



NONFINANCIAL
GROUP
DECLARATION

2019

NONFINANCIAL GROUP DECLARATION IN ACCORDANCE WITH SECTION 315B OF THE GERMAN COMMERCIAL CODE (HGB)

Dear readers,

We are pleased to be able to present to you today our third report on the nonfinancial performance indicators at SUSS MicroTec. The topic of sustainability continues to have a high priority at SUSS MicroTec and we are clearly committed to our environmental and social responsibility. For us, sustainability means the close interplay of economy, ecology, and ethical behavior. SUSS MicroTec strives for a fair and socially responsible interaction with customers, employees, competitors, neighbors and other interested parties. The Company applies the same high standards to its suppliers and business partners. Our business is characterized by internationality and cultural diversity. Whenever we conduct business, we see ourselves as a member of the respective society and make an active, positive contribution to shaping the community and its environment. Nothing changed to these principles in the past fiscal year.

As members of the Management Board, we understand our leadership role as not only managing this Company according to economic and financial metrics, but also as living up to our responsibility to society and the environment.

Sustainability is not only a success factor for entrepreneurial conduct but also a sign of an increasing change in values in our society. Consumers and customers rightfully question manufacturing practices, working conditions, or the use of materials in products and services that they apply and implement. What amount of emissions does the vehicle produce, how high is the energy consumption of this electronic tool, or what raw materials and other materials were processed during manufacturing? These thoughts influence the purchasing decisions of modern customers, and these questions are therefore becoming an increasingly important economic factor.

The following explanations and descriptions of individual aspects are in accordance with Section 315c and Section 289c of the German Commercial Code (HGB) and are based on the UN Global Compact Principles.

Garching, in March 2020

The Management Board of SUSS MicroTec SE

BUSINESS MODEL

The SUSS MicroTec Group develops, manufactures, and markets equipment for the production of microelectronics and micro-electromechanical systems. As a supplier of system solutions for semiconductor technology, the Group is a high-performance partner of the semiconductor industry for the laboratory, research, and production areas. Special markets with strong growth form the main areas of activity and promote the innovative development of technologies. Long-term potential for success exists in future-oriented markets and applications, such as microchip architecture and connection technology for chip manufacturing, telecommunications, and optical data transfer.

ADDED VALUE THROUGH MICROELECTRONICS

In the semiconductor industry, along with energy-efficient production, technical opportunities to increase the energy efficiency of finished products have played an important role for many years. For example, it has been possible to reduce the fuel consumption and exhaust emissions of modern vehicles significantly in recent years through the increasing use of sensors and electronic controls. Microelectronic components also help ensure the intelligent use and careful treatment of valuable resources such as electricity, water, gas, or fuel in household appliances, industrial equipment, lighting design, computers, and cellular telephones. Over time, this trend developed into an additional growth driver for our business. In particular, themes such as energy-conserving lighting design, sensors, and the smart use of resources play an ever more meaningful role in our everyday life through targeted data analysis, networking, and mobile communications. With its products and solutions, SUSS MicroTec helps to make electrical and electronic equipment more energy efficient and powerful. At the same time, we endeavor to design the manufacturing process of our machines in a manner that maximizes the conservation of resources and the environment. In addition, many components – manufactured in part using our machines – are used in industrial applications for renewable energy, such as wind and solar power.

In the 2019 fiscal year, the Group produced at four sites: in Corona, USA; in Hauterive, Switzerland; and at two sites in Germany: in Garching near Munich (headquarters), and in Sternenfels. In 2020 we will open our Imprint Excellence Center at our site in Switzerland. In addition, in 2019 we leased premises in Hsinchu, Taiwan, in order to put into operation an additional production site for the final assembly of coaters. Our goal is to focus directly on Asia as our largest market and to accommodate the customer and their needs even more closely. The Group already has a sales and service organization there as well as in the United Kingdom, France, Japan, China, Singapore, Korea, and Taiwan. The principles, values, and regulations cited in this report apply to all locations Group-wide and internationally.

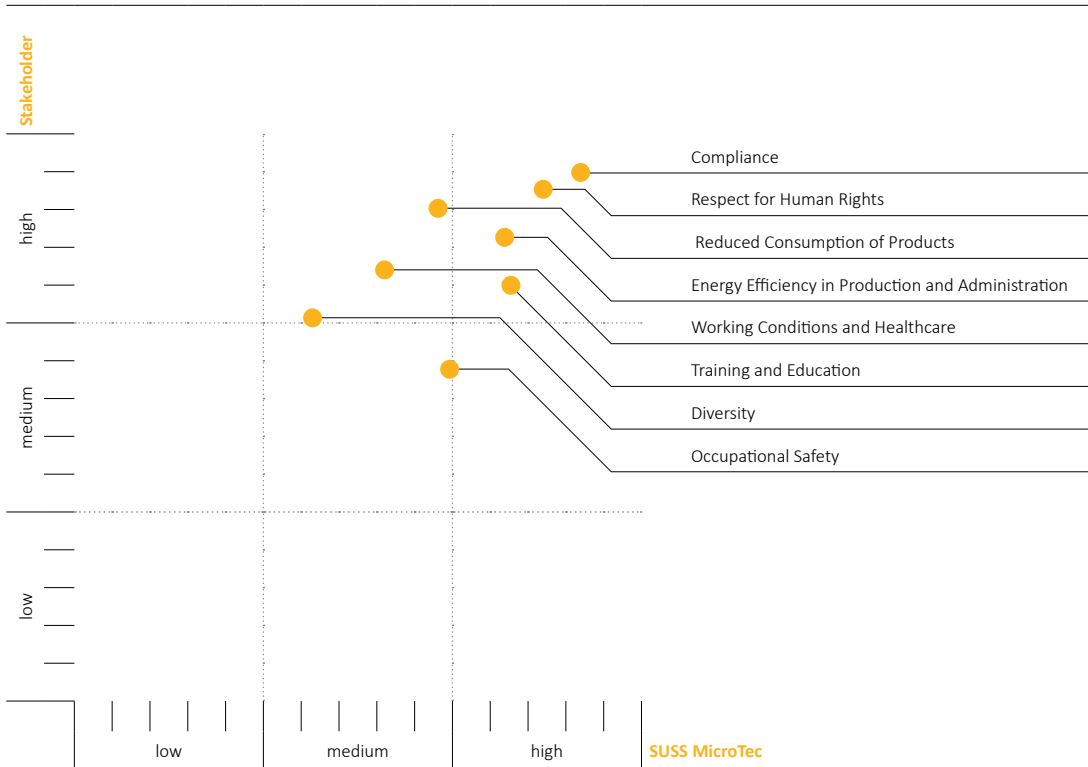
The legal structure of the Group consists of the proprietary company, SUSS MicroTec SE, as the management and financial holding company, and the subsidiaries holding a majority of the proprietary company. The development and production activities as well as the local sales and service activities for the Group are each organized within the subsidiaries.

SUSTAINABILITY AT SUSS MICROTEC

In order to identify the relevant sustainability issues at our Company, we conducted a multi-level materiality analysis in the 2017 fiscal year. Concepts and goals that define our sustainability strategy were derived from material areas for SUSS MicroTec.

For the 2019 Annual Report, we have only slightly modified the materiality analysis. A comprehensive revision is planned for the materiality of individual provisions as part of a more in-depth analysis in the current year.

MATERIALITY ANALYSIS FOR THE SUSS MICROTEC GROUP



GOALS

The overarching goals of our sustainability strategy are safeguarding the long-term future viability of our core business, expanding new and innovative technologies, as well as in particular the maintenance and continuous improvement of our environmental standards. Many current developments offer significant growth potential for SUSS MicroTec. Our task is to exhaust this potential while complying with our own and legally stipulated rules of conduct and guidelines. Current trends in the areas of digitalization, networking, communication, and mobility offer tremendous potential for the Company with respect to sales growth and the expansion of market share. It is equally meaningful to leverage this potential while complying with our environmental standards and targets and taking the interests of the Company into account. In addition, not only do we benefit from current trends, but our products support them on a sustainable basis. Sensors are being used more and more in industry, the automotive sector, and even in households. In addition, our

development processes increasingly take into account not only the actual function of the machine but also such issues as the improvement of energy efficiency or reductions in the consumption of media. Our customers demand not only technically flawless machines but also compliance with certain environmental standards and working conditions.

RISK MANAGEMENT

Current trends in our industry offer a wide range of opportunities for our Company. Recognizing and taking advantage of them are important management tasks. At the same time, effective risk management is indispensable. The goal of opportunity and risk management at SUSS MicroTec is to maintain and increase the enterprise value. This includes the early detection of opportunities, identification and suitable assessment of the related risks, and an appropriate response.

A significant part of the risk management system is a software-based reporting system that covers the following areas: materials management, production/manufacturing, marketing/sales/service, research and development/product development, human resources/organization, finance, IT, law, and general safety. In this system the parties designated by management as responsible for risk must report on and evaluate the identified risks quantitatively at least once per quarter or on an ad hoc basis when specific circumstances require it. The evaluation is done using the dual criteria of possible damages (expressed in euros) and the probability of occurrence. Particularly in case of significant risks, the responsible parties are encouraged to take suitable measures to mitigate them. The Supervisory Board is regularly informed about the risk management system and corresponding measures. In addition, internal Company training sessions are held for those responsible for risk. The effectiveness of the measures and the development of risks are monitored continuously.

Additional information on the individual business risks as well as a detailed description of the risk management system may be found in the Opportunities and Risk Report of this Annual Report.

ENVIRONMENTAL AND CLIMATE PROTECTION

SUSS MicroTec is fully committed to its responsibility toward the environment, including protection of the climate. Environmental responsibility and sustainability are genuine goals and integral components of our business model. Our responsibility extends from the purchasing of components to the recycling of our used machines.

CERTIFICATIONS

ISO 14001 serves as the framework for our environmental management system. We at SUSS MicroTec have been intensively working on the systematization of environmental management and the further development of ISO 14001:2015 since 2014. In the 2016 fiscal year, the successful audit and certification of the environmental management system were conducted at the German companies. A recertification of the German production companies SUSS MicroTec Lithography GmbH and SUSS MicroTec Photomask Equipment GmbH+ Co.KG was carried out successfully in February 2020. The Swiss subsidiary in Hauterive is certified in accordance with IATF 16949:2016.

According to our materiality analysis, the two most important environmental issues are the reduced consumption of resources and materials used in the production environment and reduced use of energy in our manufacturing and administration. In the following pages, we will elaborate on these issues, our related environmental concepts and goals, as well as possible risks.

IMPROVEMENT OF ENERGY EFFICIENCY AT ALL LEVELS

Our central environmental goal is the improvement of energy efficiency in our manufacturing and our machines. In addition, components produced with our machines help increase the energy efficiency of electronic equipment. In addition, we support the careful treatment of natural resources. In our case, this is essentially the consumption of energy sources and consumables. The topic of sustainability is anchored in the schedule of responsibilities of the Management Board.

ENVIRONMENTAL IMPACT OF OUR PRODUCTS

The improvement of the ecological properties and environmental impact of our products is an important part of our development work. We are therefore attaching increasing importance to minimizing the use of energy sources, chemicals, and other processing materials during the manufacturing process and the operation of our machines. Both the process development and the design specifications of coater and development machinery, bonders, and photomask equipment are geared toward reducing this consumption. We are pursuing the goal, for example, of achieving significant reductions in the consumption of the chemicals employed by our wet chemistry equipment through the use of a new technology.

OPTIMIZED RESOURCE MANAGEMENT FOR COATERS

The highly sensitive photo resists that are used for our coaters usually contain photochemical compounds that are sensitive for the environment and entail high costs and energy consumption for manufacturing as well as disposal. In the further development of our coaters, we constantly strive to optimize the applied processes regarding the quantity of coating that is used. SUSS MicroTec's patented GYRSET process represents an example of a successful adaptation of responsible resource management. A simple design improvement in the process environment ensures higher air saturation in the processing chamber during coating and therefore a more uniform distribution of the coating combined at the same time with a thinner layer. Along with the refinement of existing processes such as GYRSET, we aim to purchase innovative new technologies that similarly feature less environmental impact. With our purchase of PIXDRO technology, we are expanding our product range to include a technology that features the targeted local use of photo resist, thereby functioning in an extremely resource-preserving manner.

ENVIRONMENTALLY FRIENDLY PHOTOMASK EQUIPMENT

With the latest product development in the Photomask Equipment division, SUSS MicroTec is making a major contribution to the conservation of environmentally relevant materials. Since the quality of semiconductor production processes depends in part on how clean or particle-free the photomasks being used are, the cleaning of these masks becomes increasingly important as the patterns being produced get smaller. Sulfuric acid-based processes are used to free photomasks of particles, among other approaches. In the search for a less environmentally harmful substance to clean photomasks, the experts at SUSS MicroTec developed a new cleaning process whose effectiveness is based on its manner of use. GlueBuster technology makes it possible to forgo the use of sulfuric acid. The cleaning procedure uses deionized water as a solution. Furthermore, the selective application of the cleaning solution reduces the consumption of the cleaning solution employed to a fraction of the previously used amount of the processing medium.

MASK ALIGNER WITH LED AS AN ENVIRONMENTALLY EFFICIENT SOURCE OF LIGHTING

For example, an already completed project is the development of the LED lamphouse for our Mask Aligners. In the 2016 fiscal year, the innovative UV LED lamphouse was launched in the market for use in exposure systems (Mask Aligners < 1,000 watts). With the development and implementation of the environmentally friendly UV LED lamphouse concept for Mask Aligners, we succeeded in taking another important step toward the preservation of resources and the protection of the environment. The innovative UV LED light source has a much longer service life than the previously used mercury vapor lamp and the systems are mercury-free. Moreover, the time and energy-intensive warm-up and cool-down phases are no longer needed in the production process – the LED light source is only switched on during the actual exposure process. Both factors make a significant contribution to lower energy consumption; consumption is reduced here by approximately 60 percent. The LED technology also represents a much better solution in terms of occupational health and safety and protecting the environment.

REMANUFACTURING

Other components of our sustainability strategy are the long service life, repurchase and appropriate reconditioning of used machines. Our employees take great care constructing machines so that they are designed for a long service life. A life expectancy of up to 15 years or longer is not uncommon – and demonstrates outstanding efficiency and quality. With our subsidiary SUSS MicroTec ReMan, we offer our customers the opportunity to obtain used tools that we have carefully overhauled at a favorable price, also with an eye toward their greater resource efficiency. This way, we ease pressure on the procurement budgets of our customers, extend the life expectancies of used machines, and conserve valuable resources.

ENERGY EFFICIENCY IN PRODUCTION AND ADMINISTRATION

We are not only interested in increasing the energy efficiency of our products or manufactured finished products. Instead, according to our guidelines and regulations, every SUSS MicroTec employee bears responsibility to protect our natural resources and to treat them with care, for example in the consumption of electricity or other consumables, in day-to-day work. Just like production, building management is also encouraged to work in a non-destructive manner and to reduce both waste materials and energy consumption. The moderate use of materials and recycling or reuse are also promoted. Our guidelines for resource preservation, energy conservation, and the equipment and materials used with our products apply to the areas of research, development, and construction.

IMPROVEMENT OF THE CO₂ RECORD

With the overall objective of optimizing energy usage (electricity, gas, heating oil) at all production sites, we initially had the two production sites in Germany audited in 2015 in accordance with DIN EN 16247. In November 2019, the repeat audit at both sites was also completed successfully. For the period from 2012 to 2020, the Company is striving to reduce energy usage at the Garching and Sternenfels sites by 16–18 percent. This goal is defined relative to changes in sales (environmental efficiency of economic output) and the number of employees (environmental efficiency of employment). We have not established any specific energy goals for our two much smaller manufacturing locations in Hauterive, Switzerland, and Corona, USA.

The achievement of targets will be monitored annually within the framework of a CO₂ record. For the period from 2012 to 2019, the CO₂ equivalent amount with a simultaneous increase in sales and the absolute number of employees is approximately minus 18 percent, thereby already meeting the targets for the period until 2020. On a per-employee basis, this amount results in a reduction of energy usage by approximately 42 percent (previous year: 33). The environmental efficiency of economic

output, meaning energy efficiency relative to sales, has improved by almost 37 percent (previous year: 25 percent). The CO₂ record for the 2019 fiscal year will be available only after publication of the Annual Report planned for May 2020.

In order to achieve these environmental goals, SUSS MicroTec has, for example, implemented various measures at the production site in Garching in recent years, such as optimizing the pump systems for heating and air conditioning, renovating cooling equipment with heat recovery and open air cooling, as well as introducing energy-saving illumination systems.

In 2014 the Company put into operation a cogeneration unit at the Garching site for the production of both electricity and heat. This facility employs useful heat, which is a by-product of generating electricity with gas, to heat production areas and to cool cleanrooms in the summer. The process is based on the principle of cogeneration. The environmentally relevant approach involves using electricity and heat directly on site, thereby maximizing their efficiency. The cogeneration unit at the Garching site generates electrical output of 49 kilowatts as well as thermal output between 90 and 110 kW and achieves greater than 90% efficiency relative to its calorific value.

A wide range of measures have been implemented at the Sternenfels site, such as switching to energy-efficient LED lighting systems and more energy efficient vacuum and compressed air technology. In the course of a roof refurbishment, we carried out efficiency-boosting insulation measures over a surface of 1,800 m². During the renovation of an application cleanroom in 2018 and 2019, emphasis was placed on optimizing such energy efficiency criteria as heat recovery and air circulation. Two charging stations for electric vehicles were also installed at the site.

SUSS MicroTec is making a contribution to climate protection with a comprehensive renovation involving cooling technology at the Sternenfels site in 2018 and 2019. Two individual cooling units were replaced by a centralized chilled water unit using propane as a refrigerant, and a cooling network was created. The use of propane as a refrigerant is regarded as climate-friendly according to the current state of knowledge. The cooling network featuring demand-dependent control and pump technology ensures a high degree of energy efficiency. The ECON monitoring system, which was introduced in 2019, monitors and also facilitates the continuous improvement of the site's energy management.

MATERIAL RISKS IN THE ENVIRONMENTAL AREA

In addition to diverse opportunities, the materiality analysis combined with information from our risk management system has identified additional immaterial, therefore not Company-threatening, risks in the environmental area. Nevertheless, we have taken countermeasures in the interest of environmental protection.

Missing our environmental targets for the reduction of energy usage would pose the fundamental risk of rising energy costs for the Company. Rising costs for electricity, gas, water, or heating oil could have a negative impact on the profitability of the Company.

Customer satisfaction is a key component of our business success and, of course, our corporate strategy. A noteworthy risk would exist for our business development if we would not succeed in satisfying customer wishes on a long-term basis, for example with regard to energy efficiency and media consumption. In order to counter this, a tremendous emphasis is placed on energy and media consumption as well as general environmental properties as early as during the development process. In addition, our innovative products and solutions are frequently developed or refined in close cooperation with customers or semiconductor institutes.

Accidents, combined with risks for the health of employees and the environment, constitute an additional risk. Additional consequences could be costs for repairing the machine and reputational damage. The risk of an accident is held to a minimum through high quality standards as early as during machine design, through the careful and responsible manufacture and installation of the machines, and through the targeted training of operators.

EMPLOYEE-RELATED CONCERNS

Our entrepreneurial decisions have diverse ramifications for the environment and individuals, particularly employees, but also for suppliers, customers, and other business partners. However, the Company has the greatest direct impact on its employees. For this reason, SUSS MicroTec employees are the focus of our efforts in the areas of sustainability and occupational safety. As a result of the “law for the equal participation of women and men in management positions in the private and public sectors,” listed companies are obligated to set targets for the share of women in the Supervisory Board, the Management Board, and at the next two management levels. In the Group declaration on corporate governance – published in the Management Report as well as on the Company’s website – the Company commented in detail on the concept of diversity and on the quotas established by the Company for the individual management levels. Subsidiaries of SUSS MicroTec SE that are located in Germany are subject to the German Works Constitution Act, which governs codetermination in the Company. In all German subsidiaries, there are Works Councils, which are elected by the employees and represent the interests of employees. In addition, SUSS MicroTec SE, as a European company, has had a Works Council representing employee interests since 2017. Since 2019, a representative for people with disabilities also advocates for their concerns.

GOALS

The happiness, health, and continuing education of our employees are very important to us. The employees and their knowledge and expertise are a significant part of the Company’s value. Our business is characterized by internationality, global positioning, and cultural diversity. We have employees distributed around the globe in development, production, administration, sales, and service, who constitute an important network for the exchange of knowledge across locations as well as intercultural collaboration. We work with time-saving decision-making processes and enable our employees to play an active role and to develop in accordance with their abilities and preferences. After all, the motivation, knowledge, and flexibility of our employees are important prerequisites for the long-term success of the Company. The avoidance of workplace accidents in manufacturing is a sustainability goal related to employee-related concerns. We also attach particular importance to the topic of continuing education. In the future, we intend to noticeably increase the quality and quantity of the continuing education opportunities that are offered to and taken advantage of by both our employees and our customers.

OCCUPATIONAL SAFETY

As our declaration on the environment, health, and safety stated, there are special programs designed to meet the highest standards in the workplace in terms of safety. We maintain detailed statistics and statistics analyses about workplace accidents.

In the 2019 fiscal year, there were 12 (previous year: 19) reported workplace accidents at the two production sites in Germany. Since the 2018 reporting year, this also includes commuting accidents and minor incidents for which no subsequent sick leave was required. Our goal is to avoid workplace accidents completely, if possible. We do not consider it sensible to set a precise and realistic target. The foreign sales and service locations are less relevant to the topic of occupational safety since no manufacturing takes place there. There were two reported occupational accidents at our plant in Corona, California, in the 2019 fiscal year. No occupational accidents were reported in Neuchâtel, Switzerland.

At all production sites, routine training and safety instruction sessions are held for “at risk” employees, for example in production or warehousing.

HEALTHCARE

We offer on-site medical appointments, for example for free eye examinations or vaccinations, at regular intervals. In 2019, after a successful event in 2017 in Garching, we held a health day for the first time at our site in Sternenfels, where colleagues were able to obtain advice and undergo examinations. Since 2018, the Company offers employees at both German production sites massage treatments by trained physical therapists. These measures should help to further reduce the number of workplace accidents and sick leaves in the coming years.

TRAINING AND EDUCATION

Well-trained and motivated employees are an essential element for a successful company. Therefore, the targeted training and education of employees is a major objective of our sustainability strategy. Regardless whether they work as engineers, software developers, or, for example, employees in human resources: The ever-changing legal environment and the innovation-driven semiconductor sector make it indispensable that colleagues participate in continuing education on an ongoing basis and further develop their skills in their own interests and those of the Company.

Supporting new talent is an important part of SUSS MicroTec's comprehensive training concept. Apprentices have the choice between two career fields, in which they are provided professional support. The Company maintains apprentice workshops featuring modern equipment at both German production sites. Cooperation with career academies in the area of the dual vocational training and instruction of students has increased in significance in recent years.

With its emphasis on the areas of HR, process optimization, and communication, the SUSS Excellence Program, which was launched in 2017, offers employees the opportunity to place their training and education at SUSS MicroTec on a solid foundation and to improve their individual circumstances at work. Targeted measures, such as the introduction of an interactive learning platform, expand upon the internal continuing education system. They are embedded in efforts to shape the corporate culture constructively.

PROMOTION OF DIVERSITY

For SUSS MicroTec, social diversity is being driven with a balanced employee structure. Following the premise of equal opportunity, we interact with all people without any prejudice. We view it as our task to promote the participation of women in the technically sophisticated area of semiconductor technology and to provide them with a satisfactory training path, if necessary. Our efforts aim to take into account family obligations in the professional context through flexible working hours as much as possible, thereby making it easier to balance family and career. We seek to fill management positions according to quotas established by the Company for the individual management levels. The share of women at the German sites totaled approximately 20% in 2019.

The Company endeavors to hire qualified specialists from throughout Europe and the rest of the world. Our efforts are directed toward the cultural integration of our employees with a migration background and supporting them in pursuing their professional career at SUSS MicroTec. At the Garching site, we have offered refugees the prospect of a career in cooperation with an integration service provider since 2016. As a matter of course, we are also committed to integrating people with disabilities in the Company.

MATERIAL EMPLOYEE-RELATED RISKS

Considering demographic trends in Germany and high industry-spanning demand for qualified employees, the task of finding, training, and winning the long-term loyalty of capable employees is becoming increasingly important. Flexible working hours, a reasonable work-life balance, and appropriate and attractive remuneration are now fundamental prerequisites for filling many open positions. If we are unable to find sufficient up-and-coming talent or new employees for upcoming challenges in local com-

petition with major corporations and other companies, this could have a significant negative impact on the future of the Company. Infrequently, but still on a regular basis, knowledge carriers leave the Company or enter into a well-deserved retirement. In these cases, we must succeed in having suitable up-and-coming talent already on board at the time of departure in order to ensure a smooth transition and to minimize the loss of expertise.

RESPECT FOR HUMAN RIGHTS

SUSS MicroTec respects internationally recognized human rights and supports their observance. We respect the dignity, privacy, and personal rights of each individual. In addition, we promote equal opportunity and do not discriminate in the hiring and promotion of employees. We work with individuals of different ethnic backgrounds, cultures, religions, and ages, without regard to disability, skin color, sexual identity, world view, and gender. In accordance with our own standards and with labor laws of the countries in which we operate, we fundamentally do not tolerate any discrimination based on these characteristics, any harassment (verbal, in social networks, physical, or sexual), bullying, or other personal attacks on individuals. In addition, SUSS MicroTec strictly rejects as a matter of course any form of child labor, forced labor, or comparable practices on its premises or at suppliers and customers.

GOALS

Values like honesty, loyalty, and integrity as well as the personal responsibility of each individual employee are particularly important to us. A Code of Conduct was approved as part of the Group-wide compliance program in order to cope with the legal and ethical challenges encountered in day-to-day work, to create clarity, and thus to strengthen trust in the performance and integrity of the SUSS MicroTec Group. Accordingly, this Code of Conduct contains minimum standards that apply to each employee of SUSS MicroTec SE and its subsidiaries worldwide. We also require our suppliers to uphold the same high standards. Also in the 2019 fiscal year, there were no reported violations or complaints by customers or suppliers regarding human rights abuses. Our goal is to maintain this standard.

RISKS

Through targeted training and employee awareness sessions, we want to encourage employees to use internal control mechanisms or the whistle-blowing system in cases of (potential) violations. In cases of human rights abuses, the Company could suffer reputational damage along with a possible loss of market share and even employees. Operationally, this could even lead to bottlenecks in the supply of materials should a supplier be denied us in case of an incident.

SUPPLY CHAIN

As an international and continuously expanding company with a broad product range, we have an ever more complex value chain. Here, we assume the role of a manufacturer of tools that are resold to manufacturing companies and are visible to the consumer to only a limited extent. As a rule, we procure many of our parts and components from supply companies in Germany and Europe. A few special components, such as robots and the like, are procured from international manufacturers.

We have implemented various measures in order to optimize our supply chain with respect to sustainability issues. While manufacturing our products, we pay attention to high resource efficiency, recycling, and solutions that are as environmentally friendly and socially acceptable as possible. In addition, we are conducting supplier surveys on the topics of the environment, legal and regulatory compliance, and occupational safety and health.

In 2015, corporate social responsibility material was expanded, which has been passed along together with our Code of Conduct in our regular inquiries to potential suppliers since the beginning of 2016. By doing so, we promote our standards along the upstream supply chain. The use of risky or hazardous materials is managed at all European production sites according to the regulations of the Restriction of Hazardous Substances (RoHS) and Registration, Evaluation, Authorization and Restriction of Chemicals (REACH). In 2019, a packaging regulation was introduced at the German companies in order to manage this area in an ecologically responsible manner. Our general purchasing conditions also take up the issue of "social responsibility." Above all, they address compliance with human rights and labor standards, the prohibition of discrimination, forced and child labor, anti-corruption, and ethical and ecological procurement.

FIGHTING CORRUPTION AND BRIBERY

All employees must report situations in which their personal or other economic or financial interests could come into conflict with those of the SUSS MicroTec Group. Even the appearance of a conflict of interest can damage the reputation or interests of SUSS MicroTec and should be avoided from the outset. As a rule, business decisions are always made for the benefit of the Company. Business ethics and integrity ensure our credibility. It is a matter of course that all Group companies and employees obey the laws and regulations of the countries in which they operate and meet their obligations in a reliable manner. They must demonstrate integrity and fairness in all aspects of their business activities. We expect the same from our partners.

We are convinced that ethical and economic values are mutually dependent and that participants in the business world must strive to treat each other fairly and act within the framework of established standards. Our principles on this can be found in the Code of Conduct and are available to every employee as well as customers and suppliers.

While the Company expects honest and ethical behavior from all employees in all aspects of our business, it applies particularly high standards to its executives, from whom the highest degree of integrity and honesty is expected, since they set the management style and serve as an example for all employees.

This requires honest and sincere behavior considering the required confidentiality of certain corporate information. This includes compliance with relevant laws, provisions, regulations, the articles of incorporation, and the provisions of applicable accounting and auditing principles, as well as the avoidance of conflicts of interest and competitive advantages through illegal or unethical business practices.

The Company obtains its orders in a fair manner through customer orientation, innovation, and technologically leading products. Employees are not permitted to offer, promise, or grant unjustified advantages in connection with their activities for SUSS MicroTec directly or indirectly. Neither monetary payments nor other benefits may be provided if they are designed to influence decisions and/or to obtain an unjustified advantage.

GOALS

With regard to fighting corruption and bribery, our goal is a high acceptance rate for our Code of Conduct. This applies not only to German locations but also to all worldwide subsidiaries. As of 12/31/2019, the Company had 937 employees (including part-time employees and apprentices). As of this date, we were missing written letters of acceptance of the Code of Conduct from only 17 employees worldwide. This equates to a response rate of approximately 98.0 percent as of 12/31/2019. At the end of the 2018 fiscal year, this rate was 98.0 percent. As a result of fluctuations in staff, it will be hardly possible to achieve a rate of 100 percent at any time. Therefore, we are striving for a response rate of at least 95 percent.

RISKS

In case of violations of legal provisions regarding bribery and corruption, the Company could face, in addition to significant reputational damage, painful fines or, in extreme cases, prison terms for employees who have violated the provisions. In the 2018 and 2019 fiscal years, the Company had no incidents, reports, or legal proceedings involving corruption or bribery. Our goal is to hold this rate at zero through training and awareness.

SOCIAL CONCERNS

As a mid-size company with limited resources, SUSS MicroTec focuses on its business activities – the manufacturing of machines. There is no attempt to influence politics at the local and higher level. As a rule, we do not make any donations or sponsorships for political parties or organizations similar to parties domestically or internationally. Donations and sponsorships for sporting events, charitable events, or the like require approval by the Management Board and are carried out only in rare cases and only on a small scale. No noteworthy goals, opportunities, or risks arise from the social aspect.

OVERVIEW OF THE ISSUES AND GOALS

	GOALS 2020	STATUS 2019
ISSUES / GOALS		
Environmental Concerns	Reduction of energy usage (measured in CO ₂ equivalents) by 16–18% (2012–2020)	Reduction of energy usage (measured in CO ₂ equivalents) by 18% (status 2019)
Employee-Related Concerns	Reduction of the number of reported workplace accidents	Number of reported workplace accidents = 12
Respect for Human Rights	Number of reported violations = 0	Number of reported violations = 0
Fighting corruption and bribery	Acceptance rate for compliance documents > 95%	Acceptance rate for compliance documents = 98%
Social Concerns	No separate goals set in the framework indicated here	–

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