

Information on Item 8 of the agenda of the Annual
General Meeting of LPKF Laser & Electronics AG on May
20, 2021

Remuneration system for the members of the Supervisory Board

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The remuneration system takes account of the responsibility and the scope of activities of the members of the Supervisory Board. By monitoring the Management Board's management activities, the Supervisory Board helps to promote the Company's business strategy and long-term growth.

In addition to reimbursement for all expenses and any sales tax to be paid on their remuneration and expenses, each member of the Supervisory Board also receives a fixed annual remuneration. Variable remuneration and financial or non-financial performance criteria are not planned. This takes account of the Supervisory Board's independent control and advisory function, which is based not on the short-term performance of the Company, but rather its long-term growth.

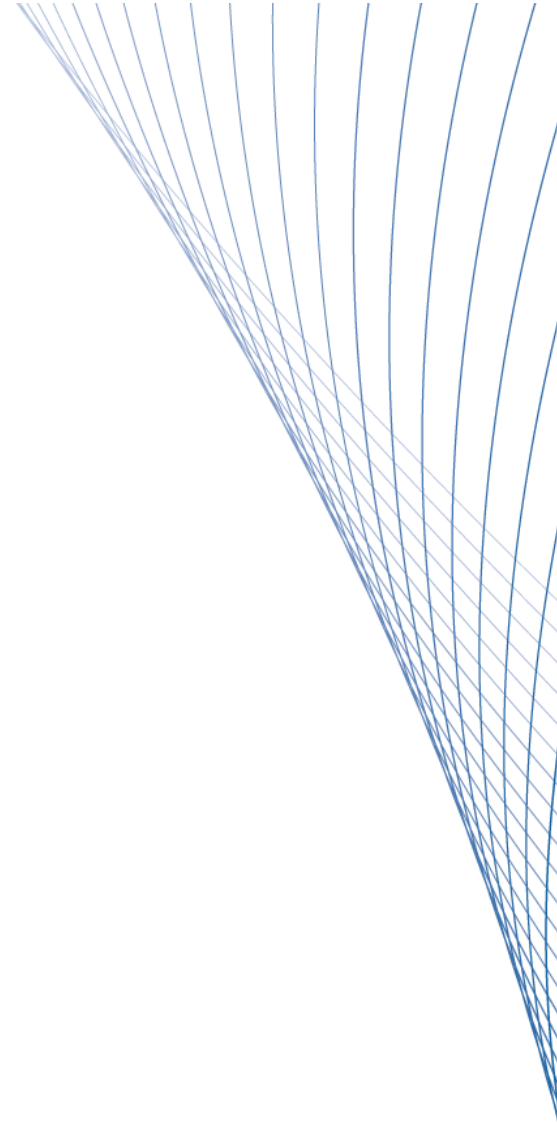
The amount of the defined remuneration takes account of the specific function and the responsibility of the respective member of the Supervisory Board. For example, appropriate account is taken of the substantial time spent by the Chairperson of the Supervisory Board and the Deputy Chairperson of the Supervisory Board as well as the Chairpersons of Committees by way of higher remuneration. A distinction is made in this regard between the Audit Committee and other committees.

The basic remuneration is payable in two equal installments: at the end of six months after the beginning of a financial year and at the end of the financial year. Members of the Supervisory Board who did not belong to the Supervisory Board for a full financial year or who served as Chairperson or Deputy Chairperson of the Supervisory Board or Chairperson of a committee shall receive remuneration on a pro rata basis, i.e. in the amount of 1/12 for each calendar month of their activity.

The remuneration of the members of the Supervisory Board of LPKF Laser & Electronics Aktiengesellschaft is defined in Article 20 of the Articles of Incorporation. The remuneration and the remuneration system for the Supervisory Board are reviewed by management on a regular basis. In particular, the key factors include the amount of time spent by the members of the Supervisory Board as well as the remuneration paid to other supervisory boards of similar companies. Because of the special nature of the remuneration of the Supervisory Board, which is paid for the activities of the Supervisory Board and which differs fundamentally from the activities of the employees of the Company and the Group, there is no vertical comparison with employee compensation.

If the Management Board and the Supervisory Board believe it is necessary to adjust the remuneration or the remuneration system, they shall submit a corresponding proposal to the Annual General Meeting; in any case, a proposal concerning the remuneration, including the underlying remuneration system, shall be submitted to the Annual General Meeting at least every four years. The Management Board and Supervisory Board have discussed the above proposal for remuneration of the members of the Supervisory Board in detail.

The rules to avoid and deal with conflicts of interest are also considered during the process to define and implement the remuneration system.



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