss)		**0**	**0**	**0**	**-118**	**-1,647**	**-1,765**	**0**	**-1,765**
Capital increase	> Note 26	724	73				797		797
Share based payments	> Note 4		30				30		30
Acquisition and sale of treasury shares	> Note 26		-8	17			8		8
Reissuance of treasury shares				2			2		2
Dividends paid	> Note 28							-1	-1
Balance as of December 31, 2023 = January 1, 2024		**998**	**2,130**	**-103**	**162**	**-1,289**	**1,899**	**6**	**1,905**
Net result						-786	-786	1	-785
Other comprehensive income (loss), net of tax	> Note 25, > 26				129	11	140	0	141
Total comprehensive income (loss)					**129**	**-755**	**-646**	**2**	**-644**
Share based payments	> Note 4		9				9		9
Acquisition and sale of treasury shares	> Note 26			0			0		0
Reissuance of treasury shares	> Note 28			16			16		16
Non-controlling interests – Put Option	> Note 21		-49				-49		-49
Dividends paid								-1	-1
Total equity as of December 31, 2024		**998**	**2,090**	**-87**	**292**	**-2,064**	**1,229**	**6**	**1,235**

Notes to the Consolidated Financial Statements

1. General Principles

Reporting Entity

ams-OSRAM AG (the Company) is a stock corporation under Austrian law and is headquartered in 8141 Premstaetten, Austria. The Company is one of the world's leading companies in the design, manufacture, and sale of high-performance LED solutions for automotive and industrial applications as well as of optical sensor solutions for the automotive, industrial, medical technology, and consumer end-user markets. The Company is also a leading provider of optical technologies and solutions for sensors, lighting, and visualization. These technologies and solutions may also contain packaging and software. The IFRS consolidated financial statements as of December 31, 2024 encompass the parent company ams-OSRAM AG and its subsidiaries (together referred to as ams OSRAM Group, the Group, or ams OSRAM).

The Management Board prepared the IFRS consolidated financial statements as of December 31, 2024 on March 3, 2025 and released them to the Supervisory Board for approval. The consolidated financial statements were prepared on the basis of the going concern assumption.

The section below describes general presentation and financial reporting principles that are not directly addressed on a topic-specific basis in other sections of the notes.

Statement of Compliance

The consolidated financial statements were prepared in accordance with all International Financial Reporting Standards of the International Accounting Standards Board (IASB) and related interpretations of the International Financial Reporting Interpretations Committee (IFRS IC) that were required to be applied in 2024. Furthermore, these financial statements comply with all applicable International Financial Reporting Standards for financial year 2024, as adopted by the European Union, and the additional requirements pursuant to section 245a of the Austrian Commercial Code (UGB).

Changes to Material Accounting Policies

The standards and interpretations, or amendments to standards and interpretations, issued by the IASB and applicable for the first time in 2024, and which were not adopted early by ams OSRAM, relate to the following amendments to IAS 1: Classification of liabilities as current or non-current and non-current liabilities with covenants:

Previously, companies classified a liability as current if they did not have an unconditional right to defer repayment for at least 12 months after the balance sheet date. The International Accounting Standards Board (IASB) has removed the requirement for a right to be unconditional and instead requires that a right to defer settlement must exist and be substantive at the reporting date. These amendments had no impact as no such case existed as at December 31, 2024.

Non-current liabilities with covenants: These amendments also relate to the classification of liabilities as current or non-current for which certain credit terms (covenants) have been agreed. With the published amendments, the IASB clarifies that only those covenants that an entity must comply with on or before the reporting date affect the classification of a liability as current or non-current.
These amendments had no impact as the associated covenants were complied with as of December 31, 2024. For further disclosures on covenants, please see > Note 29 Financial Instruments and Management of Financial Risks.

Other issued amendments to standards concern Amendments to IAS 21 – Lack of Exchangeability; amendments to IFRS 9, which are to be applied by ams OSRAM for the first time in the 2025 financial year, and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments, which are to be applied by ams OSRAM for the first time in the 2026 financial year). The effects of these new standards were deemed not material.

A new standard, IFRS 18 Presentation and Disclosures in Financial Statements, was published to replace IAS 1 Presentation of Financial Statements. IFRS 18 is to be applied by ams OSRAM for the first time in the 2027 financial year and contains the following new requirements in particular:

- The income statement must be broken down into five categories for each of the following areas: operating, investing, and financing activities, income taxes, and discontinued operations.
- For certain key financial figures defined by management (e.g. adjusted earnings figures), additional disclosures must be made in a separate section of the Notes, such as reconciliations to comparable IFRS subtotals.
- Additional regulations on how information is to be structured and broken down in the financial statements.

Furthermore, IFRS 18 requires the use of the result from operating activities as the starting value in the statement of cash flows if the statement of cash flows is prepared using the indirect method, as is the case at ams OSRAM. ams OSRAM is currently analyzing the effects of IFRS 18, particularly with regard to the structure of the consolidated statement of income, the consolidated statement of cash flows and the disclosures in the notes to the consolidated financial statements.

The published changes to IFRS 9 and IFRS 7 (Contracts Referencing Nature-dependent Electricity) contain clarifications regarding the application of the own use exception according to IFRS 9 for nature-dependent electricity contracts, the applicability of hedge accounting if these contracts are used as hedging instruments, as well as new disclosure requirements. ams OSRAM is currently analyzing the effects of these changes, which are to be applied by ams OSRAM for the first time in 2026.

The collective amendment standard (Annual Improvements to IFRS Accounting Standards—Volume 11) was also published. It contains amendments to IFRS 1 First Time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, and IAS 7 Statement of Cash Flows. The annual improvements of the IASB are restricted to changes that either clarify the wording of an IFRS standard or correct relatively minor unintended consequences, oversights, or conflicts between requirements in the standards. ams OSRAM is currently analyzing the effects of these changes, which are to be applied by ams OSRAM for the first time in the 2026 financial year.

For all new IFRS standards and amendments to IFRS standards described above, the application of which was not yet mandatory as of December 31, 2024, ams OSRAM is currently not planning an early application, but an initial application on the dates on which they become mandatory for ams OSRAM.

Basis of Presentation

The consolidated financial statements have been prepared in millions of euros (EUR m), rounded to the nearest million. The use of automated calculation systems may give rise to rounding differences in the totals of rounded amounts and percentages. All individual assets are measured on the basis of historical cost, with the exception of the following material line items:

- Certain financial assets and financial liabilities: fair value
- Derivative financial instruments: fair value
- Employee benefits: present value of the defined benefit obligation
- Stock option plans (share-based compensation): fair value
- Non-current provisions: present value of expected future cash outflows
- Deferred taxes

The presentation of the consolidated statement of income, consolidated balance sheet and consolidated statement of cash flows was adjusted as of the reporting date of December 31, 2024 and for the 2024 financial year (including the comparative reporting date and the comparative period for the previous year) in the following areas, as we believe these adjustments provide a clearer understanding of the results of operations, net assets and financial position.

- Due to the significance of the issue, a separate item 'microLED adaption expenses' has been added to the consolidated statement of income, which includes net charges (e.g. impairment losses or write-ups of assets) and other expenses incurred since the termination of the related project (see > Note 5. microLED Adaption Expenses).
- In the consolidated balance sheet, financial and non-financial items that were previously split in the notes to the consolidated financial statements are now shown as separate balance sheet items. Previously, they were reported together in the balance sheet items Other current receivables and assets, Other non-current assets, Other current liabilities, and Other non-current liabilities. These changes are summarized in the table presented below.
- Derivatives with a positive fair value, which were previously reported in the balance sheet item Current financial assets, are now included in the balance sheet item Other current financial assets.
- Interest paid, which was previously reported under Cash flows from financing activities, is now reported under Cash flows from operating activities to include interest paid in free cash flow and to reflect the increased focus on free cash flow. This has led to a reduction of EUR 181 m in Cash flows from operating activities for the 2023 financial year and an offsetting effect in Cash flows from financing activities.

in EUR million	Structure as reported 2023	Allocation to new structure	2023 reclassified
Assets			
Current financial investments	6	-6	
Other current receivables and assets	279	-279	
Other current financial assets		55	55
Other current non-financial assets		230	230
Total	**286**	**0**	**286**
Other non-current assets	216	-216	
Non-current financial investments	22	-22	
Other non-current financial assets		77	77
Other non-current non-financial assets		160	160
Total	**237**	**0**	**237**
Liabilities			
Other current liabilities	1,259	-1,259	
Other current financial liabilities		1,021	1,021
Other current non-financial liabilities		238	238
Total	**1,259**	**0**	**1,259**
Other non-current liabilities	659	-659	
Other non-current financial liabilities		580	580
Other non-current non-financial liabilities		79	79
Total	**659**	**0**	**659**

Contingencies and Main Judgments

The preparation of the consolidated financial statements in accordance with IFRS requires senior management to make judgments in applying accounting rules and estimates when making assumptions about future developments that may materially impact the recognition and measurement of assets and liabilities, the disclosure of other obligations as of the reporting date, and the recognition of income and expenses during the financial year.

The main judgments made in applying accounting rules relate to:

- The consolidated financial statements have been prepared on a going concern basis. This assessment is based on assumptions that are based on estimates about future developments that are subject to uncertainty and are not fully within the control of ams OSRAM. If the results of measures do not materialize to a significant extent, this could lead to a breach of covenants and thus to an immediate repayment of borrowings (> Notes 20. Interest-bearing Loans and Borrowings and > 29. Financial Instruments and Management of Financial Risks). Key assumptions regarding the availability of sufficient and available liquidity relate in particular to assumptions regarding the development of the operating business and the extent to which put options are exercised by remaining OSRAM Licht AG minority shareholders. ams OSRAM expects a significantly stronger second half of 2025 in operational terms, particularly in connection with the introduction of new products and a slight market recovery. In addition, ams OSRAM expects profitability to improve due to measures taken as part of the 'Re-establish the Base' strategy and efficiency program.
- Classification of the option rights for the convertible bond issued in euros as equity (> Notes 20. Interest-bearing Loans and > 26. Equity)
- ams OSRAM applied for a significant amount of government funding in the 2024 financial year. The approval processes are very complex and require the interpretation of the underlying funding agreements, including further clarification with the authorities providing the funds. As a result, the assessment as to whether final approval by the authorities providing the funds can be assumed with reasonable certainty as of the reporting date and whether ams OSRAM meets current and future underlying conditions of the subsidies is subject to significant discretionary judgment by senior management. The determination of the grant amounts expected to be received as of the reporting date likewise involves the use of estimates by the management team. With regard to the final approval by the competent authorities and an assessment as regards meeting the funding conditions, ams OSRAM is in close contact with the authorities providing the funds and has come to the conclusion that it can be assumed with reasonable certainty that the final approvals will be granted and that ams OSRAM is in a position to meet the funding conditions. With regard to the amount of grants to be taken into account as of the reporting date (as a reduction in the acquisition costs of the underlying assets), the following factors in particular were taken into account where relevant: the total amount of the investment requirements, the investment progress of the respective projects as of the reporting date, and the subsidy gap. As a result of possible deviations in future actual developments from current expectations and possible changes in estimates, it may therefore be necessary to adjust the amount of grants recognized.
- In the case of the existing government funding, the assessment of compliance with the funding conditions and the determination of the grant amounts are also based on management's discretionary judgement and estimates. In the case of a significant funding commitment provided in Germany, ams OSRAM, in extensive dialogue with the authorities providing the funds, has come to the conclusion that the funding conditions are currently being met and will continue to be complied with in the future and that it can therefore be assumed with reasonable certainty that the funding will be received and that it will likely not be reclaimed; the grant amounts were recognized accordingly (see > Note 24. Government Grants).

In the case of the following assumptions and estimates, there is a risk, which is not insignificant, that they could lead to changes in the value of assets and liabilities in the next financial year:

- The assessment of the recoverability of goodwill (> Note 14. Intangible Assets), property, plant and equipment (> Note 13 Property, Plant and Equipment) and capitalized development costs (> Note 14. Intangible Assets) is subject to major estimation uncertainties, particularly with respect to the assets that had been written down in the context of the microLED adjustment and their write-ups (see > Note 5 microLED Adaption Expenses).
- Estimation uncertainties also exist as regards the measurement of leases, particularly with respect to the estimation of lease term and discount rates as well as concerning sale and leaseback transactions with respect to meeting the true sale criteria (see > Note 15. Right-of-use Assets).
- Deferred tax assets are recognized if sufficient future taxable profit is available. This taxable result is derived from corporate planning over a period of five years and existing taxable temporary differences and is therefore subject to risks and uncertainties associated with forecasting of future performance. The eligibility of recognized and unrecognized deferred tax items is verified at every reporting date (see > Note 18. Deferred Tax Assets and Deferred Tax Liabilities).
- Measurement of the existing long-term obligations to employees, primarily pension obligations: assumptions about the discount rate, retirement age, employee turnover, and future salary and pension increases are used for this purpose (see > Note 25. Employee Benefits).
- ams OSRAM is subject to litigation and regulatory proceedings in various jurisdictions. Such proceedings may result in criminal or civil sanctions, penalties, or disgorgement orders against ams OSRAM. Litigation, regulatory proceedings, or investigations by authorities often involve complex legal issues and are subject to substantial uncertainties. Accordingly, senior management exercises considerable judgment in determining whether there is a present obligation as a result of a past event at the end of the reporting period, whether it is more likely than not that such an obligation will result in an outflow of resources, and whether the amount of the obligation can be reliably estimated. Provisions and obligations in connection with ongoing legal proceedings may have to be adjusted in the future due to new developments (see > Note 22. Provisions, > Note 21. Other Financial Liabilities)
- Estimates are subject to increased uncertainty with respect to macroeconomic effects, geopolitical conflicts, and business interruption risks.

As part of the systematic enterprise risk management process (ERM process) applied at ams OSRAM, non-financial risks – including potential climate-related risks – are recorded and evaluated uniformly in accordance with the methodology defined in the ERM process. The identified and evaluated risks are reported, depending on specified materiality thresholds. As of December 31, 2024, there were no material climate-related risks with an impact on balance sheet line items.

As the ams OSRAM product portfolio focuses on energy-efficient products, the trend towards environmentally friendly and energy-saving products could create considerable sales opportunities. Significant negative effects of increased climate awareness on demand for our products or the solvency of our customers have not been apparent. In terms of costs, our climate strategy (becoming CO_2 neutral with respect to our own business activities by 2030) currently has no significant impact on planning, as its implementation will lead to only a slight increase in energy costs in the medium term, and the future costs to obtain green electricity are currently estimated at a manageable level. Furthermore, investments required as part of the implementation of the climate strategy are largely in line with our long-standing objective of efficient and energy-saving production. In addition to feasibility considerations, climate-friendly implementation is being taken into account in investments that are being implemented or planned.

In addition, potential climate risks are generally taken into account in the course of impairment tests of cash-generating business units and goodwill if they are sufficiently specific in accordance with the requirements of IAS 36.

From a current perspective, identified physical and transition climate risks do not have any significant effects in the short or medium term. For a long-term assessment (beyond five years), ams OSRAM closely monitors developments and incorporates the results into our evaluations as appropriate. These risks are generally taken into account during the impairment test by general risk parameters in cash flow planning, the discount rate, and the terminal value growth rate. Likewise, there are currently no effects on useful lives or residual values of our property, plant, and equipment and intangible assets.

Sustainability and climate-related targets are also enshrined in the remuneration policy for the Management Board of ams-OSRAM AG. Accordingly, a Scope 1&2 CO_2 emissions reduction target with a 20% weighting in line with our sustainability and climate strategy was included in the LTIP program in financial year 2023 (see > Note 4. Expenses). In addition, individual government grants received or approved are linked to compliance with climate and environmental conditions, which ams OSRAM expects to fulfill as planned (see > Note 24. Government Grants).

Basis of Consolidation

Subsidiaries are all companies that are under the control of ams-OSRAM AG. ams-OSRAM AG controls a company if it is exposed, or has rights, to variable returns from its investment in the company and has the ability to affect those returns through its power over the investee. For the following German subsidiaries, the exemption option in accordance with Section 264 (3) HGB was applied with regard to the preparation, audit, and disclosure of individual financial statements: ams Sensors Germany GmbH, ams Offer GmbH, OSRAM GmbH, OSRAM Beteiligungen GmbH, ams-OSRAM International GmbH, OSRAM SL GmbH, OSRAM SBT GmbH, and Fluxunit GmbH.

Revenue from Contracts with Customers

ams OSRAM generates most of its revenue from the manufacture and supply of products that are sold to end customers, either directly or via distributors. Sales revenues are generated from licenses and development services (engineering services) only to a minor extent.

If individual products can be sold to several customers (standard products), revenue is recognized when the customers obtain control over these products. This is generally the case when the risks and rewards are transferred to the customers in accordance with the applicable terms of delivery (Incoterms). The transaction price for revenue includes both fixed and variable price components. ams OSRAM takes into account possible price adjustments due to contractual agreements, volume discounts, rebates, and other price reductions (see > Note 23. Other Non-financial Liabilities).

In the case of customer-specific products, which due to their nature can be sold only to one specific customer and therefore have no alternative use for ams OSRAM, the products are generally manufactured on the basis of advance information and orders from the customer, often based on existing framework agreements. In this context, control passes to the customer if an unconditional order exists and ams OSRAM is entitled to compensation for the costs incurred, including an appropriate margin, in the event that the customer withdraws from the contract. In this case, revenue is recognized in accordance with the stage of completion over the period of time. Due to the short lead time in the manufacturing of products and the fact that binding orders are often placed by customers at relatively short notice, there were no material circumstances as of January 1 and December 31, 2024 in which contract assets and revenue would have had to be recognized before the invoice has been issued. ams OSRAM applies the practical expedient under IFRS 15.63 and does not adjust the transaction price for the effects of a significant financing component if the payment terms are one year or less. Performance obligations are usually satisfied within a period of less than one year. Consequently, the option pursuant to IFRS 15.121 is exercised and no disclosures on existing performance obligations are made at the end of the respective reporting period.

2. Segment Reporting and Revenue

Business segments are the business units (BUs) in accordance with the independent operating activities and the internal reporting structure. At the start of the 2024 financial year, ams OSRAM adjusted its corporate structure to promote a more entrepreneurial approach at business unit (BU) level, and to strengthen innovation by decentralizing certain functions. The change in corporate structure is reflected in the internal reporting structure, with each BU representing a separate operating and reporting segment in accordance with IFRS 8.

Group activities are now managed via three business units:

1. BU Opto Semiconductors (OS) with a focus on emitters
2. BU CMOS Sensors and ASICs (CSA) with a focus on sensor technology and analog mixed-signal chips. BU CSA bundles the business activities of the previous BUs Advanced Optical Sensors (AOS) and Image Sensor Solutions (ISS).
3. BU Lamps & Systems (L&S) specializing in traditional lamps and lighting products with a focus on the automotive, industrial and medical end markets.

From the 2024 financial year, the costs of corporate functions that are not directly allocated to the BUs and functions shared in the Semiconductor business are no longer allocated to the BUs, but are recorded centrally and now reported as ‘Corporate Items’. This and a harmonization of cost allocation within the Group lead to an adjustment of the cost allocations reported in the previous year (BU L&S: EUR 13 m decrease in expenses; BUs focused on semiconductors: EUR 10 m decrease in expenses; Corporate Items: EUR 23 m increase in expenses).

In addition, the segment indicator for the segment result was adjusted in accordance with internal reporting and now comprises gross profit, research and development expenses, selling, general and administrative expenses, microLED adaption expenses, other operating income and expenses, as well as the result from investments in associates. The segment result does not include depreciation, amortization and impairment losses.

The previous year's figures and the segment result have been adjusted to reflect the new corporate structure.

Business Segments

Business segments in EUR million	OS		CSA		L&S		Corporate Items		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Consolidated revenues	**1,448**	**1,386**	**981**	**1,039**	**1,000**	**1,165**	**-**	**-**	**3,428**	**3,590**
Segment result	**168**	**242**	**102**	**58**	**156**	**198**	**-31**	**-36**	**395**	**463**
Material Items:										
Research & development expenses	-212	-227	-163	-205	-29	-31	-15	-17	-419	-480
Therein: depreciation, amortization and impairment	-43	-49	-23	-49	-1	-1	-1	-1	-68	-100
Depreciation, amortization and impairment[1]	-728	-250	-153	-248	-61	-69	-1	-2	-942	-569
Goodwill impairment	-	-1,019	-	-294	-	-11	-	-	-	-1,323
MicroLED adaption expenses	-576	-	-	-	-	-	-	-	-576	-
Therein: depreciation, amortization and impairment	-491	-	-	-	-	-	-	-	-491	-

Reconciliation of the Segment Result to Earnings before Income Tax

in EUR million	2024	2023
Segment result	**395**	**463**
Depreciation, amortization and impairment	-942	-1,892
Net financial result	-205	-171
Result before income taxes	**-752**	**-1,601**

Segment assets include only those assets that are directly attributable to the segment, such as segment-specific property, plant, and equipment, intangible assets, right-of-use assets, and inventories that are presented as such in the context of internal reporting.

Segment Assets

Business segments	OS		CSA		L&S		Total	
in EUR million	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Segment assets	**2,907**	**3,160**	**1,153**	**1,063**	**722**	**953**	**4,782**	**5,177**
Reconciliation to the consolidated financial statements								
Cash and cash equivalents							1,098	1,146
Trade receivables							496	470
Deferred tax assets							74	72
Assets held for sale							23	3
Other non-current financial assets							58	77
Investment in associates							4	11
Other non-allocated assets							368	446
Total assets							**6,903**	**7,401**

[1] Excluding impairment of goodwill, but including net impairment on microLED-related assets

In terms of geographical regions, the Group is broken down into the following three regions: EMEA (Europe, Middle East, and Africa), Americas (North and South America), and Asia/Pacific. Revenue is allocated to these regions based on customers' geographical location (billing address). The highest amount of revenue came from a customer in the OS and CSA segments and accounted for more than 10% and less than 20% of revenue (2023: more than 10% and less than 20% of revenue).

Revenue by Region

Business segments in EUR million	OS		CSA		L&S		Total	
	2024	2023 reclassified[1]	2024	2023 reclassified[1]	2024	2023 reclassified[1]	2024	2023 reclassified[1]
EMEA	**394**	**447**	**183**	**233**	**347**	**449**	**924**	**1,129**
thereof Austria	21	25	9	1	15	14	45	40
thereof Germany	207	253	64	111	68	84	339	449
Americas	**257**	**180**	**50**	**52**	**439**	**465**	**747**	**697**
thereof USA	213	138	32	37	370	387	615	563
Asia / Pacific	**797**	**757**	**748**	**754**	**213**	**253**	**1,757**	**1,764**
thereof Greater China[2]	521	481	699	662	106	116	1,326	1,260
Total	**1,448**	**1,386**	**981**	**1,039**	**1,000**	**1,165**	**3,428**	**3,590**

Non-current Assets by Region

in EUR million	2024	2023
EMEA	1,942	2,299
Americas	453	458
Asia / Pacific	1,578	1,704
Total	**3,972**	**4,461**
thereof Austria	324	442
thereof Germany	1,309	1,526
thereof Malaysia	993	1,088

[1] The revenue distribution by region and segment was updated as part of the change in corporate structure, resulting in changes to the figures reported for the previous year.
[2] The Greater China line combines China, Hong Kong and Taiwan.

3. Other Operating Income

in EUR million	2024	2023
Gains from disposal of businesses	10	14
Gains from the disposal of property, plant, and equipment, and intangible assets	9	44
Gains from sale of patents	4	2
Other	16	21
Other operating income	**39**	**81**

Gains from the disposal of businesses mainly include gains from the sale of the assets pertaining to the Passive Optical Components business in the amount of EUR 9 m (see > Note 31. Disposal of Business Activities and Property, Plant and Equipment; Assets and Liabilities Classified as Held for Sale).

Gains from the disposal of property, plant and equipment and intangible assets in the 2023 financial year mainly result from the sale of production facilities in Singapore (EUR 39 m).

The item Other mainly includes income from the reversal of provisions and income from transitional service agreements as part of disposal of businesses.

4. Expenses

Other Operating Expenses

in EUR million	2024	2023
Losses from disposal or liquidation of businesses	13	11
Losses on sales of property, plant and equipment and intangible assets	2	3
Impairment of assets held for sale	-	13
Allowances on receivables	0	4
Other	6	4
Other operating expenses	**21**	**34**

Losses from the disposal of businesses mainly result from realization of accumulated currency differences on the liquidation of subsidiaries in the amount of EUR 9 m, and from the sale of OOO OSRAM, Moscow, (Russia) in the amount of EUR 3 m (see > Note 31. Disposal of Business Activities and Property, Plant and Equipment; Assets and Liabilities Classified as Held for Sale).

Personnel Expenses

in EUR million	2024	2023[1]
Wages and salaries	1,053	1,105
Statutory social welfare contributions	175	184
Personnel expenses for share-based compensation	18	49
Expenses relating to pension plans and employee benefits	11	14
Total	**1,258**	**1,352**

[1] The previous year's figure for wages and salaries was decreased by EUR 38 m, which includes social welfare contributions. This amount was added to the Statutory social welfare contributions expenses category in order to improve comparability with the reporting year.

Number of Employees by Function

in FTE	2024	2023
Production and service	13,857	14,098
Research and development	2,783	3,144
Administration and sales	2,938	3,289
Total	**19,577**	**20,530**

The number of employees fell by 953 in the 2024 financial year due to staff reduction measures and the sale or closure of business segments.

Share-based Compensation

The Group uses share-based compensation arrangements to remunerate the members of the Management Board and selected groups of managers, under which a defined number of awards or options to purchase ams OSRAM shares are issued, subject to the specified terms and conditions being met. The share-based compensation granted can be settled by ams OSRAM either through granting equity instruments or through cash settlement.

The share-based compensation arrangements are classified as equity-settled plans and are therefore measured at fair value at the grant date. The options and awards are measured on the basis of the Black-Scholes model. The expected volatility was derived from the historical price performance of the ams OSRAM share during the last three years (source: Bloomberg). For share-based compensation whose exercisability depends on the fulfillment of market-related performance criteria, the probabilities of fulfillment are determined using a Monte Carlo simulation and taken into account in the measurement of the options and awards at the time they are granted. The interpretation of the market information needed to determine fair values is subject to management judgment. This can result in a difference between the disclosed values and the values subsequently realized on the market.

The determined value of the share-based compensation is expensed over the vesting period until the options become exercisable and the awards become vested. The amount recognized as an expense is adjusted if expectations regarding the achievement of service conditions and non-market-based performance conditions change in such a way that the amount ultimately recognized as an expense is based on the number of those options and/or awards that satisfy the relevant service conditions and non-market-based performance conditions at the end of the vesting period.

Impact of Equity Measures

In the first half of 2024, ams OSRAM completed the measures to offset the dilution of share-based compensation that were announced following the capital increase in December 2023. Details can be found in the notes to the consolidated financial statements as of December 31, 2023 under > Note 4. Expenses.

In this regard, ams OSRAM reissued the awards granted under the LTIP 2023 to eligible employees in the 2024 financial year. In the process, 4,130,229 awards granted in 2023 were withdrawn and 8,215,346 awards (including 5,197,365 restricted share units (RSUs) and 3,017,981 performance share units (PSUs)) were issued with unchanged grant date, vesting period and performance criteria. On December 21, 2023, the date on which the offer was announced, the fair value of one RSU was EUR 2.15, and the fair value of one PSU was EUR 1.54. The plan amendment led to an additional expense of EUR 5 m in the 2024 financial year.

As a result, ams OSRAM redeemed in cash 7,754,655 options granted under the LTIP 2014, the SSOP 2017, the SLTIP 2018, the SSOP 2019, and the LTIP 2019 in the 2024 financial year. The total cash payment, including social welfare contributions and taxes incurred, amounted to EUR 11 m. The fair value of unredeemed options of EUR 2 m was reclassified from liabilities to equity.

On June 24, 2024, the Company's General Meeting resolved to consolidate the Company's shares at a ratio of 10:1 (reverse share split). This measure was implemented in September 2024 (see > Note 26. Equity). The awards and options held by plan participants were adjusted in the corresponding ratio (with ten old awards resulting in one new share award). The exercise price of the options and awards under the respective plans was also adjusted at a ratio of 10:1. Accordingly, 32,886,300 awards were withdrawn and 3,288,630 new awards and options were transferred. The resulting fractions of awards and options were rounded up to full units. This results in 15,612 new awards and options granted in the 2024 financial year.

Key information on the individual plans is as follows:

Long Term Incentive Plan 2014
The Long Term Incentive Plan (LTIP 2014) was adopted in October 2014 and entitles the participants to purchase, for each option held and exercisable, one no-par value share in ams-OSRAM AG at an exercise price of EUR 6.76 (adjusted for equity measures). As of the balance sheet date, all outstanding options from the LTIP 2014 are exercisable and no further options have been allocated.

The options developed as follows:

Long Term Incentive Plan 2014

LTIP 2014	2024		2023	
	Options	Weighted average exercise price (in EUR)	Options	Weighted average exercise price (in EUR)
Outstanding at January 1	**723,297**	**0.68**	**815,811**	**0.68**
Granted during the period	-	-	-	-
Forfeited during the period	-	-	-	-
Exercised during the period	2,183	0.68	70,396	0.68
Expired during the period	10,422	0.68	22,118	0.68
Cash settlement options	492,115	-	-	-
Reduction due to equity measures[1]	204,311	0.68	-	-
Outstanding at December 31 (2024 after reverse stock split)	**14,266**	**6.76**	**723,297**	**0.68**
Exercisable at December 31	14,266	6.76	723,297	0.68
Not yet granted	-	-	-	-
Weighted average share price at the date of exercise (in EUR)	2.17		6.17	
Range of exercise price (in EUR)	6.76		0.68	
Remaining contractual life	Until June 30, 2028		Until June 30, 2028	

[1] As part of the 10:1 reverse share split in the 2024 financial year, the options held were adjusted at the corresponding ratio (with ten old options resulting in one new option).

Special Stock Option Plan 2017
The special stock option plan (SSOP 2017) was adopted in June 2017 and entitles the participants to purchase, for each option held and exercisable, one no-par-value share in ams-OSRAM AG at an exercise price of EUR 186.30 (adjusted for equity measures). As of December 31, 2024, all options outstanding from the SSOP 2017 are exercisable and no further options will be granted.

The options developed as follows:

Special Stock Option Plan 2017

SSOP 2017	2024		2023	
	Options	Weighted average exercise price (in EUR)	Options	Weighted average exercise price (in EUR)
Outstanding at January 1	**2,366,441**	**18.63**	**2,793,434**	**18,63**
Granted during the period	-	-	-	-
Forfeited during the period	-	-	-	-
Exercised during the period	-	-	-	-
Expired during the period	10,438	18.63	426,993	18.63
Cash settlement options	1,132,386	-	-	-
Reduction due to equity measures[2]	1,101,233	18.63	-	-
Outstanding at December 31 (2024 after reverse stock split)	**122,384**	**186.30**	**2,366,441**	**18.63**
Exercisable at December 31	122,384	186.30	2,366,441	18.63
Not yet granted	-	-	-	-
Weighted average share price at the date of exercise (in EUR)	-		-	
Range of exercise price (in EUR)	186.30		18.63	
Remaining contractual life	Until June 30, 2027		Until June 30, 2027	

[2] As part of the 10:1 reverse share split in the 2024 financial year, the options held were adjusted at the corresponding ratio (with ten old options resulting in one new option).

Special Long Term Incentive Plan 2018
The special long term incentive plan (SLTIP 2018) was adopted in October 2018 and entitles the participants to purchase, for each option held and exercisable, one no-par-value share in ams-OSRAM AG at an exercise price of EUR 293.40 (adjusted for equity measures).

As of December 31, 2024, all options outstanding from the SLTIP 2018 are exercisable and no further options will be granted.

The options developed as follows:

Special Long Term Incentive Plan 2018

SLTIP 2018	2024		2023	
	Options	Weighted average exercise price (in EUR)	Options	Weighted average exercise price (in EUR)
Outstanding at January 1	411,246	29.34	411,246	29.34
Granted during the period	-	-	-	-
Forfeited during the period	-	-	-	-
Exercised during the period	-	-	-	-
Expired during the period	-	-	-	-
Cash settlement options	380,849	-	-	-
Reduction due to equity measures[3]	27,351	29.34	-	-
Outstanding at December 31 (2024 after reverse stock split)	**3,046**	**293.40**	**411,246**	**29.34**
Exercisable at December 31	3,046	293.40	411,246	29.34
Not yet granted	-	-	-	-
Weighted average share price at the date of exercise (in EUR)	-	-	-	-
Range of exercise price (in EUR)	293.40		29.34	
Remaining contractual life	Until October 11, 2028		Until October 11, 2028	

[3] As part of the 10:1 reverse share split in the 2024 financial year, the options held were adjusted at the corresponding ratio (with ten old options resulting in one new option).

Special Stock Option Plan 2019
The special stock option plan (SSOP 2019) was adopted in February 2019 and entitles the participants to purchase, for each option held and exercisable, one no-par-value share in ams-OSRAM AG at an exercise price of EUR 139.40 (adjusted for equity measures).

As of December 31, 2024, all options outstanding from the SSOP 2019 are exercisable and no further options will be granted.

The options developed as follows:

Special Stock Option Plan 2019

SSOP 2019	2024		2023	
	Options	Weighted average exercise price (in EUR)	Options	Weighted average exercise price (in EUR)
Outstanding at January 1	671,170	13.94	671,170	13.94
Granted during the period	-	-	-	-
Forfeited during the period	-	-	-	-
Exercised during the period	-	-	-	-
Expired during the period	-	-	-	-
Cash settlement options	408,502	-	-	-
Reduction due to equity measures[1]	236,278	13.94	-	-
Outstanding at December 31 (2024 after reverse stock split)	**26,390**	**139.40**	**671,170**	**13.94**
Exercisable at December 31	26,390	139.40	671,170	13.94
Not yet granted	-	-	-	-
Weighted average share price at the date of exercise (in EUR)	-		-	
Range of exercise prices (in EUR)	139.40		13.94	
Remaining contractual life	Until February 5, 2029		Until February 5, 2029	

[1] As part of the 10:1 reverse share split in the 2024 financial year, the options held were adjusted at the corresponding ratio (with ten old options resulting in one new option).

Long Term Incentive Plan 2019
The long-term incentive plan 2019 (LTIP 2019) was adopted in June 2019; options from the LTIP 2019 were last granted in 2022.

Three different types of options were granted: PSUs, RSUs, and SPSUs (performance share units, restricted share units, and special performance share units). The PSUs depend on the performance of the Total Shareholder Return (TSR, defined as the change in share price plus reinvested dividends over the performance period) of ams-OSRAM AG compared to a defined peer group and the achievement of a certain level of earnings per share (EPS) in the year that the options are granted. They become exercisable after three years. The RSUs and SPSUs become exercisable within the next four years. Each year, a quarter of the total tranche of RSUs and SPSUs becomes exercisable.

At the date of the implementation of the LTIP 2019, each PSU and RSU granted entitled the participant to purchase one no-par-value share in ams-OSRAM AG at an exercise price of EUR 1.00. Each SPSU granted entitles the participant to purchase one no-par-value share at a price based on the average share price of the last 60 days prior to the grant date.

The exercise price of the PSUs and RSUs issued so far was increased to EUR 6.78 per share and the average exercise price of the SPSUs was increased to EUR 166.36 per share following the equity measures.

All options granted can be exercised only up to ten years from allocation.

The options developed as follows:

Long Term Incentive Plan 2019

LTIP 2019	2024		2023	
	Options	Weighted average exercise price (in EUR)	Options	Weighted average exercise price (in EUR)
Outstanding at January 1	8,451,219	4.84	12,178,903	5.86
Granted during the period	-	-	-	
Forfeited during the period	-	-	-	
Exercised during the period	4,390	0.91	131,294	0.91
Expired during the period	1,110,048	0.68	3,596,390	3.44
Cash settlement options	5,340,803	-	-	-
Reduction due to equity measures[2]	1,796,056	16.66	-	-
Outstanding at December 31 (2024 after reverse stock split)	**199,922**	**166.36**	**8,451,219**	**4.84**
Exercisable at December 31	124,858	211.15	2,652,285	8.82
Not yet granted	-	-	-	-
Weighted average share price at the date of exercise (in EUR)	1.82		6.13	
Range of exercise price (in EUR)	6.78-226.90		0.68-22.69	
Remaining contractual life	Until June 30, 2032		Until June 30, 2032	

Long Term Incentive Plan 2023
The Supervisory Board and Management Board adopted a new long-term incentive plan (LTIP 2023) on May 25, 2023 that replaced the LTIP 2019.

The LTIP 2023 comprises a maximum of 27,428,928 awards, which correspond to about 10% of the Company's share capital as of the date of the implementation of the LTIP 2023. The awards issued under the LTIP 2023 are granted within five years of the plan's adoption and were granted for the first time in July 2023. The maximum number of awards was reduced to 9,984,439 following the reverse share split at a ratio of 10:1 in financial year 2024 and the capital increase carried out in the previous year.

[2] As part of the 10:1 reverse share split in the 2024 financial year, the options held were adjusted at the corresponding ratio (with ten old options resulting in one new option).

Each award granted entitles the participant to receive, without payment of a consideration (exercise price of EUR 0.00), one no-par-value share in ams-OSRAM AG subject to the conditions applicable to the LTIP 2023. There are two distinct types of awards: PSUs and RSUs (performance share units and restricted share units).

The PSUs are conditional upon satisfying the following performance criteria: (a) the cumulative adjusted EBIT defined for one performance period (in the future, this performance criterion will be measured on the basis of adjusted EBITDA for subsequent grants from the 2025 financial year onwards), (b) the relative total shareholder return (Relative TSR) of the Company compared with a defined peer group over one performance period, and (c) the fulfillment of environmental, social and governance (ESG) targets, as specified by the Company.

In case there is an overachievement of the performance criteria for the PSUs (achievement between 100% and 150%), the participant may receive up to 50% more shares per PSU when PSUs are redeemed. If the performance criteria are not met, however, the participant may receive fewer shares.

The PSU awards will be redeemable after three years from the grant date, with the exception of the first award, where the grant date began on June 30, 2023 and the vesting periods ends on March 31, 2026. In addition, a waiting period of one year after the end of the vesting period applies to the members of the Management Board. For the RSU awards, one-third of the awards will be redeemable in each case on the first, second, and third anniversaries of the grant date, with the exception of the first award, where the vesting period is shorter and one-third of the RSU awards will be redeemable on March 31, 2024, 2025, and 2026, respectively. PSUs and RSUs will become redeemable subject to the condition that the participant remains employed throughout the entire vesting period.

All awards granted can be exercised only up to ten years from allocation.

As of March 31, 2024, ams OSRAM granted 23,019,191 awards under the LTIP 2023. Under the LTIP 2023, 14,605,855 RSUs and 8,413,336 PSUS were issued, which resulted in an expense of EUR 11 m.

The following parameters were used to determine the value of the awards for one, two, three, and four years:

Valuation of Awards (Weighted Average) for the 2024 Grant

		PSU	RSU
Share price at grant (before reverse stock split)	in EUR	1.39	1.39
Duration	in years	10	10
Risk free rate	in %	2.56	2.56
Dividend yield	in %	0	0
Expected volatility	in %	62.97	62.97
Fair value per stock award (before reverse stock split)	in EUR	1.22	1.39

The awards developed as follows:

LTIP 2023	2024	2023
Outstanding at January 1	**4,206,495**	**-**
Granted during the period	23,019,191	4,212,654
Forfeited during the period	-	-
Exercised during the period	1,729,562	-
Expired during the period	461,710	6,159
Reduction due to equity measures[1]	22,132,462	-
Outstanding as at December 31 (2024 after reverse stock split)	**2,901,952**	**4,206,495**
Exercisable at December 31	-	-
Not yet allocated	7,261,255	23,216,274
Share price at the time of exercise (weighted average in EUR)	-	-
Exercise price (in EUR)	-	-
Remaining contractual life	Until March 31, 2027	Until March 31, 2026

[1] 4,085,117 additional awards (based on the former denomination of units prior to reverse share split) were granted in financial year 2024 due to the 2023 capital increase. As part of the 10:1 reverse share split in the 2024 financial year, the awards held were adjusted at the corresponding ratio (with ten old awards resulting in one new award).

5. microLED Adaption Expenses

On February 28, 2024, the Management Board was informed by a customer of the unexpected termination of a key project involving the development of a microLED program. The termination resulted in a revision of the microLED strategy and initially led to expenses of EUR 744 m in the 2024 financial year, which are fully allocated to the Opto Semiconductors business unit and recognized in the consolidated statement of income under the line item ‘microLED adaption expenses’.

Due to the termination of the microLED project, an impairment test was carried out in accordance with IAS 36 for the individual assets associated with the project. Impairment losses of EUR 482 m were recognized for property, plant and equipment. These mainly relate to the pilot line in Regensburg (Germany), and production facilities in Kulim (Malaysia). In addition, EUR 77 m is attributable to the 8-inch LED production building and associated assets in Kulim (Malaysia). The fair value less costs to sell, which is allocated to level 3 of the IFRS 13 measurement hierarchy, amounts to EUR 405 m and represents the recoverable amount of the production building and associated assets. The amount was determined using the direct capitalization method in accordance with the income capitalization approach. Estimates are subject to increased uncertainty with respect to the significant assumptions when determining the recoverable amount. These assumptions were made regarding expected price and market developments, the discount rate (11.11%), the realizability of the assets in their present condition, the expected vacancy and selling period (2 years) as well as associated costs, among other things. The values of the assumptions are based on management’s expectations and on the analyses of an external expert and take into account external inflation and market growth expectations, macroeconomic data and industry-specific trends, as well as expectations regarding the sale process.

In addition, the capitalized project-specific development costs were fully impaired by EUR 125 m. Impairment losses on right-of-use assets amounted to EUR 1 m.

The impairment of other property, plant and equipment and other non-current assets was based on fair value less costs to sell, which is classified as level 3 of the IFRS 13 measurement hierarchy. Key valuation assumptions are based on past experience.

Valuation allowances of EUR 11 m were recognized for inventories. Provisions of EUR 70 m were mainly recognized for cancellation fees and contract terminations, and EUR 34 m for outstanding orders for fixed and current assets.

In addition, expenses of EUR 2 m were incurred in connection with personnel adjustments. Other expenses amounted to EUR 4 m. Effects on the grants related to the canceled project are shown under > Note 24. Government Grants.

Furthermore, an impairment test in accordance with IAS 36 was carried out for the OS BU and its goodwill, which did not result in any need for impairment of assets (see > Note 14. Intangible Assets).

Over the course of the 2024 financial year, ams OSRAM acquired a customer for a development project for innovative LED technologies in the Opto Semiconductors business unit, which partially offset the effects of the termination of the key microLED project. In addition, an alternative use was found within the ams OSRAM Group for some of the previously impaired assets. As a result, the reasons for the impairment of some assets no longer applied and reversals of impairment on property, plant and equipment amounting to EUR 118 m were recognized in the second half of 2024. Of this amount, EUR 62 m was attributable to assets that are used as part of the new development project and that form a CGU. The recoverable amount was determined as the value in use on the basis of a discounted cash flow analysis. Significant assumptions were made regarding the amount of future cash flows, reinvestment and the discount rate, among other things. A factor of 12.1% was used for discounting. Reversals of impairment of EUR 56 m were attributable to assets for which an alternative use could be found independently of the development project. The write-up was made up to the deemed amortized cost had there not been any impairment.

In addition, write-ups on inventories were recognized in the amount of EUR 5 m. Provisions were reversed in the amount of EUR 46 m. The write-ups and reversals are included in the income statement in the line item microLED adaption expenses.

In total, the net expense occurred in connection with the microLED adaption strategy amounted to EUR 576 m.

6. Net Financial Result

in EUR million	2024	2023
Income from derivatives	42	33
Interest income	40	22
Amortization of adjustment of carrying amount of bonds for embedded derivatives	3	-
Valuation of options for early repayment of outstanding bonds	-	5
Other financial income	1	2
Financial income	**85**	**62**
Interest expenses	-272	-180
Exchange differences	-12	-38
Valuation of options for early repayment of settled bonds	-2	-
Other financial expense	-4	-15
Financial expenses	**-290**	**-233**
Net financial result	**-205**	**-171**

Interest expenses include an amount of EUR 13 m (2023: EUR 10 m) in connection with the supply chain financing programs from the sale of trade receivables to the factor; the amount was reclassified from other comprehensive income reported under retained earnings to the consolidated statement of income. In the 2024 financial year, borrowing costs of EUR 4 m (2023: EUR 10 m) were capitalized in accordance with IAS 23 as part of the cost of property, plant, and equipment and intangible assets. At the last capitalization date, the capitalization rate, which results from the borrowing costs weighted in line with the financing structure, was 1.84% p.a.

7. Income Taxes

in EUR million	2024	2023
Current tax expense, net, current financial year	-53	-66
Current tax benefit, net, prior financial years	8	7
Current taxes	**-45**	**-59**
Deferred tax benefit, net, from changes in temporary differences	12	47
Deferred tax expenses, net, others	0	0
Deferred taxes	**12**	**47**
Income taxes	**-33**	**-12**

Reconciliation to Actual Income Tax Expenses

in EUR million	2024	2023
Result before income taxes	-752	-1,601
Group tax rate	23%	24%
Expected income tax benefit	**173**	**384**
Increase/decrease in income taxes resulting from:		
Non-deductible expenses and change in permanent differences	-24	-323
Tax-free income	16	17
Taxes for prior years	8	23
Change in realizability of unrecognized deferred tax assets including unrecognized deferred tax assets arising in the current financial year	-246	-92
Foreign tax rate differential	41	-11
Change in tax rates	0	-2
Other, net	-1	-8
Actual income tax expenses as presented in the Consolidated Statement of Income	**-33**	**-12**

In the previous year, the line item Non-deductible expenses and change in permanent differences included the effect of non-tax-deductible goodwill impairment.

Income Taxes

in EUR million	2024	2023
Income taxes	-33	-12
Taxes in other comprehensive income	0	11

Deferred tax assets are recognized for all temporary differences and losses carried forward, to the extent that it is probable that future taxable profit against which they can be utilized will be available within a foreseeable period. No deferred tax assets were recognized for tax loss carryforwards and interest carryforwards of EUR 3,167 m (2023: EUR 2,194 m), for temporary differences of EUR 716 m (2023: EUR 530 m), and for tax credits of EUR 44 m (2023: EUR 85 m).

Of the tax loss carryforwards for which no deferred tax assets have been recognized as of December 31, 2024, EUR 10 m (2023: EUR 10 million) are subject to a time limitation. The expiry of these loss carryforwards will start after 2034.

For distributable profits of subsidiaries, income and withholding taxes arising in connection with the distribution are recognized as deferred tax liabilities if it is either expected that these profits will be subject to corresponding taxation, or it is intended that they will not be permanently reinvested.

As of December 31, 2024, no deferred tax liabilities have been recognized for temporary differences arising from investments in subsidiaries of EUR 3,170 m (2023: EUR 3,490 m).

ams OSRAM is subject to the local statutory provisions on the global minimum tax of 15% in accordance with the Pillar Two rules. The binding national law has been in effect in Austria since December 2023. The regulations have to be applied from December 31, 2023. ams OSRAM applies the mandatory exception under IAS 12 for the recognition and disclosure of information on deferred tax assets and liabilities in connection with Pillar Two.

In accordance with the Pillar Two rules, a jurisdiction-related top-up tax in the amount of the difference between the global minimum tax rate of 15% and the lower effective tax rate has to be levied. For ams OSRAM, the application of Pillar Two results in an actual immaterial tax expense of less than EUR 1 m for 2024.

8. Cash and Cash Equivalents

in EUR million	2024	2023
Bank deposits	1,098	1,146
Valuation allowance	0	0
Cash and cash equivalents	**1,098**	**1,146**

Expected credit losses with respect to deposits with banks are measured using publicly available credit ratings.

9. Trade Receivables

in EUR million	2024	2023
Gross carrying amount of trade receivables	512	488
Valuation allowance	-16	-18
Net carrying amount of trade receivables	**496**	**470**

Loss Allowances

in EUR million	Total	Expected impairment losses	Impairment losses on credit impaired receivables
Balance as of January 1, 2023	**-25**	**-7**	**-19**
Reclassification in assets held for sale	1	1	0
Derecognition of receivables	10	0	10
Change in valuation allowances recorded in the statement of income in the current period	-4	-2	-1
Currency translation and other changes	0	0	0
Balance as of December 31, 2023	**-18**	**-8**	**-10**
Balance as of January 1, 2024	**-18**	**-8**	**-10**
Derecognition of receivables	2	0	2
Change in valuation allowances recorded in the statement of income in the current period	0	2	-2
Currency translation and other changes	0	0	0
Balance as of December 31, 2024	**-16**	**-6**	**-10**

Loss allowances for trade receivables are measured at the lifetime expected credit loss. The expected loss rates were derived from historical information and future expectations. A receivable is deemed defaulted, and an impairment is deemed to have occurred if insolvency proceedings have been initiated against the debtor or if there are other significant reductions in the debtor's ability to pay, which is assumed no later than when the amounts are more than 90 days past due. For trade receivables measured at amortized cost, with a gross carrying amount of EUR 222 m (2023: EUR 353 m), the expected loss allowances are calculated on the basis of credit ratings, which are then used to determine portfolio-specific default rates. Customers are grouped in risk categories with low, moderate, and higher credit risk based on credit ratings provided by external agencies.

Gross Carrying Amount of Trade Receivables Measured Based on Ratings

in EUR million	2024	2023
Risk class 1: low risk	54	71
Risk class 2: moderate risk	127	230
Risk class 3: higher risk	35	40
Risk class 4: insolvent	4	5
Customers without individual rating	2	7
Total	**222**	**353**

For some of the trade receivables measured at amortized cost, with a gross carrying amount of EUR 3 m, the expected loss allowances as of December 31, 2023 were calculated on the basis of default rates derived from historical empirical values and estimated according to how far past due they were.

Trade receivables include receivables with a carrying amount of EUR 291 m (2023: EUR 133 m) that are measured at fair value. These are receivables from customers that are sold on a case-by-case basis to a factoring company in connection with customers' supply-chain financing programs. They are subsequently derecognized. In addition, receivables are sold via two own factoring programs and subsequently derecognized. Some of the risk of late payment by the customer (late payment risk) remains with ams OSRAM. In the context of one program, some of the default risk (10%) also remains with ams OSRAM. The original carrying amount of the receivables sold under the two programs amounted to EUR 13 m (2023: EUR 69 m) as of December 31, 2024. For the default and late payment risks remaining with ams OSRAM, other current financial liabilities in an immaterial amount were recognized as at December 31, 2024 and trade receivables in the same amount continued to be reported. Proceeds from the sale of receivables to factoring companies are reported in the consolidated statement of cash flows under cash flows from operating activities.

Of the trade receivables measured at amortized cost, EUR 17 m was pledged to a bank in connection with government-backed export financing as of December 31, 2024.

The gross carrying amount of trade and other financial receivables is derecognized if, following an appropriate assessment, the Group no longer believes that the financial asset can be fully or partially realized. In general, this is the case particularly when the statute of limitations has elapsed, when a debtor is legally released from the original obligation, or when insolvency proceedings are not initiated for lack of assets.

Trade Receivables by Region

in EUR million	2024	2023
EMEA	142	103
Americas	187	180
Asia / Pacific	167	187
Trade receivables	**496**	**470**

10. Other Current Financial Assets

in EUR million	2024	2023
Derivative financial instruments	8	6
Debit balances of trade payables	4	3
Accrual for financial transaction costs	-	1
Other	37	44
Other current financial assets	**49**	**55**

As of December 31, 2024, the line item Other included receivables in the amount of EUR 12 m (2023: EUR 9 m) in connection with the sale of business units.

11. Inventories

in EUR million	2024	2023
Raw materials and supplies	297	261
Work in progress	248	211
Finished goods and merchandise	260	239
Advances to suppliers	4	5
Inventories	**809**	**716**

As of December 31, 2024, EUR 37 m (2023: EUR 38 m) relate to spare parts and tools, which are reported under raw materials and supplies. Cumulative loss allowances for inventories stood at EUR 199 m as of December 31, 2024 (2023: EUR 191 m).

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on either the first-in-first-out allocation method (FIFO) or the weighted average cost method. The cost of inventories produced comprised an appropriate share of the production overheads based on average production capacity utilization. Raw materials and supplies are recognized at the lower of cost on the basis of average values or the FIFO method and the net realizable value. For certain inventories, this is measured at the replacement price. Work in progress and finished goods are measured at the lower of cost or net realizable value. The net realizable value is calculated based on the expected sales proceeds in the ordinary course of business, less the estimated costs of completion and the expected administrative and selling expenses still to be incurred. The cost of inventories includes all costs incurred in acquiring the item and bringing it to the required condition and location. In the case of finished goods and work in progress, cost comprises the direct cost of materials and production, the directly attributable proportion of materials and production overheads, and production-related depreciation. Fixed cost items are allocated on the basis of an average capacity utilization of the production facilities.

12. Other Current Non-Financial Assets

in EUR million	2024	2023
Receivables from government grants	152	54
Tax receivables	80	116
Prepaid expenses	22	50
Other	12	10
Other current non-financial assets	**267**	**230**

In the 2024 financial year, receivables from government grants mainly include a claim under the European Chips Act in the amount of EUR 130 m. In the previous year, receivables from government grants mainly included the current portion of the grant from the Malaysian Investment Department Authority (MIDA) and from the IPCEI project ME/KT (Important Project of Common European Interest, Micro-electronics and Communication Technologies, see > Note 24. Government Grants).

13. Property, Plant, and Equipment

in EUR million	Gross carrying amount as of January 1, 2024	Additions	Retirements	Reclassification in assets held for sale	Reclassifications	Translation differences	Gross carrying amount as of December 31, 2024	Accumulated depreciation and impairment as of January 31, 2024	Additions	Retirements	Impairment Losses	Reclassification in assets held for sale	Reclassifications	Translation differences	Accumulated depreciation and impairment as of December 31, 2024	Net book value as of December 31, 2024	Net book value as of January 1, 2024
Land and buildings	690	0	-20	0	433	34	1,136	-423	-30	20	-64	0	-	-12	-508	630	267
Technical machinery and equipment	4,192	108	-298	-25	588	181	4,746	-3,453	-221	290	-303	2	-	-136	-3,821	922	739
Furniture and office equipment	203	7	-34	0	6	5	187	-186	-5	34	-5	0	-	-5	-166	21	18
Advances to suppliers and assets under construction	974	207	-2	0	-1,027	29	181	-1	0	0	-21	0	-	-3	-25	156	973
Property, plant, and equipment	**6,059**	**321**	**-355**	**-25**	**-**	**250**	**6,250**	**-4,062**	**-257**	**344**	**-393**	**3**	**-**	**-155**	**-4,521**	**1,729**	**1,997**

As of December 31, 2024, commitments to purchase fixed assets amounted to EUR 74 m (2023: EUR 152 m). Impairment losses and reversals of impairment losses amounted to EUR 393 m, of which EUR 364 m was attributable to the impairment of microLED assets in the Opto Semiconductors (OS) business unit; the corresponding impairment loss is reported in the consolidated statement of income under microLED adaption expenses (see > Note 5. microLED Adaption Expenses). Other impairments of assets result from the adjustment of production capacities in the OS reporting segment (EUR 15 m), the CSA reporting segment (EUR 2 m), and the L&S reporting segment (EUR 12 m), and are mainly reported under cost of sales. The derecognition of government grants in connection with the adaption of the microLED strategy was recognized as an addition to advance payments and assets under construction (see > Note 24. Government Grants).

in EUR million	Gross carrying amount as of January 1, 2023	Additions	Retirements	Reclassification in assets held for sale	Reclassifications	Translation differences	Gross carrying amount as of December 31, 2023	Accumulated depreciation and impairment as of January 1, 2023	Additions	Retirements	Impairment Losses	Reclassification in assets held for sale	Reclassifications	Translation differences	Accumulated depreciation and impairment as of December 31, 2023	Net book value as of December 31, 2023	Net book value as of January 1, 2023
Land and buildings	813	3	-121	-	13	-17	690	-471	-32	83	-12	-	-	10	-423	267	342
Technical machinery and equipment	4,430	80	-293	-	102	-127	4,192	-3,534	-236	276	-55	-	-	97	-3,453	739	896
Furniture and office equipment	211	15	-20	0	1	-4	203	-201	-9	19	-0	-	-	4	-186	18	10
Advances to suppliers and assets under construction	614	531	-8	0	-116	-48	974	-6	0	5	-0	-	-	0	-1	973	609
Property, plant, and equipment	**6,069**	**630**	**-443**	**0**	**-**	**-196**	**6,059**	**-4,212**	**-276**	**383**	**-68**	**-**	**-**	**111**	**-4,062**	**1,997**	**1,856**

In financial year 2023, impairment losses amounting to EUR 60 m were recorded following the expiration of customer contracts in Singapore. These impairment losses were mainly recognized on technical machinery and equipment in the Opto Semiconductors (OS) business segment and were primarily included in cost of sales.

Property, plant, and equipment is measured at cost less accumulated depreciation and impairment losses and net of government grants. The cost of internally generated property, plant, and equipment includes the cost of materials, direct labor, the directly attributable proportion of production overheads, and borrowing costs for qualifying assets.

Depreciation of property, plant, and equipment is recognized in profit or loss on a straight-line basis over the estimated useful life of the assets. Land is not depreciated. If the cost of certain components of an item of property, plant, and equipment is significant in relation to the total cost of the item, these components are accounted for and depreciated separately. Residual values and useful lives are reviewed annually and, if expectations differ from previous estimates, adjusted accordingly. An impairment test is carried out if there are indications that the recoverable amount of an asset is lower than its carrying amount.

Carrying amounts are based on the following useful lives:

Buildings	10 – 50 years
Technical equipment and machinery	2 – 15 years
Other non-current assets	3 – 5 years

For some rented buildings, there is an obligation to return the building to the lessor in a certain condition at the end of the lease term (asset restoration obligation). The projected cost of such a restoration is recognized as part of the cost of the respective asset and as a provision for the asset restoration obligation. The provision for the asset restoration obligation is measured at the present value of the expenditure expected to be required to settle the obligation, using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The unwinding of the discount on the provision due to the passage of time is recognized as a financial expense. Changes in the estimated expenditure result in an adjustment of the amount recognized as part of the cost.

14. Intangible Assets

in EUR million	Gross carrying amount as of January 1, 2024	Additions	Retirements	Reclassification in assets held for sale	Reclassifications	Translation differences	Gross carrying amount as of December 31, 2024	Accumulated depreciation and impairment as of January 1, 2024	Additions	Retirements	Impairment Losses	Reclassification in assets held for sale	Reclassifications	Translation differences	Accumulated depreciation and impairment as of December 31, 2024	Net book value as of December 31, 2024	Net book value as of January 1, 2024
Goodwill	3,076	0	-5	-	-	-1	3,071	-1,590	-	-	-	-	-	-	-1,590	1,481	1,487
Customer base	677	-	-	-	-	15	692	-484	-49	-	-	-	-	-13	-546	146	193
Technology	313	-	-	-	-	0	313	-240	-31	-	-	-	-	-	-270	42	73
Trademarks	234	-	-	-	-	0	234	-6	-1	-	-	-	-	-	-7	226	226
Capitalized development costs	459	58	-15	-	-2	4	505	-220	-29	10	-125	-	0	-3	-367	138	240
Patents, licenses and other rights	147	1	-10	-	2	4	144	-117	-7	8	-2	-	-1	-4	-123	21	30
Intangible assets	**4,906**	**60**	**-30**	**-**	**0**	**22**	**4,958**	**-2,657**	**-116**	**18**	**-127**	**-**	**-1**	**-20**	**-2,904**	**2,054**	**2,249**

The disposals of goodwill in the financial year amounting to EUR 5 m relate to the disposal of the business with passive optical components (see > Note 31. Disposal of Businesses). The impairment of EUR 125 m reported under Capitalized development costs relates to the capitalized development costs incurred as part of the microLED adaption (see > Note 5. microLED Adaption Expenses).

in EUR million	Gross carrying amount as of January 1, 2023	Additions	Retirements	Reclassification in assets held for sale	Reclassifications	Translation differences	Gross carrying amount as of December 31, 2023	Accumulated depreciation and impairment as of January 1, 2023	Additions	Retirements	Impairment Losses	Reclassification in assets held for sale	Reclassifications	Translation differences	Accumulated depreciation and impairment as of December 31, 2023	Net book value as of December 31, 2023	Net book value as of January 1, 2023
Goodwill	3,099	-	-16	-1	-	-6	3,076	-277	-	10	-1,323	1	-	-	-1,590	1,487	2,821
Customer base	677	-	-	-	-	0	677	-398	-86	-	-	-	-	0	-484	193	279
Technology	317	-	-4	-	-	0	313	-212	-28	-	-	-	-	-	-240	73	105
Trademarks	234	-	-	-	-	-	234	-4	-2	-	-	-	-	-	-7	227	229
Capitalized development costs	349	109	-0	-	-	2	459	-171	-24	0	-23	-	-	-2	-220	240	177
Patents, licenses and other rights	150	4	-3	-	-	-4	147	-117	-6	2	0	-	-	3	-117	30	33
Intangible assets	**4,825**	**113**	**-23**	**-1**	**-**	**-8**	**4,906**	**-1,180**	**-146**	**12**	**-1,347**	**1**	**-**	**2**	**-2,657**	**2,249**	**3,645**

Intangible assets acquired by the Group are recognized at cost less amortization and impairment losses. Goodwill and trademarks arising from business combinations are measured at cost less accumulated impairment losses.

Development expenses are capitalized from the date on which the technical and commercial feasibility of the asset for sale or use has been established. This assessment is subject to judgment and estimation uncertainties. The Group has around 70 projects for which development expenses have been capitalized, some of which are still under development, while others are already in use. The carrying amount of projects still under development is EUR 43 m (2023: EUR 180 m).

One of ams OSRAM's largest development projects, which accounted for around three quarters of the carrying amount of capitalized development expenses at the start of the 2024 financial year, relates to the development of microLED technology and the associated production process. The customer cancellation of the key microLED project in February 2024 led to a full impairment of the development costs of that project in the amount of EUR 125 m (see > Note 5. microLED Adaption Expenses).

Another project relates to automotive lighting using intelligent multi-pixel LEDs. As of the reporting date, the project had a carrying amount of EUR 41 m and a remaining useful life of ten years.

Amortization of intangible assets – with the exception of assets with indefinite useful life and goodwill – is recognized in profit and loss on a straight-line basis over the estimated useful life of the assets. Amortization and depreciation is included in the line item Cost of sales in the consolidated statement of income. As a general rule, the following useful lives are assumed:

Patents, licenses, and software	3 – 5 years
Customer base	5 – 15 years
Technology	5 – 10 years
Capitalized development costs	3 – 10 years

Trademarks are assumed to have an indefinite useful life. The long-term protection of trademarks is an important aspect of the brand strategy for successful differentiation in the market. Brand names are also closely linked to the continued existence of Group companies.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at each balance sheet date or more frequently if there are indications that the recoverable amount of the assets could be lower than their carrying amount. For this purpose, the assets are combined into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets (cash-generating unit). When assessing the recoverability of intangible assets under development, the expected marketability (which is affected by technological changes and competitive pressure, among other factors) and the applicability of the knowledge gained to internal process improvements in particular are associated with increased estimation uncertainties.

Goodwill and Trademarks with Indefinite Useful Lives

Goodwill is allocated to a CGU or a group of CGUs if it is expected to benefit from the synergies of the acquisition. The business units represent the CGUs or groups of CGUs for the consolidated ams OSRAM Group, at which level goodwill is monitored by the Management Board.

For purposes of impairment testing, goodwill and trademarks with indefinite useful lives are allocated as follows:

in EUR million	2024	
	Goodwill	Trademarks
Opto Semiconductors (OS)	993	158
CMOS Sensors and ASICs (CSA)	147	-
Lamps & Systems (L&S)	341	68
Total	**1,481**	**226**

	2023	
	Goodwill	Trademarks
Opto Semiconductors (OS)	997	158
Image Sensor Solutions (ISS)	149	-
Advanced Optical Sensors (AOS)	-	-
Lamps & Systems (L&S)	341	68
Total	**1,487**	**226**

At the beginning of the reporting period, the previously separate BUs AOS and ISS were combined into one BU (CSA - CMOS Sensors and ASICs) for the business with sensors and analog mixed-signal chips in order to better harness the innovative strength and bundle overall responsibility. The goodwill of these BUs is now monitored at BU CSA level and amounts to EUR 149 m.

The recoverable amount of the respective cash generating unit (CGU) or group of CGUs is determined on the basis of the discounted cash flow method. An impairment test was carried out during the fourth quarter of the 2024 financial year for all CGUs and groups of CGUs at the level of which goodwill is monitored. Moreover, at each reporting date, an assessment is made to determine whether there is any indication of impairment. This assessment is based on external factors such as market environment, market interest rates and yields, and market capitalization, as well as internal factors such as obsolescence, damages, discontinuation, or possibilities of alternative uses.

At the end of February 2024, ams OSRAM identified a potential impairment indicator for the BU OS after a key project of the microLED strategy had been discontinued.

The business plan was revised as part of the adaption of the microLED activities. Property, plant and equipment and intangible assets that had no further use within the Group were tested for impairment (see > Note 5. microLED Adaption Expenses), and an impairment test was carried out for the goodwill of BU OS as at March 31, 2024. This impairment test did not identify any need for impairment losses to be recognized.

The impairment tests carried out in the fourth quarter of 2024 for all BUs revealed no need to recognize further impairment losses. The recoverable amount is determined based on the higher of value in use and fair value less costs to sell. The recoverable amount of all BUs was determined using the fair value less costs to sell. The calculations were based on the discounted cash flow method. The measurement based on fair value less costs to sell is classified as level 3 of the IFRS 13 measurement hierarchy. The discounted cash flows are based on five-year forecasts.

The key assumptions used for determining the recoverable amount were the expected sales revenues and EBITDA margins that are used as the basis for business planning, the growth rates pertaining to the detail and perpetuity phase, which are driven in particular by market trends and potential, technological trends, and expected sales prices, and finally the discount rates. The values of the assumptions are based on past experience, and take into account external inflation and market growth expectations, as well as macroeconomic data and industry-specific trends.

Sales revenue is budgeted taking regional circumstances and customer information into account. In this context, possible future price reductions, which are typical for the semiconductor sector in particular, are also factored in. Planning also accounts for factory utilization and capacities. Based on current market expectations and the resulting corporate planning, the growth rates of the detailed planning phase of the BUs CSA and OS are significantly higher than the assumed terminal value growth rate. Direct costs are planned on the basis of these sales, taking into account expected inflation and price developments for cost of materials. The operating costs take into account the expected personnel development and salary trends.

The calculation was based on a planning period up to 2029; the positive cash flow for the subsequent planning period is regarded as sustainable and serves as the basis for calculating the present value of a perpetuity. BU-specific growth rates were used to extrapolate the cash flows in the perpetuity. These growth rates are based, among other things, on long-term inflation expectations for the countries relevant to sales. The discount rates were determined on the basis of BU-specific weighted average costs of capital (WACC), assuming a market yield of 9.25%.
The assumptions regarding growth rate and discount rate for determining the recoverable amount were as follows:

Valuation Parameters (Perpetuity Growth Rate; Pre-tax Discount Rate)

	2024	
	Perpetuity growth rate	Discount rate
CMOS Sensors and ASICs (CSA)	1.2%	14.0%
Opto Semiconductors (OS)	1.4%	12.1%
Lampen & Systeme (L&S)	1.1%	13.5%

	2023	
	Perpetuity growth rate	Discount rate
Advanced Optical Sensors (AOS)	1.2%	11.5%
Image Sensor Solutions (ISS)	1.3%	14.1%
Opto Semiconductors (OS)	1.3%	12.3%
Lampen & Systeme (L&S)	1.0%	14.8%

A reasonably possible change in the key assumptions regarding the discount rate and the long-term EBITDA margin could have the effect that the carrying amount of the BU OS exceeds its recoverable amount: The recoverable amount of the BU OS exceeds its carrying amount by EUR 288 m. The underlying discount rate is 12.1% and the underlying long-term EBITDA margin stands at 25.8%. An increase in the discount rate by 1.0% or a decrease of the long-term EBITDA margin by 2.6% would result in a carrying amount that approximates the recoverable amount.

15. Right-of-Use Assets

in EUR million	Gross carrying amount as of January 1, 2024	Additions	Retirements	Reclassification in assets held for sale	Reclassifications	Translation differences	Gross carrying amount as of December 31, 2024	Accumulated depreciation and impairment as of January 1, 2024	Additions	Retirements	Impairment Losses	Reclassification in assets held for sale	Reclassifications	Translation differences	Accumulated depreciation and impairment as of December 31, 2024	Net book value as of December 31, 2024	Net book value as of January 1, 2024
Land and buildings	324	11	-34	-	-	12	314	-131	-32	25	-6	-	-	-5	-150	164	193
Technical machinery and equipment	33	9	-1	-	-	3	44	-18	-6	0	-1	-	-	-2	-26	18	15
Furniture and office equipment	14	4	-3	-	-	0	15	-7	-4	3	-1	-	-	0	-8	6	7
Right-of-use assets	**372**	**24**	**-38**	**-**	**-**	**15**	**373**	**-157**	**-42**	**28**	**-7**	**-**	**-**	**-7**	**-184**	**189**	**215**

Disposal with a carrying amount of EUR 3 m reported under Land and buildings concern the sale of the business with passive optical components (see > Note 31. Disposals of Business Activities)

in EUR million	Gross carrying amount as of January 1, 2023	Additions	Retirements	Reclassification in assets held for sale	Reclassifications	Translation differences	Gross carrying amount as of December 31, 2023	Accumulated depreciation and impairment as of January 1, 2023	Additions	Retirements	Impairment Losses	Reclassification in assets held for sale	Reclassifications	Translation differences	Accumulated depreciation and impairment as of December 31, 2023	Net book value as of December 31, 2023	Net book value as of January 1, 2023
Land and buildings	350	37	-54	-	-	-9	324	-141	-42	48	-1	-	-	3	-131	193	209
Technical machinery and equipment	30	6	-1	-	-	-2	33	-17	-5	3	-	-	-	1	-18	15	13
Furniture and office equipment	15	4	-5	-	-	0	14	-7	-4	4	-	-	-	0	-7	7	8
Right-of-use assets	**395**	**47**	**-60**	**-**	**-**	**-11**	**372**	**-165**	**-50**	**55**	**-1**	**-**	**-**	**4**	**-157**	**215**	**230**

Expenses Related to Lease Contracts

in EUR million	2024	2023
Rental expenses for short-term leases	4	7
Rental expenses for low-value leases	2	2
Interest expense	9	8
Variable lease expenses	6	0
Expenses related to lease accounting	**21**	**18**

In the 2024 financial year, variable lease expenses of EUR 6 m were incurred in connection with rental agreements concerning factory buildings in Wuxi (China). Variable rental expenses of a similar amount are expected for the 2025 financial year.

16. Investments in Associates

Investments in associates are accounted for using the equity method, with the acquisition costs of the investment being adjusted by the pro rata profit or loss of the associate.

An impairment loss is recognized if there are objective indications of impairment and the recoverable amount of the investment is lower than the carrying amount. Impairment losses are recognized through the statement of income as a loss. If the recoverable amount subsequently increases, the impairment loss is reversed.

in EUR million	2024	2023
Share of profit (loss) from associates	-6	-7
Reversals of impairments/impairments	-1	-17
Result from investments accounted for using the equity method	**-7**	**-24**

The carrying amount of the equity-accounted associates amounted to EUR 4 m (2023: EUR 11 m) as of December 31, 2024.

Summarized financial information of Sciosense Holding B.V.

in EUR million	2024	2023
Reporting date	09/30/2024	09/30/2023
Share of profit and loss	45.22%	45.22%
Current assets	19	26
Non-current assets	80	81
Current liabilities	12	12
Non-current liabilities	9	6
Net assets (100%)	**78**	**89**
Group share of net assets	35	40
Proportionate result	-5	-4
Accumulated impairment losses	-29	-29
Carrying amount of the share in the company	**2**	**7**
Net sales	19	21
Result after taxes	-11	-10
Total comprehensive income	**-11**	**-10**
Dividends received	0	0

The Group holds a share of 45.22% in Sciosense Holding B.V., Amsterdam (Netherlands), via a direct shareholding of 22.15% and indirectly via Jinan Smart Sensing Sensor Co. Ltd, Ji'nan (China), in which ams OSRAM holds a share of 49.00%. Sciosense Holding B.V. is the parent company of the operating units, which offer environmental, flow and pressure sensor solutions.

In December 2024, ams OSRAM and other shareholders of Sciosense Holding B.V. entered into an agreement to merge the company with another company in the same industry. As a result, ams OSRAM would become a shareholder of the new combined company. As the structure of the transaction had not yet been finalized as of December 31, 2024, there is no accounting impact.

agrilution GmbH, in which ams OSRAM held a share of 18.7%, was liquidated in the reporting period. ams OSRAM's shareholding in the company had already been fully impaired in previous periods. In addition, Blickfeld GmbH, in which ams OSRAM held a 9.4% share, was also liquidated in the 2024 financial year. In the course of the disposal, an impairment loss of EUR 1 m was recognized in 2024 financial year.

Other investments in associates account for an immaterial share of the total carrying amount of investments in associates and of the total result from associates.

17. Other Non-current Financial Assets

in EUR million	2024	2023
Financial investments	20	22
Options for early repayment of bonds	22	45
Other	16	10
Other non-current financial assets	**58**	**77**

The financial investments relate to strategic equity investments that do not give rise to significant influence or control. They comprise investments in Recogni, Inc. in the amount of EUR 15 m (2023: EUR 15 m), SiLC Technologies Inc. in the amount of EUR 3 m (2023: EUR 3 m) and LeddarTech Inc. in the amount of EUR 2 m (2023: EUR 3 m).

Upon initial recognition of an equity investment that is not held for trading, there is an irrevocable option to recognize subsequent changes in fair value through other comprehensive income. This option is exercised on a case-by-case basis for each investment. The decision on whether to classify an equity instrument as at fair value through profit or loss (FVTPL) or at fair value through other comprehensive income (FVOCI) is made on the basis of an individual assessment of each single investment. FVOCI is generally chosen for transactions of particular strategic significance. As of December 31, 2024, all equity investments were accounted for at fair value through other comprehensive income (FVOCI). The shares in investment funds held by ams OSRAM do not represent equity instruments within the meaning of IFRS 9 due to their contractual terms. Therefore, the option described above does not apply to these shares, and they are measured at fair value through profit or loss (FVTPL).

As of December 31, 2024, the line item Other included a rent deposit in the amount of EUR 6 m (2023: EUR 5 m) in connection with the sale and leaseback financing of the main and adjacent buildings of the 8-inch semiconductor plant in Kulim (Malaysia) (see > Note 21. Other Financial Liabilities).

18. Deferred Tax Assets and Deferred Tax Liabilities

in EUR million	2024			2023		
	Net	Deferred tax assets	Deferred tax liabilities	Net	Deferred tax assets	Deferred tax liabilities
Intangible assets, property, plant, and equipment and other non-current assets	-114	52	-166	-173	29	-203
Other current receivables and assets	-8	28	-36	5	31	-26
Inventories	26	27	-1	25	25	0
Employee benefits	34	34	0	52	52	0
Current provisions	15	16	-1	24	27	-3
Liabilities	9	29	-20	14	35	-21
Tax losses and tax credit carried forward	69	69	0	69	69	0
Other	-3	0	-3	-1	4	-5
Deferred taxes	**28**	**255**	**-227**	**14**	**272**	**-258**
Netting		-181	181		-200	200
Item in the statement of financial position	**28**	**74**	**-46**	**14**	**72**	**-58**

Deferred tax assets for tax loss carryforwards, mainly relate to ams-OSRAM AG (Austria), ams Offer GmbH (Germany), ams-OSRAM, USA Inc., and ams-OSRAM Asia Pacific Pte. Ltd. (Singapore).

In Austria and Germany, tax losses can be carried forward indefinitely and can be offset against a maximum of 75% of the current taxable profit in Austria and 60% in Germany (as a general rule). For the period 2024-2027, however, 70% of current taxable profit can be offset against tax loss carryforwards for corporation tax in Germany.

ams OSRAM assumes that sufficient positive taxable income from deferred tax assets on temporary differences and tax loss carryforwards and recognized tax credits will be available due to existing taxable differences and future business activities. In this context, deferred tax assets of EUR 3 m (2023: EUR 5 m) have been recognized for entities that generated a loss in the current period or in the prior period. As of 2024, a new corporation tax rates applies in Austria (currently 23%, 2023: 24%). This new tax rate had already been taken into account in the measurement of deferred taxes in the previous year.

Future changes in tax laws and regulations, as well as their interpretation, and other changes in tax systems could materially affect the existing tax assets and liabilities, as well as the deferred tax assets and liabilities. This could result in a higher expense for direct and indirect taxes, as well as higher tax payments. In addition, uncertainty in the tax environment of some regions could limit the ability to enforce ams OSRAM's rights.

Within the ams OSRAM Group some entities have not yet been finally assessed by the tax audit for several years. ams OSRAM recognizes appropriate provisions for those outstanding assessment periods considering numerous factors, including interpretations of tax law and past experience.

The distribution of dividends by ams-OSRAM AG, Austria, to its shareholders has no income tax-related consequences for the distributing company.

19. Other Non-Current Non-Financial Assets

in EUR million	2024	2023
Overfunding of pension plans	24	19
Deferred compensation assets	13	11
Receivables from government grants	3	113
Prepaid expenses	2	1
Other	11	17
Other non-current non-financial assets	**52**	**160**

Refer to > Note 24. Government Grants for details on the changes in receivables from government grants.

Refer to > Note 25. Employee Benefits for more information on the development of funding surplus of pension plans.

20. Interest-bearing Loans and Borrowings

in EUR million	Current		Non-current	
	2024	2023	2024	2023
Bank loans	50	271	116	23
Promissory notes	-	51	10	10
Convertible bond	445	-	691	1,105
Bonds	-	-	1,199	998
Interest-bearing loans and borrowings	**495**	**322**	**2,016**	**2,136**

Repayments, Interest Rates, and Terms

December 31, 2024 in EUR million	Effective interest rate	Carrying amount	Expected cash flow	0-1 year	2-5 years	More than 5 years
Bank loans (R&D loans)						
EUR – fixed rate	1.26%	25	26	10	15	0
Bank liabilities (export credits)						
EUR – floating rate	3.92%	40	42	42	-	-
Other bank loans						
EUR – fixed rate	6.23%	100	110	6	104	-
Promissory note						
EUR – fixed rate	2.05%	10	10	0	10	-
Convertible bond						
EUR – fixed rate (EUR 600 million)	2.11%	445	447	447	-	-
EUR – fixed rate (EUR 760 million)	5.42%	691	808	16	791	-
Bonds						
USD – fixed rate (USD 400 million)	13.78%	379	557	45	512	-
EUR – fixed rate (EUR 625 million)	11.81%	615	908	67	841	-
EUR – fixed rate (EUR 200 million)	11.42%	206	290	21	269	-
Interest-bearing loans and borrowings		**2,511**	**3,198**	**654**	**2,543**	**0**

December 31, 2023 in EUR million	Effective interest rate	Carrying amount	Expected cash flow	0-1 year	2-5 years	More than 5 years
Bank loans (R&D loans)						
EUR – fixed rate	0.92%	30	30	7	23	-
Other bank loans						
EUR – fixed rate	4.25%	164	170	170	-	-
EUR – floating rate	7.78%	100	104	104	-	-
Promissory note						
EUR – fixed rate	1.68%	56	57	47	10	-
EUR – floating rate	5.74%	6	6	6	-	-
Convertible bond						
EUR – fixed rate (EUR 600 million)	2.11%	436	447	-	447	-
EUR – fixed rate (EUR 760 million)	5.42%	669	824	16	808	-
Bonds						
USD – fixed rate (USD 400 million)	13.78%	368	604	45	182	377
EUR – fixed rate (EUR 625 million)	11.81%	630	974	67	266	641
Interest-bearing loans and borrowings		**2,458**	**3,217**	**462**	**1,736**	**1,018**

On February 26, 2018, ams-OSRAM AG issued a convertible bond with a nominal amount of EUR 600 m. The nominal amount still outstanding following the repurchases thereof in earlier financial years stood at EUR 447 m as of December 31, 2024 (2023: EUR 447 m). The term of the bond is seven years. The holders of the convertible bond have the right to convert the bond into a total of 1,028,541 ordinary shares at any time (conversion price: EUR 434.9850 per share). This option constituted equity in the amount of its fair value of EUR 82 m at the time of issue and will not be measured subsequently. No bonds had been converted by December 31, 2024.

On November 3, 2020, ams-OSRAM AG issued a convertible bond with a nominal amount of EUR 760 m. The term of the bond is seven years. The holders of the convertible bond have the right to convert the bond into a total of 5,292,405 ordinary shares at any time (conversion price: EUR 143.6020 per share). This option constitutes equity at a fair value of EUR 151 m at the time of issue and will not be measured subsequently. No bonds had been converted by December 31, 2024.

On November 30, 2023, ams-OSRAM AG issued two bonds: a bond denominated in euros with a nominal volume of EUR 625 m and a bond denominated in U.S. dollars with a nominal volume of USD 400 m. The proceeds from the issuance before transaction costs amounted to EUR 619 m and USD 396 m, respectively. The interest payable is 10.50% p.a. for the euro tranche and 12.25% p.a. for the U.S. dollar tranche. The maturity date for both tranches is March 30, 2029.

The proceeds were used to repay the bonds issued in July 2020 with a nominal volume of EUR 850 m and USD 450 m, for which a total of EUR 1,288 m was paid.

The EUR bond issued in November 2023 with a nominal volume of EUR 625 m was increased by a nominal volume of EUR 200 m on September 20, 2024 as part of a private placement, meaning that EUR bonds with a total nominal volume of EUR 825 m were outstanding as of the balance sheet date of December 31, 2024. The issue proceeds from the private placement amounted to EUR 201 m before transaction costs. The interest payable is 10.50% p.a. with a maturity date of March 30, 2029. The bonds issued in November 2023 and September 2024 contain an option allowing ams OSRAM to redeem them early, at the earliest on March 30, 2026, at contractually agreed redemption prices. These options represent embedded derivatives whose positive fair values were recognized as other non-current financial assets with no effect on profit or loss at the time the bonds were issued, combined with an increase in the carrying amounts of the bonds in the same amount. This adjustment to the carrying amount of the bonds is amortized as income in the net financial result on a straight-line basis over the term of the bonds. The embedded derivatives are subsequently measured at fair value through profit or loss.

As of December 31, 2024, the credit facilities drawn down from banks amounted to EUR 244 m (2023: EUR 264 m). The credit facilities include standard market covenants according to which the ratio of net financial debt to adjusted EBITDA (as defined in each case) in the 2025 financial year may not exceed 4.25:1 as of March 31, 2025, and 4.00:1 as of June 30, 2025 and thereafter. Of this amount, EUR 100 m (2023: EUR 264 m) was attributable to loans paid out in cash and EUR 144 m (USD 150 m) to bank guarantees. If this ratio, which is reviewed on a quarterly basis, is exceeded, the banks are generally entitled to terminate the agreement. If the majority of banks do not waive their right of termination, lenders under the other financing agreements also have a right of termination (pari passu).

Risk of Change of Interest Rates from Interest-bearing Loans

in EUR million	Current		Non-current	
	2024	2023	2024	2023
Fixed rate loans and borrowings	455	217	2,016	2,136
Floating rate loans and borrowings	40	105	-	-
Interest-bearing loans and borrowings	**495**	**322**	**2,016**	**2,136**

	2024		2023	
Impact on Consolidated Statement of Income	**+100 BP**	**-100 BP**	**+100 BP**	**-100 BP**
Floating rate loans	0	0	-1	1

21. Other Financial Liabilities

in EUR million	Current		Non-current	
	2024	2023	2024	2023
Obligation to acquire the non-controlling interests in OSRAM Licht AG	585	611	-	-
Liability from a sale and leaseback financing transaction	-	-	441	384
Liabilities from a supply chain financing program	112	191	-	-
Refund liabilities toward customers	89	84	-	-
Obligation from dividends and interest guaranteed to shareholders of OSRAM Licht AG	78	30	-	29
Lease liabilities	42	43	140	166
Accrued interest	38	14	-	-
Derivative financial instruments	16	16	-	-
Credit balances on trade receivables	7	9	-	-
Other	34	22	6	-
Other financial liabilities	**1,001**	**1,021**	**587**	**580**

A domination and profit and loss transfer agreement was entered into by OSRAM and ams Offer GmbH (ams) on September 22, 2020, amended on November 2, 2020, approved by the Extraordinary General Meeting of OSRAM Licht AG on November 3, 2020, and entered in the commercial register on March 3, 2021. On the basis of this agreement, there is a time-limited obligation to acquire the OSRAM shares of any outside OSRAM shareholder, upon request by such shareholder, in return for a cash settlement of EUR 45.54 per OSRAM share (plus pro-rata interest of five percentage points above the applicable benchmark figure, net of any dividends recognized). The shares held by these shareholders are therefore recognized in other liabilities rather than in non-controlling interests. The non-controlling shareholders will be granted a guaranteed compensation payment of EUR 2.57 (gross) or EUR 2.24 (net) per year starting from financial year 2021 (reduced pro-rata in short financial years) until the OSRAM shareholders have exercised their right to sell the shares. In principle, the obligation to acquire OSRAM shares ends two months after the day on which the entry in the commercial register of the existence of the domination and profit and loss transfer agreement was announced. Owing to legal objections relating to the domination and profit and loss transfer agreement raised by 71 non-controlling shareholders of OSRAM Licht AG up to the end of July 2021, ams OSRAM has an obligation to acquire OSRAM shares at the specified price and to pay the guaranteed annual compensation payment until the proceedings have ended. A liability was recognized against capital reserves for compensation payments (including interest) until the expected conclusion of the proceedings in the second half of the 2025 financial year. In financial year 2024, 553,653 shares of OSRAM Licht AG were acquired, which resulted in a EUR 25 m decline in the liability.

On October 30, 2023, ams OSRAM entered into a sale and leaseback transaction with gross proceeds of EUR 391 m. The transaction involves the main and adjacent buildings of the newly constructed 8-inch semiconductor plant in Kulim (Malaysia) and was entered into on December 15, 2023. The contractual term is ten years. The transaction does not meet the criteria of a true sale in accordance with IFRS 15. The buildings will therefore continue to be recognized as property, plant, and equipment in accordance with IAS 16 (the building with a carrying amount of EUR 405 m as of December 31, 2024, serves as collateral for the investors as part of the underlying financing transaction). On the liabilities side, a financial liability was recognized in accordance with IFRS 9 in the amount of the present value of the future payments, which is subsequently measured at amortized cost using the effective interest method. As of December 31, 2023, a total of EUR 382 m had been received. The remaining amount of EUR 10 million was paid in January 2024 as contractually agreed.

The utilization of a supply chain financing program in the amount of EUR 112 m led to the derecognition of the original trade payables and the recognition of other financial liabilities to the payment service provider. The program comprises liabilities denominated in euros and US dollars. As of December 31, 2024, the program has a maximum volume of EUR 90 m and USD 55 m. The use of the supply chain financing program extends the original payment terms for ams OSRAM by 60 days. However, termination of the supply chain financing program by the payment service provider for an extraordinary reason may result in the liability to the payment service provider becoming due immediately. Payment terms for suppliers are normally between 45 and 90 days. The payment service provider makes a payment of the original trade payables, which are then extinguished. The payments made by ams OSRAM to the payment service provider are reported in the consolidated statement of cash flows as part of operating activities.

The item Other includes prepayments from a customer, of which EUR 19 m relate to the procurement of further assets (of which EUR 6 m are non-current) and EUR 4 m to relocation services for assets to be sold to the customer (see also > Note 13. Property, Plant and Equipment).

22. Provisions

for the financial year ending December 31, 2024 in EUR million	Warranties	Order-related losses and risks	Other personnel	Other	Total
Balance at the beginning of the financial year	22	8	150	99	278
Additions	9	2	120	91	222
Usage	-13	-1	-118	-59	-191
Reversals	-1	-2	-18	-8	-30
Foreign currency translation effects	0	0	0	6	6
Other changes	-1	0	1	0	0
Balance at the end of the financial year	**16**	**6**	**135**	**129**	**286**
therein non-current	2	-	6	50	58

Warranties
Provisions for warranties are recognized for warranty claims asserted by customers.

EBV Elektronik SAS vs. ams-OSRAM International GmbH
On January 20, 2016, ams-OSRAM International GmbH (AOI) was joined in the case pending before the commercial court in Nanterre (France), between EBV Elektronik SAS (EBV) and Société Provence D'Electronique et Cabelage (SPEC) by means of an action in warranty. SPEC is suing EBV for damages relating to the supply of allegedly faulty AOI LEDs in SPEC passenger information boards. EBV brought AOI into the action in order to seek recourse from AOI as the supplier of the allegedly defective products. Following the clarification of preliminary procedural issues, the commercial court in Nanterre was declared as the court competent to hear the case.

In its pronouncement of the judgment/ruling on February 26, 2020, the commercial court ordered that technical and financial expert proceedings shall take place. These proceedings have been pending since May 2020.

In accordance with IAS 37.92, no further information will be disclosed with respect to the aforementioned matters, as ams OSRAM believes that such disclosure could seriously prejudice the outcome of the litigation in question.

ams OSRAM was named as a defendant in various legal disputes and proceedings in connection with its business activities. Some of the legal actions include claims for indeterminate amounts of damages and/or punitive damages claims. In light of the number of legal disputes and other proceedings in which ams OSRAM is involved, there is a possibility that some of these proceedings could result in decisions against ams OSRAM that may have a considerable effect on ams OSRAM's net assets, financial position, and results of operations. In these cases, a provision is recognized only to the extent that ams OSRAM considers it probable that the legal dispute will result in a future payment obligation.

Order-related Losses and Risks
Provisions for order-related losses and risks relate to contracts with customers concerning the development of certain products in which the expected revenue is lower than the necessary costs.

Other Personnel Provisions
Significant amounts of the provisions for other personnel expenses primarily include variable salary components and employee bonuses due within 12 months after the reporting date of EUR 77 m (2023: EUR 87 m) as well as restructuring measures of EUR 18 m (2023: EUR 20 m).

Other Provisions
Other provisions relate mainly to obligations in connection with restructuring measures of EUR 25 m (2023: EUR 22 m) and in connection with the adaption of the microLED strategy largely for open orders placed for fixed and current assets, cancellation fees and contract terminations in the amount of EUR 48 m (see > Note 5. microLED Adaption Expenses). In addition, the item includes provisions for impending losses on the disposal of assets in the amount of EUR 13 m (see > Note 31. Disposal of Business Activities, Assets Classified as Held for Sale), restoration obligations in the amount of EUR 15 m (2023: EUR 14 m), which have a high non-current portion, and outstanding invoices in the amount of EUR 8 m (2023: EUR 27 m).

23 Other Non-Financial Liabilities

in EUR million	Current		Non-Current	
	2024	2023	2024	2023
Customer prepayments	-	-	224	-
Employee related liabilities	73	73	43	44
Liabilities from precious metal lending transactions	70	52	-	-
Accrued vacation days	28	26	-	-
Deferred revenue	13	20	-	-
Liabilities from share-based payments	-	17	-	-
Other	90	51	29	35
Other non-financial liabilities	**274**	**238**	**296**	**79**

The ‘Customer prepayments’ line item refers to a one-off, non-interest-bearing advance payment of USD 250 m made in connection with an agreement with a customer for the delivery of customer-specific products. The liability of EUR 224 m reported for the customer prepayment represents a contract liability from performance obligations not yet fulfilled in accordance with IFRS 15, for which revenue is expected in the same amount. This is a non-monetary liability that is translated from USD to EUR at the transaction rate and is therefore not measured in foreign currency as of the reporting dates. The revenue with which the contractual liability is to be settled is expected in the financial years 2026 (EUR 90 m), 2027 (EUR 90 m) and 2028 (EUR 44 m). In the event that future revenue from the products is not sufficient to repay the prepayment, the customer has the option of offsetting it against deliveries of other products to the customer or having it repaid in the form of a cash payment from ams OSRAM to the customer. In the consolidated statement of cash flows, the customer prepayment is reported under cash flows from operating activities, as it is directly related to products to be delivered as part of operating activities and therefore represents a prepaid consideration for future product deliveries.

Liabilities arising under precious metal lending transactions represent a non-financial benefit-in-kind obligation. They are recognized at the average acquisition costs of the inventories capitalized as part of the lending transaction. If the benefit-in-kind obligation exceeds the precious metal inventories, this excess is measured at the market price as of the reporting date.

The ‘Other’ line item includes advance payments from a customer amounting to EUR 25 m as part of a contract for the sale of assets (see also > Note 31. Disposals of Business Activities; Assets Classified as Held for Sale).

24. Government Grants

in EUR million	2024	2023
European Chips Act funding	130	0
Project-related research funding	81	195
R&D premium	23	25
Other funding	2	0
Total government grants	**237**	**220**
Of which reduction of acquisition costs of subsidized assets	132	168
Of which offset against the respective expense items	103	50
Of which recognized in other operating income	2	2

Grants for the acquisition or production of non-current assets and capitalized development costs are generally recognized as a reduction of the cost of the assets concerned and reduce future depreciation and amortization. Grants related to expenses are recognized in the statement of income in the corresponding expense item as the subsidized expenses are incurred. Government assistance without a specific relation to projects or types of costs is recorded as other operating income.

Government grants are recognized when there is reasonable assurance that the conditions attached to the grants will be complied with and that the grants will actually be received. Depending on the type of government grant, the reasonable assurance required for recognition generally arises through the approval of grant applications as well as by way of current and future fulfillment of the conditions set out in the approval. With regard to the factors taken into account to assess the reasonable assurance of fulfilling future conditions for the grant, please refer to the information on the main judgments in > Note 1. General Principles.

European Chips Act

In the 2023 financial year ams OSRAM submitted an application for funding under the European Commission’s European Chips Act. The European Chips Act is a European package of measures designed to strengthen Europe’s competitiveness, resilience and technological leadership in semiconductor technologies and applications, thus contributing to the realization of its digital and ecological transformation. ams OSRAM intends to use the funding to build a first-of-a-kind (FOAK) semiconductor production facility in Premstaetten (Austria), enabling the future mass production of next-generation semiconductors and integrated sensors in Europe. The project is being implemented using national funds, which are earmarked in Austria until 2031. At national level, the FOAK project was already successfully pre-authorized by the Austrian Federal Ministry of Labor and Economy (BMAW) in December 2024, and the BMAW was invited for authorization by the European Commission, which was successfully completed in the first quarter of 2025.

The funding is calculated on the basis of the eligible costs incurred (EUR 255 m until the end of the 2024 financial year) and the funding rate calculated in the funding application. By the end of the 2024 financial year, this resulted in entitlements to grants amounting to EUR 130 m, which are recognized as a reduction in acquisition costs (reduction in property, plant and equipment). The claim against the funding provider is shown under non-financial receivables (see Note > 12. Other Current Non-Financial Assets).

IPCEI

Since the beginning of financial year 2023, ams OSRAM has participated in the IPCEI ME/CT project (Important Project of Common European Interest, Microelectronics and Communication Technologies).

A major prerequisite for receiving the public funding is the development of sustainable, innovative microelectronics and communication technologies and bringing these to market maturity at the Regensburg site and in the European Union.

The eligible costs amounted to around EUR 143 m in financial year 2024 (2023: EUR 111 m). Multiplied by the funding rate approved by the German Federal Ministry of Economic Affairs and Climate Action, ams OSRAM recognized grants of EUR 58 m in 2024 (2023: EUR 46 m). They have been completely recognized as a reduction in expenses (research and development expenses). In 2023, EUR 24 m was recognized as a reduction in expenses (research and development expenses) and EUR 22 m as a reduction in acquisition costs (reduction in capitalized development costs). In financial year 2024, grants of EUR 75 m (2023: EUR 33 m) had already been paid to ams OSRAM; the difference was reported under non-financial receivables (> 12. Other Current Non-Financial Assets). In addition to the development and production of innovative microelectronics in the European Economic Area and in Switzerland, the payment is essentially linked to the project's profitability. If the project is more profitable than previously assumed or if the funding provider believes that other funding conditions are not met, amounts already paid out can be fully or partially reclaimed. After the key microLED project was canceled by a customer in February 2024, intensive discussions were held with the funding authorities. The amounts recorded from the IPCEI program were evaluated with regard to compliance with the funding conditions in view of the change in the microLED strategy, resulting in the conclusion that the conditions are still being complied with and that funding will continue to be recorded accordingly.

MIDA
In financial year 2023, ams OSRAM entered into a funding agreement with the Malaysian Investment Department Authority (MIDA) in relation to the 8-inch microLED production facility in Kulim (Malaysia). The agreement is essentially for funding investments in buildings and technical equipment. Funding is also used for development activities and establishing high-tech workstations. The main prerequisite for receiving the funding amounts is that certain investment targets in the above-mentioned areas are achieved. In the 2023 financial year, the eligible investments of EUR 811 m made to date were reduced by the calculated funding of EUR 143 m and this amount was presented as a non-financial receivable from the Malaysian Investment Department Authority. No payment was made in 2023. Due to the cancellation of the key microLED project in February 2024 and the resulting adjustment to the microLED strategy, the previously recognized reductions from the acquisition costs in the full amount of EUR 143 m were derecognized against the receivable in the 2024 financial year. As depreciation had not started up to that point, there was no impact on the income statement. Discussions with the Malaysian Investment Department Authority regarding the amended microLED strategy are ongoing and had not yet been concluded in the 2024 financial year.

25. Employee Benefits

At ams OSRAM, almost all employees in Germany and many employees in other countries have defined benefit and/or defined contribution pension entitlements based on contractual arrangements and statutory requirements. ams OSRAM regularly reviews the design of the pension plans, which are predominantly based on defined benefit obligations for historical reasons. The majority of ams OSRAM's pension obligations are funded with assets in segregated entities.

Defined Benefit Plans
ams OSRAM's principal pension plans and similar commitments relate to Germany and the USA.

Germany
In Germany, ams OSRAM provides pension benefits predominantly through the OSRAM Altersversorgung ('BOA') defined contribution plan launched in financial year 2004, legacy defined benefit plans, and deferred compensation plans. The BOA is a pension plan in which the benefits are predominantly based on contributions made by the Company and the returns earned on such contributions, subject to a minimum return guaranteed by the Company. The obligations under this plan thus continue to be affected by the life expectancy of plan participants, inflation adjustments, and salary increases. The plan is therefore recognized as a defined benefit plan in accordance with IAS 19.

No further employee entitlements can be added to the majority of the legacy defined benefit plans. Nevertheless, these frozen plans still expose the Company to financial and demographic risks such as investment risk, interest-rate risk, and longevity risk.

ams OSRAM (at the time: OSRAM) entered into a trust agreement with the Deutsche Treuinvest Stiftung, Frankfurt am Main (Germany), in November 2011 for all funded pension plans. The trustee administers the plan assets and is responsible for ensuring that they are invested in line with the trust agreement with the Company. A deferred compensation plan is also offered to employees.

USA
The majority of the employees at OSRAM SYLVANIA INC., Wilmington (USA), who joined the company up to December 31, 2006 are members of two closed defined benefit pension plans. The benefits for most of the employees under these plans are largely linked to final salary on retirement, although the benefits for a small group of employees are based on fixed amounts. All these defined benefit plans expose the company to financial and demographic risks such as interest-rate risk, risk from salary and wage increases, investment risk, and longevity risk. Benefits for salaried participants are frozen and therefore a risk of future increases in remuneration for these employees is eliminated.

The plans are subject to the applicable legal and regulatory framework, which is determined by the U.S. Employee Retirement Income Security Act (ERISA). Based on this legislation, a funding valuation is undertaken yearly to ensure that the minimum funding level for funded defined benefit plans is achieved. The funding level must be at least 80% to avoid benefit restrictions. The evaluation of the funding level is used as a basis for determining the statutory contributions to the plan assets. As the sponsoring employer, OSRAM SYLVANIA Inc. has set up an investment committee comprising members of the company's senior management to make investment decisions.

The company provides other post-employment benefits in the form of two closed medical benefit plans. For one of the plans, the benefits are indexed with a fixed interest rate, while the other plan is mainly based on life insurance benefits for pensioners.

Unfunded Commitments
Unfunded commitments predominantly relate to a pension plan and similar commitments in the USA, the severance payment obligation at ams-OSRAM AG in Austria, and other similar commitments in a number of countries.

Defined Contribution Plans
The defined contribution plans are structured in such a way that the Company pays contributions to public or private institutions on the basis of statutory or contractual

provisions or on a voluntary basis, without assuming any obligation to provide further benefits to employees. In the calendar year 2024, contributions to defined contribution plans amounted to EUR 11 m (2023: EUR 11 m). The contributions are recognized in profit or loss.

Actuarial Assumptions
The amount of the obligation arising from defined benefit plans is generally determined as of the end of the reporting period on the basis of reports prepared by external, independent actuaries. The actuarial measurement of the present value of the defined benefit obligation (DBO) is based on demographic and financial assumptions. Significant assumptions include mortality rates, pension trends, trends in healthcare costs, and the discount rate. Here, the Company makes its best estimate, taking into account the economic environment of the country in question and existing expectations.

The discount rates used are determined by reference to market yields on high-quality fixed-income corporate bonds at the end of the reporting period. In countries where there is no liquid market in such corporate bonds, market yields on government bonds are used.

Funding Policy and Investment Strategy
The policy for funding defined benefit plans is an integral part of ams OSRAM's financial management, and also includes an ongoing analysis of the structure of the defined benefit liabilities. The investment strategy for plan assets is derived from the structure and characteristics of the liabilities and is based on asset-liability modeling studies at the individual plan level.

ams OSRAM intends to reduce the volatility of the proportion of commitments covered by plan assets through liability-driven investing (LDI).

Risk budgets are used as the basis for determining the investment strategy at the individual plan level and also serve as the basis for the strategic asset allocation of key plan assets and the level of appropriate limits for interest-rate and credit spread risk hedging.

The investment strategy, hedging rules, and changes in the proportion of commitments covered by plan assets are regularly reviewed, with the participation of external experts in the international asset management industry, to permit an integral view of the interaction of plan assets and defined benefit obligations. A plan's asset allocation is evaluated regularly in order to initiate appropriate measures at a very early stage. This is done by looking at the duration of the related defined benefit obligation and analyzing trends and events that may affect asset values.

Asset managers are selected on the basis of a process of quantitative and qualitative analysis. The performance of each asset manager mandate and the risk it entails is monitored continually, both individually and in a more general portfolio context.

ams OSRAM's investment strategy is based mainly on investments in securities such as bonds and shares. As part of an integrated risk management approach for assets and liabilities and to reduce risk, ams OSRAM also uses derivatives, either to reduce the fluctuations in the value of plan assets or to reduce volatility in the proportion of commitments covered by plan assets. OTC derivatives are collateralized on a daily basis to mitigate counterparty risk.

Notes on the Obligations Presented in the Consolidated Financial Statements
The consolidated balance sheet contained the items below, related to pension plans and similar commitments as of December 31, 2024.

The funded status of these plans and the reconciliation of the funded status to the carrying amounts contained in the relevant balance sheet items were as follows:

Commitments by Type and Funded Status

in EUR million	2024	2023
DBO for funded plans	-822	-835
Fair value of plan assets	818	821
Non-capitalizable plan assets due to asset celling	-6	-4
Funded status of funded plans (Funding ratio: 99%, previous year: 98%)	-10	-17
DBO for unfunded plans (without funding)	-108	-103
Funded status	**-119**	**-121**
Thereof pension plans	-78	-80
Thereof similar commitments	-40	-41
Reconciliation to the financial position		
Obligation for employee benefits	-143	-139
Other assets	24	19

In financial year 2022 the previously closed Canadian pension plan was sold to an external insurer in return for the transfer of part of the plan assets. The remaining plan assets of EUR 4 m may not be capitalized in the balance sheet until regulatory approval of the distribution of the funds (asset ceiling) has been obtained. In addition, the overfunding in the Swiss pension plan in the amount of EUR 2 m will not be capitalized, as the overfunding cannot be used to offset future employer contributions or reimbursements to the Company.

The following table shows the expenses recognized in connection with the pension plans and similar commitments presented in the consolidated statement of income and consolidated statement of comprehensive income:

Defined Benefit Costs

in EUR million	2024	2023
Current service cost	18	17
Past service cost/(income)	1	-12
Settlement loss/(gain)	0	-
Net interest expense (income)	5	5
Liability administration cost	1	1
Defined benefit cost recognized in consolidated statement of income	**24**	**10**
Thereof Germany	13	14
Thereof USA	5	-8
Thereof other countries	6	5
Return on plan assets excluding amounts included in net interest on the net defined benefit liability (asset)	-1	-38
Actuarial (gains) and losses arising from changes in demographic assumptions	2	-
Actuarial (gains) and losses arising from changes in financial assumptions	-19	36
Actuarial (gains) and losses arising from experience adjustments	-7	-1
(Gains)/losses from change in unrecognizable plan assets due to asset ceiling	2	-
Remeasurements of the net defined benefit liability (asset) recognized in consolidated statement of other comprehensive income	**-24**	**-4**
Thereof Germany	-17	-2
Thereof USA	-7	-2
Thereof other countries	0	0
Defined benefit cost	**0**	**6**

The expected contributions to defined benefit plans in financial year 2025 come to EUR 12 m.

The Group reports the current service cost for the pension entitlements acquired in the reporting period, past service cost, settlement gains and losses, and administrative expenses incurred for the pension obligation under functional costs (cost of sales, research and development expenses, and marketing, selling, and general administrative costs) in line with the functional area of the respective profit centers and cost centers.

A detailed reconciliation of the changes in the present value of the defined benefit obligation (DBO) for the reporting period is provided in the following table.

Development of the Present Value of the DBO

in EUR million	2024	2023
DBO at beginning of financial year	**938**	**936**
Current service cost	18	17
Past service cost/(income)	0	-12
Settlement	-2	-
Interest cost	34	36
Actuarial (gains) and losses arising from changes in demographic assumptions	2	0
Actuarial (gains) and losses arising from changes in financial assumptions	-19	36
Actuarial (gains) and losses arising from experience adjustments	-7	-1
Plan participants‘ contributions	5	6
Benefits paid	-54	-60
Divestments	-1	-11
Foreign currency translation effects	16	-8
Other	2	0
DBO at the end of financial year	**930**	**938**
Thereof Germany	610	616
Thereof USA	243	245
Thereof other countries	77	77

A detailed reconciliation of the changes in the fair value of plan assets for the reporting period is provided in the following table:

Change in Plan Assets

in EUR million	2024	2023
Fair value of plan assets at beginning of financial year	821	795
Interest income	29	31
Remeasurement:		
Return on plan assets, excluding amounts including in net interest on the net defined benefit liability (asset)	1	38
Employer contributions	-4	2
Plan participants‘ contributions	3	4
Benefits paid	-43	-38
Settlements	-2	-
Divestments	0	-5
Liability administration cost	-1	-1
Foreign currency translation effects	12	-5
Fair value of plan assets at end of financial year	**818**	**821**
Thereof Germany	574	582
Thereof USA	202	199
Thereof other countries	41	41

Refunds from plan assets in Germany in the amount of EUR 35 m were made in financial year 2024 with respect to benefits that had previously been paid directly by the employer. Of this amount, EUR 6 m concern benefits paid in financial year 2023 that are reported as negative employer contributions. In the financial year 2024, contributions to plan assets mainly took the form of employer contributions to the pension fund in Switzerland and amount to EUR 2 m.

Composition of Plan Assets

in EUR million	2024	2023
Equities		
Global equities (excl. emerging markets)	68	71
Emerging markets equities	13	12
Fixed income		
Government bonds	167	181
Corporate bonds	451	477
Mixed funds	49	48
Commodities	7	5
Cash and similar assets	74	47
Plan assets that do have a quoted market price in an active market	**828**	**842**
Derivative financial instruments	-10	-21
Plan assets that do not have a quoted market price in an active market	**-10**	**-21**
Fair value of plan assets at end of financial year	**818**	**821**

The main actuarial and demographic assumptions as of the reporting date were as follows:

Key Assumptions for the Calculations of the DBO

	2024	2023
Discount rate	**3.81%**	**3.64%**
Germany	3.33%	3.29%
USA	5.55%	4.97%
Expected pension development[1]	**1.68%**	**1.77%**
Germany	1.64%	1.87%
USA	-	-
Mortality tables		
Germany	Reference tables Heubeck 2018G	Reference tables Heubeck 2018G
USA	Pri-2012 Healthy Generational Projected	Pri-2012 Healthy Generational Projected

The US Society of Actuaries usually publishes an update of its projection tables (Mortality Improvement Scale) once a year, which is subsequently used to measure the ams OSRAM Group’s pension obligations in the United States. No update of the projection tables was published in the reporting period, however.

The financial measurement parameters are weighted using the amount of the obligation at the end of the reporting period and include all pension plans and similar commitments.
The measurement assumptions determined at the beginning of ams OSRAM’s financial year are used to determine the current service cost, interest income, and interest expenses for the obligations in existence.

The following sensitivity analysis shows the effects of a change in actuarial assumptions on the amount of the defined benefit obligation as of December 31, 2024.

[1] According to plan regulations, 1.00% is always used for BOA in Germany and no adjustment is made to current pensions in the USA.

Sensitivity Analysis

in EUR million	Effect on DBO as of December 31, 2024	
	50-basis-points increase	50-basis-points decrease
Discount rate	-41	45
Rate of pension progression	20	-19

A 10% decrease in mortality probability for each age bracket would result in an increase of EUR 21 m in the DBO. The weighted average duration of the DBO for defined benefit plans and similar commitments was 9.6 years.

26. Equity

As of December 31, 2024, the share capital of ams-OSRAM AG consisted of 99,844,394 no-par value bearer shares with a notional value of EUR 10.00 each. On September 24, 2024, the Company carried out a reverse stock split in accordance with the resolution of the General Meeting on June 14, 2024, in which the previous share capital of 998,443,940 shares with a nominal value of EUR 1.00 each was divided by a factor of 10 (reverse share split). In order to facilitate the division of the issued shares by a factor of 10, the Management Board reduced the share capital by two shares to a total of 998,443,940 on July 9, 2024, following approval by the Supervisory Board. This reduced the number of no-par value shares issued from 998,443,942 to 99,844,394. The share capital remained unchanged as a result of the reverse share split and amounted to EUR 998,443,940.00 as at the reporting date. The first trading day of the new shares on the SIX Swiss Exchange was September 30, 2024.

The holders of ordinary shares have one vote per share at the Company’s General Meeting. All shares rank equally with regard to the Company’s residual assets.

Contingent Capital
In recent years, the General Meeting has authorized the Management Board on several occasions to issue a limited number of new shares for a specific purpose (contingent capital increases in accordance with section 159 (2) of the Austrian Stock Corporation Act (AktG)). Three contingent capital increases of the Company are currently recorded, each in connection with financial instruments in accordance with section 174 AktG:

Most recently, in June 2024 the General Meeting revoked the existing contingent increase in share capital of June 23, 2023 and authorized a contingent increase in share capital in accordance with Section 159 (2) Z 1 AktG by up to EUR 99,844,394.00, by issuing up to 99,844,394 no-par-value bearer shares (9,984,439 shares after the reverse share split takes effect) with a pro rata amount of the share capital of EUR 1.00 per share (EUR 10.00 per share after the reverse share split takes effect) to creditors of financial instruments in accordance with Section 174 AktG, provided that the creditors of the financial instruments make use of their conversion and/or pre-emption rights with respect to the Company's shares (Contingent Capital 2024).

The contingent capital increase resolved upon by the General Meeting on June 23, 2023 (Contingent Capital 2023) was revoked at the General Meeting on June 14, 2024, as it then represented around 2.75% of the share capital at the relevant time.

There is also an authorization, which was resolved upon by the General Meeting in June 2020, that empowers the Management Board to carry out a contingent increase in the share capital in accordance with section 159 (2) Z 1 AktG of up to EUR 27,428,928.00 by issuing up to 27,428,928 no-par-value bearer shares (2,742,893 shares after the reverse share split takes effect) to creditors of financial instruments in accordance with section 174 AktG, provided that the creditors of the financial instruments make use of their conversion and/or pre-emption rights with respect to the Company's shares ('Contingent Capital 2020'). These potential shares are reserved for the convertible bond that was issued in euros in 2020.

There is also another authorization, resolved upon by the General Meeting in June 2017, which empowers the Management Board to carry out a contingent increase in the share capital in accordance with section 159 (2) Z 1 AktG of up to EUR 8,441,982.00 by issuing 8,441,982 no-par-value bearer shares (844,198 shares after the reverse share split takes effect) to creditors of financial instruments in accordance with section 174 AktG, provided that the creditors of the financial instruments make use of their conversion and/or pre-emption rights with respect to the Company's shares (Contingent Capital 2017). These potential shares are reserved for the convertible bond issued in euros in 2018; the convertible bond issued in U.S. dollars in 2017 was settled in September 2022.

Authorized Capital
The General Meeting on June 6, 2018 resolved to create new authorized capital of 10% of the share capital at that time of EUR 84,419,826.00; this equates to a potential share capital increase of up to EUR 8,441,982.00 (Authorized Capital 2018). The associated authorization granted to the Management Board, with the approval of the Supervisory Board, to increase the share capital against cash and/or contribution in kind, directly disapplying the pre-emption right if needed, and to amend section 3 of the Articles of Association accordingly, expired on June 5, 2023.

The General Meeting on June 2, 2021 resolved to create further new authorized capital of 3.84% of the share capital at that time of EUR 274,289,280.00; this equates to a potential share capital increase of up to EUR 10,544,963.00 (Authorized Capital 2021). The Management Board was authorized until June 1, 2026, with the approval of the Supervisory Board, to increase the share capital against cash and/or contribution in kind, directly disapplying the pre-emption right if needed, and to amend section 3 of the Articles of Association accordingly. The General Meeting on June 23, 2023 revoked the Authorized Capital 2021 and resolved to delete the Authorized Capital 2018 and the Authorized Capital 2021 from the Company's Articles of Association. Thus, there is no authorized capital at this time.

Additional Paid-in Capital
Additional paid-in capital comprises:

- the difference between paid-in capital when shares are issued and the par value of the shares
- expenses for share-based compensation recognized in accordance with IFRS 2
- the fair value of the conversion options resulting from the issue of the convertible bonds denominated in euros
- the difference resulting from the acquisition of further shares in OSRAM Licht AG and the change in the liability arising from compensation payments to non-controlling shareholders of OSRAM Licht AG (see also > Note 21. Other Financial Liabilities).

Treasury Shares
In recent years, the General Meeting has authorized the Management Board to acquire treasury shares in amounts that are within the statutory limits. According to the Austrian Stock Corporation Act, such authorizations are always limited to a maximum of 30 months.

No new authorizations had been approved by the General Meeting on June 14, 2024. Consequently, the authorization arising from the General Meeting held on June 23, 2023 empowering the Management Board in the period up to December 22, 2025, to acquire treasury shares in accordance with section 65 (1) Z4 and Z8 and (1a) and (1b) AktG in an amount equivalent to up to 10% of the issued share capital existing on the date the resolution was adopted is still current. The acquisition of treasury shares is therefore possible up to a maximum of 27,428,928 shares (2,742,893 shares after the reverse share split has become effective), which corresponds to around 2.75% of the Company's current share capital. The treasury shares can be acquired either via the stock market or over the counter. Furthermore, the pro rata disposal rights that may arise with such acquisitions can be excluded (reverse disapplication of pre-emption rights).

Furthermore, the Management Board has been authorized:

- to decide, in accordance with section 65 (1b) AktG, to sell or use treasury shares by way of sale other than via the stock market or through a public offer, analogously applying the rules on disapplying the pre-emption rights of shareholders,
- for a period of five years (until June 22, 2028), to sell treasury shares at any time via the stock market or through a public offer or in any other legally permitted manner, including over the counter, whereby the Management Board can also decide on the exclusion of the general purchase option,
- to reduce the Company's share capital by retiring no-par-value bearer treasury shares without the adoption of a further resolution by the General Meeting, whereby the Supervisory Board is authorized to adopt resolutions on amendments to the Articles of Association resulting from the reduction,

- to use treasury shares to settle stock options and stock awards of employees, executives, and members of the Management Board of the Company or of its affiliates,
- to use treasury shares to settle convertible bonds, and
- to use treasury shares as consideration for the acquisition of companies, operations, partial operations, or shares in one or more companies in Austria or abroad.

Other Components of Equity
Other components of equity contain cumulative currency translation differences, which amounted to EUR 292 m as of December 31, 2024 (2023: EUR 162 million), resulting from the translation of the annual financial statements of foreign subsidiaries.

Accumulated Other Comprehensive Income Reported under Retained Earnings

in EUR million	Defined benefit obligations	Equity instruments FVOCI	Debt instruments FVOCI	Derivative financial instruments held for hedging	Total
Balance as of January 1, 2023	**35**	**-77**	**-3**	**10**	**-35**
Changes from portfolio transactions	-	-	-	-	-
Other changes	14	-36	-4	-8	-33
Balance as of December 31, 2023	**49**	**-113**	**-7**	**2**	**-68**
Balance as of January 1, 2024	**49**	**-113**	**-7**	**2**	**-68**
Changes from portfolio transactions	-	-	-	-	-
Other changes	21	-1	2	-10	11
Balance as of December 31, 2024	**70**	**-114**	**-5**	**-8**	**-57**

Non-controlling Interests
Owing to the domination and profit and loss transfer agreement between ams Offer GmbH, which is a wholly owned subsidiary of ams-OSRAM AG, and OSRAM Licht AG, under which the minority shareholders have a time-limited right to sell their shares in OSRAM Licht AG, the value of OSRAM Licht AG assigned to the non-controlling interests constitutes a liability rather than an item of equity (see > Note 21. Other Current Financial Liabilities).

Management of Capital
Economic capital corresponds to the equity reported on the consolidated balance sheet less non-controlling interests. The Management Board's objective is to provide the Group with a solid capital base in order to maintain the confidence of investors, creditors, and customers, and to ensure that the Company can continue to grow. Among other things, the Management Board continuously monitors the equity ratio and return on equity. Capital increases, dividend payments, and the repurchase of shares are considered possible measures for ensuring capital adequacy.

The Management Board aims to achieve a balance between profitability and liquidity that is customary in the industry. To this end, the Company constantly monitors that liquidity and profitability are ensured on a long-term basis. Profitability is measured on the basis of EBITDA. This indicator comprises gross profit, research and development expenses, selling and administrative expenses, microLED adaption expenses, other operating income and expenses, and the result from investments in associates. EBITDA does not include depreciation, amortization and impairment losses.

27. Statement of Cash Flows

The consolidated statement of cash flows is prepared using the indirect method. Cash and cash equivalents comprise deposits with banks with a term of up to three months. In the 2024 financial year, prepayments received from customers had a positive effect of EUR 248 m on cash flows from operating activities, of which EUR 224 m was attributable to a long-term customer prepayment. Cash flows from investing activities in 2024 included prepayments received from customers in the amount of EUR 25 m in connection with the sale of assets. In financial year 2023, a positive effect on cash flows from operating activities was a return of funds of EUR 31 m from a trust fund in Germany, as trust assets in that amount were replaced by a bank guarantee.

28. Earnings per Share

in EUR million	2024	2023 adjusted
Net result (in EUR million)	-785	-1,613
Net result attributable to non-controlling interests (in EUR million)	1	1
Net result attributable to shareholders of ams-OSRAM AG (in EUR million)	**-786**	**-1,613**
Weighted average number of shares outstanding	98,874,910	31,017,584
Earnings per share (basic)	**-7.94**	**-52.00**
Weighted average number of diluted shares	98,874,910	31,017,584
Earnings per share (diluted)	**-7.94**	**-52.00**
Dividends per share (paid in financial year)	**0.00**	**0.00**

On September 30, 2024, ams-OSRAM AG carried out a reverse share split at a ratio of 10:1 (see > Note 26. Equity). The weighted average number of shares issued and earnings per share for the comparative period were adjusted with retroactive effect to reflect the reverse share split and enable a comparison of the figures.

In principle, the share-based compensation issued under LTIP 2014, SSOP 2017, SLTIP 2018, SSOP 2019, LTIP 2019, and LTIP 2023 may result in a dilutive effect. Such a dilution effect would occur only to the extent that the share-based compensation resulted in the issue of shares at a price below the average market price and would have to be taken into account only if the dilution effects were to lead to lower earnings per share or a higher loss per share. As at December 31, 2024, 942,268 shares from share-based payments were not included in the weighted average number of diluted shares, as they would not have had a dilutive effect due to the negative net result after taxes.

Dilutive effects may arise in connection with the issued convertible bonds. Such dilutive effects have to be taken into account only if they lead to lower earnings per share or a higher loss per share. In financial year 2024 and in the previous year, no dilutive effects had to be taken into account with respect to the convertible bonds issued in euros.

Treasury Shares

in number of shares	2024	2023 adjusted[1]
Reconciliation of number of outstanding shares		
Outstanding shares as of January 1	98,751,178	26,128,371
Acquisition and sale of treasury shares	173,614	207,341
Capital increase	-	72,415,466
Outstanding shares as of December 31	**98,924,792**	**98,751,178**
Reconciliation of number of diluted shares		
Weighted average number of shares outstanding before the capital increase	98,874,910	26,256,019
Weighted average number of shares from the capital increase	-	4,761,565
Weighted average number of diluted shares during the financial year	**98,874,910**	**31,017,584**
Reconciliation of number of treasury shares		
Treasury shares as of January 1	1,093,216	1,300,557
Cancellation of treasury shares[2]	0	
Sale of treasury shares	-	-187,172
Usage as part of share-based compensation	-173,614	-20,169
Treasury shares as of December 31	**919,602**	**1,093,216**

Treasury shares with a carrying amount of EUR 16 m were used for an equivalent value of EUR 2 m. The difference of EUR 14 m was recognized as a reduction of the additional paid-in capital.

[1] Adjusted to reflect the reverse share split at a ratio of 10:1 on September 30, 2024
[2] In order to divide the number of shares by 10, two treasury shares were retired prior to the reverse share split.

29. Financial Instruments and Management of Financial Risks

In the course of its business activities, the Group is exposed to a wide variety of risks attaching to financial instruments, specifically credit risk, interest-rate risk, currency risk, and liquidity risk.

The Central Treasury department manages financial risks in accordance with the policies set out by the Company's Management Board and Supervisory Board. The Treasury department assesses and hedges against financial risks, which also encompasses the use of financial derivatives, in close collaboration with the operational business areas.

Credit Risk
Credit risk arises when a customer or a counterparty to a financial instrument is unable to meet its payment obligations.

The maximum default risk corresponds to the carrying amounts of the recognized financial assets. In accordance with the treasury and risk management policy, investments and transactions involving derivative financial instruments are carried out only with a diversified selection of financial institutions having a high level of creditworthiness (i.e. having an investment grade rating or higher).

Individual credit limits for customers and financial institutions are defined on the basis of external and internal data and are monitored on an ongoing basis to avoid any concentrations of credit risk at the level of customers and financial institutions.

Interest-rate Risk
ams OSRAM may be exposed to interest-rate risk, especially as a result of rising finance costs due to an increase in interest rates; conversely, falling interest rates lead to lower interest income from deposits. This risk of changes in interest rates is countered by the fact that almost all of the Company's interest-bearing financial liabilities have fixed interest rates as of December 31, 2024. Under assets, risks of changes in interest rates primarily relate to short-term time deposits, which are linked to the market interest rate.

Currency Risk
Financial transactions in the semiconductor industry are predominantly conducted in U.S. dollars. All transaction and translation risks are monitored on an ongoing basis in order to hedge against currency risk. Within the Group, cash flows in the same currency are netted. Exchange-rate fluctuation affecting transactions in foreign currencies primarily relate to the U.S. dollar. Depending on the specific risk situation, net risks attaching to monetary line items on the balance sheet and, where applicable, to planned transactions are also hedged using derivative financial instruments, primarily forward exchange contracts.

Liquidity Risk
Liquidity risk is the risk that the Company may be unable to fulfill its financial obligations at the maturity date. ams OSRAM carries out short-term and long-term liquidity planning and corporate planning at regular intervals in order to monitor and manage liquidity risk. The borrowing taken out in connection with the acquisition of OSRAM has increased the Company's need for funding. As of December 31, 2024, the liquidity reserve in the form of cash and cash equivalents amounted to EUR 1,098 m (2023: EUR 1,146 m). As of December 31, 2024, ams OSRAM also had at its disposal unused committed credit facilities from banks amounting to EUR 666 m (2023: 1,006 m). The change results from the provision of guarantees for liabilities, in particular for a prepayment received from a customer in the amount of USD 250 m (EUR equivalent as of December 31, 2024: EUR 241 m). The amount of unused credit facilities of EUR 666 m may change due to the EUR/USD exchange rate risk. Of the entire credit facilities, EUR 656 m (2023: EUR 800 m) relate to a revolving syndicated credit facility arranged with the core banks of ams OSRAM, which may be utilized only in compliance with an arrangement customary for the market, under which the ratio of net financing debt to adjusted EBITDA may not exceed 4.25:1 as of March 31, 2025, and 4.00:1 as of June 30, 2025 and thereafter. Such arrangements also exist for the credit facilities utilized as of December 31, 2024 (see > Note 20. Interest-bearing Loans).

Future Payments for Financial Liabilities

in EUR million	0-1 years	1-5 years	more than 5 years	Total
Interest-bearing loans and borrowings	654	2,543	0	3,198
Trade payables	472	-	-	472
Liability from a sale and leaseback financing transaction	26	108	668	801
Lease liabilities	51	114	60	224
Obligation to acquire the non-controlling interests in OSRAM Licht AG and obligation from dividends and interest guaranteed to shareholders of OSRAM Licht AG	663	-	-	663
Other financial liabilities	280	6	-	286
Liabilities from derivative financial instruments	16	-	-	16
Total	**2,162**	**2,770**	**728**	**5,661**

The amount and timing of the cash payments for the obligation to purchase the non-controlling interests in OSRAM Licht AG depend on when and to what extent the non-controlling minority shareholders exercise their right to sell their shares to ams OSRAM. The future payments for interest-bearing loans and borrowings, the liability from a sale and leaseback financing transaction, and the lease liabilities represent the undiscounted payments, including the interest component. A portion of the interest in the sale and leaseback financing arrangement is only paid at the end of the term.

As of December 31, 2024, the interest-bearing loans and borrowings encompass lines of credit drawn down from banks that involve arrangements that are customary for the market and under which the ratio of net financing debt to adjusted EBITDA (as defined in each case) may not exceed 4.25:1 as of March 31, 2025, and 4.00:1 as of June 30, 2025 and thereafter. If this ratio, which is reviewed on a quarterly basis, is exceeded, the banks are generally entitled to terminate the agreement. If the majority of banks do not waive their right of termination, lenders under the other financing agreements generally also have a right of termination (pari passu) (see > Note 20. Interest-bearing Loans).

The non-current non-financial liability of EUR 224 m reported for a prepayment received from a customer is not included in the above table. In the event that the future revenues from the products are not sufficient to repay the advance payment, the customer has an option to demand repayment in cash, which may result in this liability assuming a financial character (see > Note 23. Other Non-financial Liabilities). This case may also occur if ams OSRAM violates other provisions of the advance payment agreement, in particular if ams OSRAM's available liquidity (cash and cash equivalents plus unused credit facilities) is below the equivalent value of USD 600 m on a quarterly reporting date, or if the ratio of net financial debt to adjusted EBITDA exceeds 4.25:1 as of March 31, 2025 and 4.00:1 on June 30, 2025 and thereafter.

Other financial liabilities also include liabilities from a supply chain financing program in the amount of EUR 112 m. Termination of the supply chain financing program by the payment service provider for an extraordinary reason may result in the liability to the payment service provider becoming due immediately.

Carrying Amounts and Fair Values of Financial Assets and Liabilities

in EUR million		December 31, 2024		December 31, 2023	
	Category according to IFRS 9	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Cash and cash equivalents	FAaC	1,098	1,098	1,146	1,146
Trade receivables	FAaC	206	206	338	338
Trade receivables that are to be held/sold under a factoring agreement1	FVOCI	120	120	118	118
Trade receivables that are to be sold under a factoring agreement	FVTPL	171	171	14	14
Other current financial assets[1]					
Derivates not designated in a hedge accounting relationship	FVTPL	8	8	3	3
Derivates in connection with cash flow hedges	n.a.	0	0	3	3
Other financial assets	FAaC	41	41	49	49
Other non-current financial assets					
Option for early repayment of bonds	FVTPL	22	22	45	45
Equity instruments[2]	FVOCI	20	20	22	22
Other	FAaC	16	16	11	11

[1] The derivatives are mainly forward exchange contracts.
[2] The equity instruments assigned to the FVOCI category are set out in > Note 36. Other Equity Investments.

in EUR million	Category according to IFRS 9	December 31, 2024 Carrying amount	December 31, 2024 Fair value	December 31, 2023 Carrying amount	December 31, 2023 Fair value
Financial liabilities					
Interest-bearing loans	FLaC	2,511	2,816	2,458	2,793
Trade payables	FLaC	472	472	572	572
Other current financial liabilities[1,2]					
Derivatives not designated in a hedge accounting relationship	FVTPL	4	4	16	16
Derivates in connection with cash flow hedges	n.a.	12	12	0	0
Obligation to acquire the non-controlling interests in OSRAM Licht AG	n.a.	585	585	611	611
Other financial liabilities	FLaC	400	400	394	394
Other non-current financial liabilities[2]					
Liabilities from a sale and leaseback financing transaction	FLaC	441	441	384	384
Other financial liabilities	FLaC	146	146	195	195

[1] The derivatives are mainly forward exchange contracts.
[2] As of December 31, 2024, other current financial liabilities and other non-current financial liabilities included lease liabilities totaling EUR 183 m (2023: EUR 209 m) accounted for in accordance with IFRS 16.

Aggregated Carrying Amounts

in EUR million	Category according to IFRS 9	2024	2023
Financial assets			
Financial assets measured at amortized cost	FAaC	1,361	1,543
Debt instruments measured at fair value through other comprehensive income with recycling to profit or loss	FVOCI	120	118
Equity instruments measured at fair value through other comprehensive income without recycling to profit or loss	FVOCI	20	22
Financial assets at fair value through profit or loss	FVTPL	200	62
Financial liabilities			
Financial liabilities at amortized cost	FLaC	3,971	4,004
Financial liabilities at fair value through profit or loss	FVTPL	4	16

The classification of trade receivables that can be sold on the basis of factoring programs as debt instruments at fair value through other comprehensive income (FVOCI) or as at fair value through profit or loss (FVTPL) depends on the business model as defined under IFRS 9. Receivables that can be sold under supply chain financing programs are attributable to the Hold-or-Sell business model, as these programs are used by ams OSRAM on a selective basis. In contrast, receivables are regularly sold via an internal factoring program. Therefore, the receivables not yet sold as of the reporting date, but which can be tendered to the factor, are to be allocated to the Sell business model.

The fair value of the current financial assets and current financial liabilities essentially corresponds to their carrying amount because they are due to mature soon.

For the financial assets and liabilities measured at fair value, the following tables show the level of the fair value hierarchy to which the fair value is to be assigned. The levels are defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities

Level 2: inputs, other than quoted prices included in Level 1, that are observable for the asset or liability either directly (i.e. as prices) or indirectly (derived from prices). The fair value of forward exchange contracts is calculated on the basis of forward exchange rates. The measurement of trade receivables measured at fair value is based on future payments, which are discounted at a risk-adjusted interest rate.

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).The valuation of options for the early repayment of bonds, which are derivatives embedded in loan agreements, is based on an option pricing model that uses a logarithmic normal distribution model. Some of the data is not based on observable market data such as the exercise probabilities at different points in time. Future changes in unobservable data may materially affect the fair values of financial instruments.

Valuation Category

2024 in EUR million	Level 1	Level 2	Level 3	Total
Current financial assets	-	299	-	299
Non-current financial assets	2	-	41	42
Current financial liabilities	-	16	-	16
Non-current financial liabilities	-	-	-	-

2023 in EUR million	Level 1	Level 2	Level 3	Total
Current financial assets	-	139	-	139
Non-current financial assets	3	-	63	66
Current financial liabilities	-	16	-	16
Non-current financial liabilities	-	-	-	-

EUR 23 m of the decrease in the carrying amount of the non-current financial assets assigned to Level 3 in the 2024 financial year was mainly due to options for the early repayment of bonds. Of this amount, EUR -2 m (2023: EUR 5 m) was attributable to measurement effects that were recognized in profit or loss in the net financial result.

ams OSRAM uses derivative financial instruments, especially forward exchange contracts, to hedge against exchange-rate fluctuation. Certain derivative financial instruments that are used to hedge planned transactions and pending transactions (hedged items) and meet the requirements for hedge accounting are accounted for as cash flow hedges. Derivative financial instruments are initially recognized on the trade date.

There is an economic relationship between each of the hedged items and the hedging instruments, as the terms of the forward exchange contracts match those of the highly probable planned transactions, in terms of both the nominal amount and the expected payment date. The underlying risk of the forward exchange contracts is identical to that of the hedged risk components. A hedge ratio of 1:1 was therefore specified. To test hedge effectiveness, ams OSRAM uses the dollar offset method, which involves comparing the change in the fair value of the hedging instruments to the change in the fair value of the hedged items attributable to the hedged risks. As of December 31, 2024, the net balance of the cumulative change in the fair values of the hedging instruments was EUR -12 m (2023: EUR 3 m), whereas the net balance of the fair values of the hedged items changed by EUR 12 m (2023: EUR -3 m).

Forward Exchange Contracts Designated as Hedging Instruments

in USD million	Maturity					
	up to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	13 to 24 months	Total
Balance as of December 31, 2024						
Nominal amount in USD million	96	97	97	78	48	416
Average forward rate (EUR/USD)	1.088	1.090	1.090	1.074	1.072	

in USD million	Maturity				
	up to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	Total
Balance as of December 31, 2023					
Nominal amount in USD million	89	77	69	28	263
Average forward rate (EUR/USD)	1.096	1.104	1.100	1.096	

In connection with cash flow hedges, a realized hedging result before taxes amounting to EUR -5 m (2023: EUR 16 m) was reclassified from other comprehensive income within retained earnings to the consolidated statement of income, where it was recognized under cost of sales. This reclassification was due to the realization of the hedged item. Hedging losses of EUR 10 m (2023: hedging losses of 8 m) were recognized under other comprehensive income in the course of the financial year.

Currency Risk

The Company’s financial instruments denominated in foreign currency (excluding net investments in subsidiaries and investments in associates) and hedged planned transactions had the following nominal values as of the reporting date:

USD Exposure

Nominal amounts in USD million	2024	2023
Net currency risk before hedging	372	149
Net currency risk after hedging	280	80

Sensitivity Analysis

Appreciation/depreciation of the euro by 10% against the USD would have affected equity and the consolidated statement of income as follows:

Sensitivity Analysis

in EUR million	2024			
	Profit & Loss		Equity	
	+10% increase	-10% decrease	+10% increase	-10% decrease
Sensitivity of the euro against the USD	-2	2	34	-42

	2023			
	Profit & Loss		Equity	
	+10% increase	-10% decrease	+10% increase	-10% decrease
Sensitivity of the euro against the USD	0	0	21	-26

This analysis assumes that all other variables, particularly interest rates, remain constant.

The table above does not include the impact of currency changes on equity resulting from the translation of financial statements prepared in foreign currencies.

The following exchange rates were used during the financial year:

Exchange Rates

In foreign currency units		Middle Spot December, 31		Annual Average Exchange Rate Financial Year	
		2024	2023	2024	2023
US-Dollar	USD	1.039	1.106	1.083	1.082
Malaysian Ringgit	MYR	4.647	5.079	4.946	4.929
Swiss Franc	CHF	0.941	0.926	0.953	0.974
Singapore Dollar	SGD	1.417	1.460	1.447	1.453
Chinese Renminbi	CNY	7.584	7.850	7.784	7.664

The functional currency of the parent company is the euro (EUR). The functional currency of the subsidiaries is the relevant national currency or the U.S. dollar (USD).

The assets and liabilities of subsidiaries located outside the eurozone, including any goodwill arising upon acquisition, are translated at the average exchange rate at the reporting date; income and expenses are translated into euros at the average rate for the financial year.

30. Reconciliation of Changes in Liabilities to Cash Flows from Financing Activities

in EUR million	Loans	Convertible bonds	Bonds	Lease liabilities	Sale and leaseback financing	Total
Carrying amount as of January 1, 2024	**355**	**1,105**	**998**	**209**	**384**	**3,051**
Inflows from bonds			201			201
Transaction costs for the issue of bonds			-3			-3
Inflows from bonds (nominal amount)	243					243
Repayment of loans	-422					-422
Inflows from a sale and lease back financing					10	10
Repayment of lease liabilities				-57		-57
Cash flows from financing activities	**-180**	**0**	**197**	**-57**	**10**	**-29**
Effects of changes in foreign exchange rates			22	4	37	63
Non-cash interest expenses		32	6		10	47
Amortization of carrying amount adjustment from embedded derivatives as income (Options for early repayment)			-3			-3
Carrying amount adjustment for embedded derivatives recognized directly in equity (Options for early repay-ment)			6			6
Other changes			-27	26		-1
Carrying amount as of December 31, 2024	**175**	**1,137**	**1,199**	**183**	**441**	**3,135**

Reconciliation of Changes in Liabilities to Cash Flows from Financing Activities

in EUR million	Loans	Convertible bonds	Bonds	Lease liabilities	Sale and leaseback financing	Total
Carrying amount as of January 1, 2023	**459**	**1,074**	**1,271**	**217**	**-**	**3,020**
Inflows from bonds			981			981
Transaction costs for the issue of bonds			-11			-11
Repayment of bonds (nominal amount)			-1,268			-1,268
Repayment of bonds (Call premium)			-20			-20
Inflows from bonds	378					378
Repayment of loans	-481					-481
Inflows from a sale and lease back financing					382	382
Repayment of lease liabilities				-57		-57
Changes in cash flows from financing activities	**-118**	**-16**	**427**	**-68**	**382**	**-247**
Repayment of bonds (Call premium)			20			20
Effects of changes in foreign exchange rates			-8	-2	2	-8
Transaction costs not yet paid			-8			-8
Non-cash interest expenses		31	2	8	0	42
Amortization of carrying amount adjustment from embedded derivatives as income (Options for early repayment)			-1			-1
Carrying amount adjustment for embedded derivatives recognized directly in equity (Options for early repayment)			40			40
Other changes				42		42
Carrying amount as of December 31, 2023	**355**	**1,105**	**998**	**209**	**384**	**3,051**

31. Disposal of Business Activities, Assets Classified as Held for Sale

Non-current assets, or disposal groups containing assets and liabilities, are classified as held for sale if it is highly likely that their carrying amount will be recovered principally through their sale or distribution rather than through continued use. A sale is generally highly probable when the purchase agreement has been signed.

A disposal group is classified as a discontinued operation if, prior to the intended sale, it was an independent cash generating unit and represented a major line of business or geographical area of operations. Materiality is reviewed on a case-by-case basis and is primarily based on the total assets and external revenues of the disposal group in relation to the entire Group.

Control is generally lost upon the closing of the sales transaction, i.e. at the date when the ownership in the shares of the sold subsidiary is transferred with legal effect to the buyer.

Disposal of Business Activities

OSRAM Russia
On May 25, 2023, ams OSRAM and Daktram LLC, Moscow, (Russia), signed an agreement regarding the sale of the former’s stake in OOO OSRAM, Moscow, (Russia). OOO OSRAM was mainly a wholesaler for the Russian automotive market (L&S segment), but all activities were discontinued following the start of the war in Ukraine. As part of the classification as held for sale in 2023, an impairment loss of EUR 3 m was recognized on inventories, goodwill and other assets. In 2024, a further impairment loss of EUR 1 m was recognized, mainly on inventories. The impairment loss is reported under Other operating expenses. Following the approval of the local authorities, the sale process was completed with the execution of the purchase agreement and subsequent official registration on July 4, 2024. The net assets sold amounted to EUR 3 m and corresponded to the purchase price. The purchase price consists of a call option worth EUR 1 m and a cash payment of EUR 2 m. The cash payment is subject to Russian capital controls and was fully impaired due to the uncertainties, resulting in a loss on disposal of EUR 2 m.

Assets of Passive Optical Components Business

On September 2, 2024, ams OSRAM sold the assets of its Passive Optical Components business (OC business) in Singapore and Switzerland to Focuslight Technologies Inc. in Xi'an (China). The OC business was part of the CMOS Sensors & ASICs (CSA) segment. The transaction is part of the Re-establish the Base program, which aims to increase focus on more profitable core activities. As part of the transaction, the majority of OC business employees were transferred to Focuslight, while others were made redundant, resulting in an expense of around EUR 2 m. In addition, ams OSRAM entered into agreements with Focuslight to secure the supply of key components and research and development support, for which a provision for onerous contracts of EUR 13 m was recognized based on current capacity utilization estimates. The purchase price received amounted to EUR 44 m and is recognized under Cash flows from investing activities. The gains from the disposal, less the additional costs incurred, amounted to EUR 9 m and are reported under Other operating income.

Assets and Liabilities Disposed of

in EUR million	OSRAM Russia	OC-Business
Cash and cash equivalents	1	-
Inventories	1	3
Other current assets	1	
Intangible assets	-	9
Other non-current assets	0	12
Assets	**3**	**24**
Current liabilities	0	0
Non-current liabilities	-	5
Liabilities	0	5
Net assets	**3**	**19**

Assets and Liabilities Classified as Held for Sale

Disposal of property, plant and equipment

On December 4, 2024, ams OSRAM signed a contract for the sale of property, plant and equipment to a customer as part of a development project for new LED technologies in its OS segment. The assets concerned were impaired following the termination of the microLED project in the first quarter of 2024 (see > Note 5. microLED Adaption Expenses), and were written up by EUR 13 m to the selling price of EUR 23 m before being classified as held for sale. The acquisition cost of the assets amounted to EUR 25 m, resulting in a net negative effect of EUR 2 m in the 2024 financial year.

32. Related Parties

Identity of Related Parties

The Company has business relationships with the following related parties.

Related parties in key positions within the Company:

- the members of the Management Board and their close family members as well as
- the members of the Supervisory Board and their close family members

The Company's Governing Bodies

Members of the Management Board: Aldo Kamper (Chief Executive Officer (CEO)), Rainer Irle (CFO).

Members of the Supervisory Board: Dr. Margarete Haase (Chairwoman), Andreas Mattes (Deputy Chairman), Andreas Gerstenmayer (member), Dr. Monika Henzinger (member), Yen Yen Tan (member), Kin Wah Loh (member), Mag. Brigitte Ederer (member), Arunjai Mittal (member), Wolfgang Koren (employee representative), Dr. Nadine Raidl (employee representative), Michael Krainz (employee representative), Martin Bauer (employee representative, since September 4, 2024). Patrick Reinisch (employee representative, until September 4, 2024).

Remuneration

The Management Board's remuneration as of December 31, 2024 and as of December 31, 2023 was as follows:

Management Board Remuneration

in EUR million	2024	2023
Salary		
Salary, not variable	2	3
Salary, variable	1	3
Share-based payments	4	2
Other remuneration	0	0

No compensation payments were made to members of the Management Board in connection with their stepping down from the Management Board before the end of their tenure (2023: EUR 2 m).

In the financial year 2024, the members of the Management Board were granted a total of 3,100,766 awards (2023: 669,060 awards) in ams-OSRAM AG. These awards were granted from the PSU tranche under LTIP 2023, which means that their vesting conditions are linked to the achievement of performance targets. As soon as they have been earned and a twelve-month waiting period has elapsed, ams-OSRAM AG shares are transferred to the eligible Management Board members in exchange for the PSUs without requiring any consideration. In the financial year 2024, no awards were available for exercise by members of the Management Board (2023: 638,667).

Due to the consolidation of the Company's shares at a ratio of 10:1 (reverse share split), the awards held were adjusted accordingly. For this purpose, 3,927,680 awards were withdrawn and 392,768 new awards were transferred. The resulting fractions of awards were rounded up to full units, resulting in the granting of 20 new awards.

With regard to the conditions and valuation of the awards for the transfer of shares in ams-OSRAM AG and the equity measures described, please refer to > Note 4. Expenses.

The following table shows the ams-OSRAM AG shares and financial instruments held by the members of the Management Board.

Management Board Members' Holdings of ams-OSRAM AG Shares and Financial Instruments

Number	Dec 31, 2024	Dec 31, 2023
Shares	11,250	27,375
Awards	392,768	158,849

The members of the Management Board in office as at December 31, 2024 held financial instruments for the transfer of shares in ams-OSRAM AG only as part of share-based compensation plans. The change in shareholdings results from the reduction in the size of the Management Board compared with the previous year.

The previous year's figures have been adjusted for the 10:1 reverse share split carried out in the 2024 financial year. As of December 31, 2024, persons related to these Management Board members held neither shares (2023: 0) nor financial instruments (2023: 0) for the acquisition of shares in ams-OSRAM AG.

The remuneration for the Company's Supervisory Board amounted to EUR 1 m in financial year 2024 (2023: EUR 1 m). All remuneration was and is paid directly by the Company. The remuneration shown relates to the amounts actually paid in the financial year. The remuneration and the amounts payable for financial year 2024 were determined on the basis of the principles adopted by the Annual General Meeting in 2021, which were not changed by the Annual General Meeting on June 14, 2024.

Supervisory Board members' holdings of ams-OSRAM AG shares and financial instruments were as follows:

Supervisory Board Members' Holdings of ams-OSRAM AG Shares and Financial Instruments[1]

Number	Dec 31, 2024	Dec 31, 2023
Shares	-	-
Options	-	223

The previous year's figures have been adjusted to reflect the reverse share split carried out in financial year 2024 at a ratio of 10:1. As of December 31, 2024, persons related to the members of the Supervisory Board held neither shares (2023: 0 shares) nor financial instruments (2023: 0 financial instruments) for the acquisition of shares in ams-OSRAM AG. There are no ongoing loan arrangements with members of the Supervisory Board or Management Board or persons related to them.

Transactions with Associates

in EUR million	Sales of goods and services and other income		Purchases of goods and services and other expense	
	2024	2023	2024	2023
Associates	2	8	0	0

[1] Members of the Supervisory Board as of December 31, 2024

Loans granted to associates amounted to EUR 4 m as of December 31, 2024 (2023: EUR 2 m). As of December 31, 2024, cumulative loss allowances on loans and receivables amounted to EUR 0 m (2023: EUR 0 m). These equity investments involve strategic equity investments.

33. Auditor's Fees

The auditor's fees for auditing the separate and consolidated financial statements totaled EUR 0.9 m in financial year 2024 (2023: EUR 0.9 m). Fees incurred for other consultancy services amounted to EUR 0.2 m in financial year 2024 (2023: EUR 0.1 m). Fees incurred for special audit services in connection with the refinancing activities came to EUR 0.0 m in financial year 2024 (2023: EUR 5.4 m).

34. Group Companies

	Accounting method	Country of incorporation	Functional currency	Ownership interest	
				2024	2023
7 Sensing Software SASU	Fully consolidated	France	EUR	100.00%	100.00%
ams Asia Inc.	Fully consolidated	Philippines	PHP	100.00%	100.00%
ams China Co. Ltd.	Deconsolidated	China	RMB	0.00%	100.00%
ams International AG	Fully consolidated	Switzerland	CHF	100.00%	100.00%
ams Italy S.r.l.	Fully consolidated	Italy	EUR	100.00%	100.00%
ams Offer GmbH	Fully consolidated	Germany	EUR	100.00%	100.00%
ams-OSRAM Sensors S.R.L.	Fully consolidated	Romania	RON	100.00%	100.00%
ams-OSRAM France SASU	Fully consolidated	France	EUR	100.00%	0.00%
ams R&D Spain S.L.	Fully consolidated	Spain	EUR	100.00%	100.00%
ams R&D UK Limited	Fully consolidated	United Kingdom	GBP	100.00%	100.00%
ams Semiconductors India Pvt. Ltd.	Fully consolidated	India	INR	100.00%	100.00%
ams Sensors Asia Pte. Ltd.	Deconsolidated	Singapore	USD	0.00%	100.00%
ams Sensors Belgium BV	Fully consolidated	Belgium	EUR	100.00%	100.00%
ams Sensors Germany GmbH	Fully consolidated	Germany	EUR	100.00%	100.00%
ams Sensors Holdings Asia Pte. Ltd.	Deconsolidated	Singapore	USD	0.00%	100.00%
ams Sensors Hong Kong Ltd.	Liquidated	Hong Kong	HKD	0.00%	100.00%
ams Sensors Netherlands BV	Fully consolidated	Netherlands	EUR	100.00%	100.00%
ams-OSRAM Asia Pacific Pte. Ltd.	Fully consolidated	Singapore	USD	100.00%	100.00%
Applied Sensor Sweden Holding AB	Deconsolidated	Sweden	SEK	0.00%	100.00%
Heptagon Holding AG	Deconsolidated	Switzerland	CHF	0.00%	100.00%
Heptagon Holding CA Inc.	Deconsolidated	USA	USD	0.00%	100.00%
Heptagon Oy	Fully consolidated	Finland	EUR	100.00%	100.00%
OSRAM Licht AG	Fully consolidated	Germany	EUR	86.35%	85.76%
Seven Sensing Software BV	Fully consolidated	Belgium	EUR	100.00%	100.00%

Entities held via OSRAM Licht AG (Group share in OSRAM Licht AG: 86.35%)

	Accounting method	Country of incorporation	Functional currency	Share OSRAM Licht AG	
				2024	2023
ams Sensors Portugal Lda.	Fully consolidated	Portugal	EUR	100.00%	100.00%
ams-OSRAM International GmbH	Fully consolidated	Germany	EUR	100.00%	100.00%
ams-OSRAM Japan Ltd.	Fully consolidated	Japan	JPY	100.00%	100.00%
ams-OSRAM Korea Ltd.	Fully consolidated	Korea	KRW	100.00%	100.00%
ams-OSRAM Taiwan Ltd.	Fully consolidated	Taiwan	TWD	100.00%	100.00%
ams-OSRAM USA Inc.	Fully consolidated	USA	USD	100.00%	100.00%
Chorus Lighting S.p.A.	Fully consolidated	Italy	EUR	100.00%	100.00%
Fluxunit GmbH	Fully consolidated	Germany	EUR	100.00%	100.00%
Light Distribution GmbH	Fully consolidated	Germany	EUR	100.00%	100.00%
OOO OSRAM	Deconsolidated	Russia	RUB	0.00%	100.00%
OSRAM (Malaysia) Sdn. Bhd.	Fully consolidated	Malaysia	MYR	100.00%	100.00%
OSRAM (Thailand) Co. Ltd.	Fully consolidated	Thailand	THB	100.00%	100.00%
OSRAM A/S	Fully consolidated	Denmark	DKK	100.00%	100.00%
OSRAM AB	Fully consolidated	Sweden	SEK	100.00%	100.00%
OSRAM AS	Fully consolidated	Norway	NOK	100.00%	100.00%
OSRAM Asia Pacific Ltd.	Fully consolidated	Hong Kong	HKD	100.00%	100.00%
OSRAM Asia Pacific Management Company Ltd.	Fully consolidated	China	CNY	100.00%	100.00%
OSRAM Benelux B.V.	Fully consolidated	Netherlands	EUR	100.00%	100.00%
OSRAM Beteiligungen GmbH	Fully consolidated	Germany	EUR	100.00%	100.00%
OSRAM Beteiligungsverwaltung GmbH	Deconsolidated	Germany	EUR	0.00%	100.00%
OSRAM Ceská republika s.r.o.	Fully consolidated	Czech Republic	CZK	100.00%	100.00%
OSRAM China Lighting Ltd.	Fully consolidated	China	CNY	90.00%	90.00%
OSRAM Co. Ltd.	Fully consolidated	Korea	KRW	100.00%	100.00%
OSRAM Comercio de Solucoes de Iluminacao Ltda.	Fully consolidated	Brazil	BRL	100.00%	100.00%
OSRAM d.o.o.	Fully consolidated	Croatia	HRK	100.00%	100.00%
OSRAM de México S.A. de C.V.	Fully consolidated	Mexico	MXN	100.00%	100.00%

	Accounting method	Country of incorporation	Functional currency	Share OSRAM Licht AG	
				2024	2023
OSRAM GmbH	Fully consolidated	Germany	EUR	100.00%	100.00%
OSRAM Kunshan Display Optic Co. Ltd.	Fully consolidated	China	CNY	100.00%	100.00%
OSRAM Lighting (Pty) Ltd.	Fully consolidated	South Africa	ZAR	100.00%	100.00%
OSRAM Lighting AG	Fully consolidated	Switzerland	CHF	100.00%	100.00%
OSRAM Lighting Middle East FZE	Fully consolidated	United Arab. Emirates	USD	100.00%	100.00%
OSRAM Lighting Private Limited	Fully consolidated	India	INR	100.00%	100.00%
OSRAM Lighting Pte. Ltd.	Fully consolidated	Singapore	SGD	100.00%	100.00%
OSRAM Lighting S.A.S.U.	Fully consolidated	France	EUR	100.00%	100.00%
OSRAM Lighting S.L.	Fully consolidated	Spain	EUR	100.00%	100.00%
OSRAM Limited	Fully consolidated	United Kingdom	GBP	100.00%	100.00%
OSRAM Ltd.	Fully consolidated	Japan	JPY	100.00%	100.00%
OSRAM Lighting Ltd.	Fully consolidated	Canada	CAD	100.00%	100.00%
OSRAM OLED GmbH	Deconsolidated	Germany	EUR	0.00%	100.00%
OSRAM Opto Semiconductors (China) Co. Ltd.	Fully consolidated	China	CNY	100.00%	100.00%
OSRAM Opto Semiconductors (Malaysia) Sdn Bhd	Fully consolidated	Malaysia	MYR	100.00%	100.00%
OSRAM Opto Semiconductors Asia Ltd.	Fully consolidated	Hong Kong	HKD	100.00%	100.00%
OSRAM Opto Semiconductors Trading (Wuxi) Co. Ltd.	Fully consolidated	China	CNY	100.00%	100.00%
OSRAM Oy	Fully consolidated	Finland	EUR	100.00%	100.00%
OSRAM Pty. Ltd.	Fully consolidated	Australia	AUD	100.00%	100.00%
OSRAM Romania S.R.L.	Fully consolidated	Romania	RON	100.00%	100.00%
OSRAM S.A.	Fully consolidated	Argentina	ARS	100.00%	100.00%
OSRAM S.A. de C.V.	Fully consolidated	Mexico	MXN	100.00%	100.00%
OSRAM S.p.A. - Società Riunite OSRAM Edison Clerici	Fully consolidated	Italy	EUR	100.00%	100.00%
OSRAM Sales EOOD	Fully consolidated	Bulgaria	BGN	100.00%	100.00%
OSRAM SBT GmbH	Fully consolidated	Germany	EUR	100.00%	100.00%
OSRAM Servicios Administrativos S.A. de C.V.	Fully consolidated	Mexico	MXN	100.00%	100.00%
OSRAM SL GmbH	Fully consolidated	Germany	EUR	100.00%	100.00%
OSRAM Sp. z o.o.	Fully consolidated	Poland	PLN	100.00%	100.00%

	Accounting method	Country of incorporation	Functional currency	Share OSRAM Licht AG	
				2024	2023
OSRAM SYLVANIA INC.	Fully consolidated	USA	USD	100.00%	100.00%
OSRAM Taiwan Company Ltd.	Fully consolidated	Taiwan	TWD	100.00%	100.00%
OSRAM Teknolojileri Ticaret Anonim Sirketi	Fully consolidated	Turkey	TRY	100.00%	100.00%
OSRAM a.s.	Fully consolidated	Slovakia	EUR	100.00%	100.00%
OSRAM Lda.	Fully consolidated	Portugal	EUR	100.00%	100.00%
P.T. OSRAM Indonesia	Fully consolidated	Indonesia	IDR	100.00%	100.00%
Ring Automotive Limited	Fully consolidated	United Kingdom	GBP	100.00%	100.00%
Sylvania Lighting Services Corp.	Deconsolidated	USA	USD	0.00%	100.00%
Vixar Inc.	Fully consolidated	USA	USD	100.00%	100.00%

35. Associates

	Accounting method	Country of incorporation	Functional currency	Ownership interest	
				2024	2023
Circadian Zirclight LLC	At equity	USA	USD	6.13%	6.13%
Jinan Smart Sensing Sensor Co. Ltd.	At equity	China	CNY	49.00%	49.00%
New Scale Technologies Inc.	At equity	USA	USD	41.27%	41.27%
Sciosense Holding B.V.	At equity	Netherlands	EUR	45.22%	45.22%

Entities held via OSRAM Licht AG (Group share in OSRAM Licht AG: 86.35%)

	Accounting method	Country of incorporation	Functional currency	Share OSRAM Licht AG	
				2024	2023
agrilution GmbH	At equity	Germany	EUR	0.00%	20.62%
Blickfeld GmbH	At equity	Germany	EUR	0.00%	9.39%
Bolb Inc.	At equity	USA	USD	22.00%	20.38%
CarbonBook Inc.	At equity	Canada	CAD	12.94%	12.94%
iThera Medical GmbH	At equity	Germany	EUR	7.15%	7.15%
VividQ Limited	At equity	United Kingdom	GBP	3.11%	5.89%

36. Other Equity Investments

	Accounting method	Country of incorporation	Functional currency	Ownership interest	
				2024	2023
Axzon Inc. (former: RFMicron Inc.)	FVOCI	USA	USD	9.83%	9.83%
GreenTropism SAS	FVOCI	France	EUR	9.31%	2.38%
Leman Micro Devices SA	FVOCI	Switzerland	CHF	15.43%	11.39%
Silicon Alps Cluster GmbH	FVOCI	Austria	EUR	4.00%	4.00%

Entities held via OSRAM Licht AG (Group share in OSRAM Licht AG: 86.35%)

	Accounting method	Country of incorporation	Functional currency	Share OSRAM Licht AG	
				2024	2023
Caruso GmbH	FVOCI	Germany	EUR	0.55%	1.00%
GSB - Sonderabfall-Entsorgung Bayern GmbH	FVOCI	Germany	EUR	0.07%	0.07%
ILOF - Intelligent Lab on Fiber ltd.	FVOCI	United Kingdom	GBP	1.19%	0.98%
LAMP NOOR (P.J.S.) Co.	FVOCI	Iran	IRR	20.00%	20.00%
LeddarTech Inc.	FVOCI	Canada	CAD	4.49%	4.49%
Recogni Inc.	FVOCI	USA	USD	3.60%	3.84%
SiLC Technologies Inc.	FVOCI	USA	USD	3.48%	3.48%
TetraVue Inc.	FVOCI	USA	USD	6.36%	6.36%

37. Events after the Reporting Period

No material events have occurred since the reporting date.

Premstaetten, March 3, 2025

Aldo Kamper
Chief Executive Officer
CEO

Rainer Irle
Chief Financial Officer
CFO

Auditor’s Report

Report on the Consolidated Financial Statements

Audit Opinion
We have audited the consolidated financial statements of ams-OSRAM AG, Premstätten, Austria, and its subsidiaries („the Group”), which comprise the Consolidated Statement of Income, the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet as at December 31, 2024, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and the Notes to the Consolidated Financial Statements.

In our opinion, the consolidated financial statements comply with the legal requirements and present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as issued by the International Standards Board and as adopted by the EU, and the additional requirements pursuant to Section 245a UGB (Austrian Commercial Code).

Basis for our Opinion
We conducted our audit in accordance with Austrian Standards on Auditing. These standards require the audit to be conducted in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the „Auditor’s Responsibilities” section of our report. We are independent of the audited Group in accordance with Austrian company law and professional regulations, and we have fulfilled our other responsibilities under those relevant ethical requirements. We believe that the audit evidence we have obtained up to the date of the auditor’s report is sufficient and appropriate to provide a basis for our audit opinion on this date. Our liability as auditors is guided under Section 275 UGB.

Key Audit Matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, however, we do not provide a separate opinion thereon.

Impairment test for goodwill and intangible assets in accordance with IAS 36
Refer to notes section 14

Risk for the Consolidated Financial Statements
IAS 36 requires the Company to allocate its goodwill to cash-generating units and to test these units as well as intangible assets with indefinite useful lives or not yet ready for use intangible assets for impairment at least annually and whenever there is an indication these intangible assets may be impaired. At December 31, 2024 the carrying amount of goodwill amounted to EUR 1,481 million, trademarks to EUR 226 million and not yet ready for use intangible assets to EUR 74 million.

The recoverable amount is determined for fair value less costs of disposal on the basis of discounted future cash flows using a risk-adequate discount rate (DCF method).

Impairment testing in accordance with IAS 36 requires an appropriate valuation method and the determination of significant assumptions and measurement bases. This results in particular in the risk that

- the cash-generating units have not been determined correctly and their changes have not been made in accordance with the provisions of IAS 36,
- the methods used do not comply with the requirements of IAS 36 or,
- assumptions and other measurement bases are not appropriate
- and, therefore, a required impairment loss is not or not correctly recognized in the financial statements.

Our Response
We have assessed the impairment tests according to IAS 36 as follows:

- We gained an understanding of the approach and valuation methods as well as of the design and implementation of internal controls
- We evaluated the determination of the cash-generating units and assessed their appropriateness.
- We have assessed whether the valuation methods applied comply with the requirements of IAS 36. We compared the consistency of the parameters and input factors used in the valuations with external market estimates and existing reference values and assessed their appropriateness. We also verified the mathematical accuracy of the valuations. Furthermore, we assessed the methodologically appropriate derivation and the appropriateness of the amount of the weighted average cost of capital. For this purpose, we compared the assumptions and parameters underlying the cost of capital with our own assumptions and publicly available data. These assessments were made with the involvement of valuation specialists.
- We have reconciled the planning data used to determine future cashflows with the budgets approved by the Supervisory Board and the business plans presented to the Supervisory Board..
- In addition, we have assessed whether the disclosures on impairment testing in the consolidated financial statements are appropriate and relevant.

Expenses for microLED-adjustment
Refer to notes section 5 and 24

Risk for the Consolidated Financial Statements
On February 28, 2024, the company was informed of the cancellation of a key project that underpinned the microLED strategy. This cancellation resulted in a revision of the microLED strategy. Due to therevision of the microLED strategy the continued use of the property, plant, and equipment, as well as the capitalized development costs was uncertain and an impairment test was conducted in accordance with IAS 36. Additionally, provisions for onerous contracts were made, and the recoverability of inventory and the realizability of receivables related to public grants were evaluated. In total, the adjustment of the microLED strategy resulted in expenses of EUR 744 million in the first quarter of the fiscal year.

Later in the fiscal year 2024, the company was able to secure a customer for a development project involving novel LED technologies, allowing some of the assets, whose continued use was uncertain due to the project cancellation in the first quarter, to be repurposed. As a result, part of the impairments recognized in the first quarter, amounting to EUR 118 million, could be reversed. Overall, the net expense related to the microLED adjustment amounts to EUR 576 million.

Due to the significance of the microLED strategy for the company, the magnitude of past investments, the scope of the financial statement items affected in the consolidated financial statements, the complexity of the applicable accounting standards, and the extent of the judgments and estimates required by management, there is a particular risk that:

- the cash-generating units are not correctly identified,
- the methods applied do not meet the requirements of IFRS, particularly IAS 36, or
- assumptions and other valuation bases are not appropriate,

resulting in necessary impairments, provisions, and reversals of impairments not being correctly recognized and disclosed in the consolidated financial statements.

Our Response
We assessed the impairment tests according to IAS 36 as follows:

- We gained an understanding of the procedures and valuation methods, as well as the design and implementation of internal controls.
- We reviewed the identification of cash-generating units and assessed their appropriateness.
- We evaluated whether the valuation methods applied comply with the relevant IFRS regulations, specifically IAS 36 and IAS 37. We compared the parameters and input factors used in the valuations for consistency with external market assessments and available reference values, assessed their appropriateness, and verified the mathematical accuracy of the valuations. Furthermore, we assessed the methodical derivation and appropriateness of the weighted average cost of capital rates. For this, we compared the assumptions and parameters underlying the cost of capital with our own assumptions and publicly available data. These assessments were conducted with the involvement of valuation specialists.
- Additionally, we evaluated whether the disclosures regarding the impacts of the microLED strategy adjustment in the consolidated financial statements are appropriate and adequate.

Other Information
Management is responsible for other information. Other information is all information provided in the annual report, other than the consolidated financial statements, the group management report and the auditor's report.

Until the date of this report, we receive the following chapters of the annual report: compensation report and sustainability report and the remaining parts of the annual report will probably be made available to us after this date.

Our opinion on the consolidated financial statements does not cover other information and we do not provide any kind of assurance thereon.

In conjunction with our audit of the consolidated financial statements, it is our responsibility to read this other information and to assess whether, based on knowledge gained during our audit, it contains any material inconsistencies with the consolidated financial statements or any apparent material misstatement of fact.

If, on the basis of our work on the other information obtained before the date of the auditor's report, we conclude that there is a material misstatement of fact in other information, we must report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board and as adopted by the EU, as well as the additional requirements pursuant to Section 245a UGB (Austrian Commercial Code) and for such internal controls as management determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Management is also 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 intents 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
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 audit opinion. Reasonable assurance represents a high level of assurance, but provides no guarantee that an audit conducted in accordance with Austrian Standards on Auditing (and therefore ISAs), will always detect a material misstatement, if any. Misstatements may result from fraud or error and are considered material if, individually or in 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 Austrian Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit.

Moreover:

- We identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, we design and perform audit procedures responsive to those risks and obtain sufficient and appropriate audit evidence to serve as a basis for our audit opinion. The risk of not detecting material misstatements resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control.
- We 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.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- We conclude on the appropriateness of management's 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 audit report to the respective note in the consolidated financial statements. If such disclosures are not appropriate, we will modify our audit opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the consolidated financial statements, including the notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We plan and conduct the audit of the consolidated financial statements in order to obtain sufficient appropriate audit evidence on the financial information of the components within the Group, in order to form an audit opinion. We are responsible for directing, supervising and reviewing the audit activities carried out for the purposes of auditing the consolidated financial statements. We remain solely responsible for our audit opinion.
- We communicate with the audit committee regarding, amongst other matters, the planned scope and timing of our audit as well as significant findings, including any significant deficiencies in internal control that we identify during our audit.
- We communicate to the audit committee that we have complied with the relevant professional requirements in respect of our independence, that we will report any relationships and other events that could reasonably affect our independence and, where appropriate, the related safeguards.
- From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit i.e. key audit matters. We describe these key audit matters in our auditor's report unless laws or other legal regulations preclude public disclosure about the matter or when in very rare cases, we determine that a matter should not be included in our audit report because the negative consequences of doing so would reasonably be expected to outweigh the public benefits of such communication.

Group Management Report

In accordance with Austrian company law, the group management report is to be audited as to whether it is consistent with the consolidated financial statements and prepared in accordance with legal requirements.

Management is responsible for the preparation of the group management report in accordance with Austrian company law.

We have conducted our audit in accordance with generally accepted standards on the audit of group management reports.

Opinion
In our opinion, the group management report is consistent with the consolidated financial statements and has been prepared in accordance with legal requirements.

Statement
Based on our knowledge gained in the course of the audit of the consolidated financial statements and our understanding of the Group and its environment, we did not note any material misstatements in the group management report.

Engagement Partner

The engagement partner is Mr. Johannes Bauer.

Vienna
March 5, 2025

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Johannes Bauer
Wirtschaftsprüfer
(Austrian Chartered Accountant)

Glossary

8”	8 inches: diameter of wafer used for chip production
ADAS	Advanced driver-assistance systems are groups of electronic technologies that assist drivers in driving and parking functions, increasing car and road safety. ADAS use automated technology such as sensors and cameras to detect nearby obstacles or driver errors and respond accordingly.
AR/VR	Augmented reality/virtual reality: AR is an interactive experience of a real-world environment where the objects that reside in the real world are enhanced by computer-generated perceptual information. VR is a simulated experience that can be similar to or completely different from the real world. Applications of virtual reality include entertainment, education and business.
ASIC	Application-specific integrated circuit
AOI	ams-OSRAM International GmbH
BMSVG	Austrian Corporate Staff and Self-Employment Provision Act
BOA	OSRAM defined-contribution pension plan
BU	Business unit
CGU	Cash-generating unit
C2X	Car-to-everything technology, also described as Car2X: technology that allows cars/vehicles to communicate with their environment (“x”) as well as with each other
CMOS-IC	CMOS: complementary metal-oxide-semiconductor
IC:	integrated circuit
CSA	CMOS Sensors and ASICs, business unit
CT	Computed tomography
DBO	Defined benefit obligation
3D technologies / sensing	Sensing technologies incorporating the acquisition of depth information to capture image or spatial data in three dimensions.
III-V compound semiconductors	Compound containing elements from groups III (earth metals/boron group) and V (nitrogen-phosphorus group) in the periodic table. When combined, these materials produce the electrical conductivity in semiconductors.
EBIT	Earnings before interest and taxes, result from operations
EEL	An edge-emitting laser is a semiconductor-based laser with light emission from the edge of the chip, in contrast to VCSEL, which emits light via the surface.
ERISA	U.S. Employee Retirement Income Security Act
EPS	Earnings per share
ERM	Enterprise risk management system
ESG	Environment, social, governance
EVIYOS	Proprietary highly-pixelated matrix headlamps technology of ams OSRAM with > 25,000 individually addressable pixels.
IASB	International Accounting Standards Board
IC	An integrated circuit is an electronic circuit mounted on a thin wafer of semiconductor material, usually a few millimeters in size.
IFRS	International Financial Reporting Standards
ISA	International Standards on Auditing
LDI	Liability-driven investment

LCD	A liquid-crystal display is a flat-panel display or other electronically modulated optical device that uses the light-modulating properties of liquid crystals combined with polarizers. Liquid crystals do not emit light directly, instead using a backlight or reflector to produce images in color or monochrome.
LiDAR	Light detection and ranging is a measuring technology that measures distance by illuminating the target with pulsed laser light and processing the reflected pulses with a sensor. Differences in laser return times and wavelengths can then be used to make digital 3D representations of the target (3D LiDAR).
L&S	Lamps and Systems, business unit
LTIP	Long-Term Incentive Plan
Matrix headlamps	Integrated intelligent light source based on a monolithic structured LED chip with > 25,000 individually addressable pixels, enables adaptive driving beam and projection capabilities. Also see EVIYOS.
microLED	Tiny, microscopic LED with structure size of < 50 µm. Display technology uses arrays of these microscopic LEDs.
MIDA	Malaysian Investment Department Authority
MIS	Management information system
Micro-modules	Combination and assembly of different single optical components (e.g. emitters, optics, detectors, ICs) into one integrated module with a very small form factor.
Mixed-signal IC	Mixed-signal: generic term for the processing of both analog and digital electrical (input) signals in, for example, electrical measuring devices such as oscilloscopes or for integrated circuits that process both analog and digital signals. IC: integrated circuit
NTE – Near to eye	Augmented-reality systems allow smart glasses to merge the virtual and physical worlds. It is expected that the next advancement in this technology will be the projection of virtual information onto special glasses or directly onto the user's retina.
OEM	Original equipment manufacturer
OS	Opto Semiconductors, business unit
OSP	Open System Protocol: an open, license-free communication technology for connecting red-green-blue (RGB) LEDs, sensors, and microcontrollers from various manufacturers
Photons	An elementary particle that is a quantum of the electromagnetic field, including electromagnetic radiation such as light and radio waves.
Photon counting	Photon counting for X-ray images, a technology that enables higher-resolution computed tomography
Pixel	A pixel is generally thought of as the smallest single component of a digital image.
PSU	Performance Share Unit
Relative TSR	Relative total shareholder return
R&D	Research and Development
RSU	Restricted Share Unit
S&P Global CSA	The Standard & Poor's (S&P) Global Corporate Sustainability Assessment (CSA) is an annual evaluation of companies' sustainability practices. It covers over 10,000 companies from around the world and focuses on sustainability criteria that are both industry-specific and financially material.
SER	SIX Exchange Regulation
SLTIP	Special Long Term Incentive Plan
SSOP	Special Stock Option Plan
SPSU	Special Performance Share Unit

SpO_2 measurement	Also pulse oximetry: noninvasive method for monitoring arterial oxygen saturation by measuring light absorption or light emission during fluoroscopy of the skin
TSR	Total shareholder return
TSV	Through-silicon via: typically a vertical electrical connection made of metal that completely passes through a silicon substrate (wafer, chip)
UGB	(Austrian) Commercial Code
UV-C LED	Illumination of UV-C spectrum invisible light based on LED technology used for disinfection applications (e.g. air, surfaces, water)

Imprint

ams-OSRAM AG
Investor Relations
Tobelbader Strasse 30
8141 Premstaetten
Austria

+43 3136 500-0
investor@ams-osram.com
ams-osram.com

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