



**Invitation to the Annual
General Meeting for 2022**
GRAMMER AG

Wednesday, May 18, 2022, 10 a.m. (CEST)

Revenue
1,903.0 EUR m

EBIT margin
1.0%

Operating EBIT margin
1.2%

Equity ratio
23.3 EUR m

Net profit
0.6 EUR m

Free cash flow
-5.6%

EBIT
18.9

EUR m

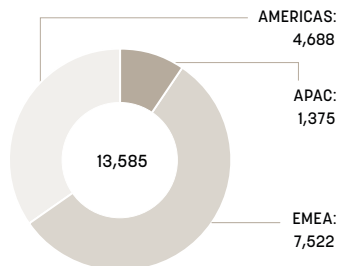
Capital expenditure
114.7

EUR m

Company profile

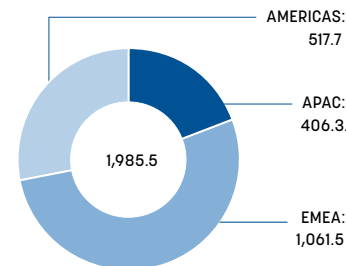
GRAMMER AG, which has its head office in Ursensollen, operates in two business segments: GRAMMER develops and produces high-quality interior and operating systems and innovative thermoplastic components for the global automotive industry. GRAMMER is a full service provider of driver and passenger seats for trucks, buses, trains and offroad vehicles. At present, GRAMMER AG has about 14,000 employees in 19 countries around the world. Its revenue in 2021 was about EUR 1.9 billion. GRAMMER shares are listed in the Prime Standard and traded on the Munich and Frankfurt stock exchanges via the Xetra electronic trading platform.

Employees by region¹
Annual average



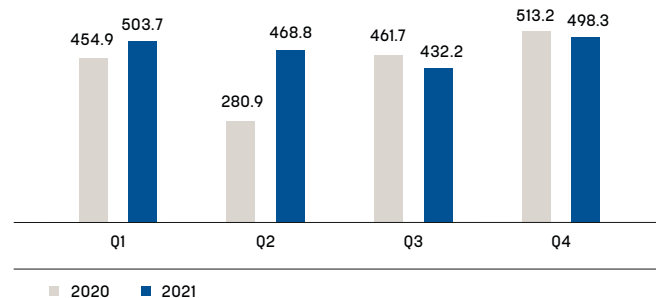
¹ On average, 421 people were employed in Central Services.

Revenue by region²
EUR m



² The consolidation effect of revenue between the regions amounts to EUR 82.5 million.

Revenue by quarter
EUR m



Operating EBIT by region
AMERICAS

-61.5
EUR m

EMEA

47.2
EUR m

APAC

52.8
EUR m

Information in accordance with Section 125 of the German Stock Corporation Act (AktG) in conjunction with Table 3 of the Implementing Regulation (EU) 2018/1212

A. Specification of the Message

A1	Unique identifier of the event	Virtual Annual General Meeting of GRAMMER AG on May 18, 2022 in the format according to Implementing Regulation (EU) 2018/1212: a144d7bda6b1ec1812d005056888925
A2	Type of message	Invitation to the Annual General Meeting in the format according to Implementing Regulation in the format according to Implementing Regulation (EU): NEWM

B. Specification of the Issuer

B1	ISIN	DE0005895403
B2	Name of the Issuer	GRAMMER Aktiengesellschaft

C. Details of the Annual General Meeting

C1	Date of the Annual General Meeting	May 18, 2022 in the format according to Implementing Regulation (EU) 2018/1212: 20220518
C2	Time of the Annual General Meeting	10:00 a.m. (CEST) in the format according to Implementing Regulation (EU) 2018/1212: 8:00 hours (UTC)
C3	Type of the Annual General Meeting	Virtual Annual General Meeting without the physical presence of shareholders or their proxies in the format according to Implementing Regulation (EU) 2018/1212: GMET
C4	Venue of the Annual General Meeting	At the Company's registered office: Grammer-Allee 2, 92289 Ursensollen, Germany
C5	Technical Record Date	April 26, 2022 in the format according to Implementing Regulation (EU) 2018/1212: 20220426
C6	Uniform Resource Locator (URL)	https://www.grammer.com/en/investor-relations/annual-general-meeting/2022.html

Further information on the convening of the Annual General Meeting

(Blocks D to F of Table 3 of the Annex to Implementing Regulation (EU) 2018/1212): Further information regarding participation in the Annual General Meeting (Block D), the agenda (Block E) and details of the deadlines for exercising other shareholder rights (Block F) can be found on the following website:

<https://www.grammer.com/en/investor-relations/annual-general-meeting/2022.htm>

GRAMMER Aktiengesellschaft

Invitation to the Annual General Meeting

We hereby invite the shareholders of our Company to the

Annual General Meeting

to take place at

**10.00 a.m. (CEST) on
Wednesday, May 18, 2022.**

GRAMMER Aktiengesellschaft Ursensollen

German Securities Number (WKN): 589540

ISIN: DE0005895403

The Annual General Meeting of the Company will be held as a **virtual Annual General Meeting without shareholders or their authorized representatives attending in person** (with the exception of the voting representatives of the Company).

The virtual Annual General Meeting will be streamed live (audio and video) on the Internet for all duly registered shareholders and their authorized representatives. Shareholders exercise their voting rights exclusively by means of postal voting (in writing or by means of electronic communication) or by authorizing the voting representatives appointed by the Company. The location of the Annual General Meeting as referred to by the Aktiengesetz (AktG – German Stock Corporation Act) is the registered office of the Company at Grammer-Allee 2, 92289 Ursensollen, Germany.



Overview of the agenda

Item 1 / Page 7

Presentation of the GRAMMER AG's adopted annual financial statements and the approved consolidated financial statements, the management report of GRAMMER AG and the GRAMMER Group, the explanatory report of the Executive Board on the disclosures in accordance with sections 289a and 315a of the Handelsgesetzbuch (HGB – German Commercial Code) and the report of the Supervisory Board for fiscal 2021

Item 2 / Page 7

Resolution on official approval of the actions of the members of the Executive Board for fiscal 2021

Item 3 / Page 7

Resolution on official approval of the actions of the members of the Supervisory Board for fiscal 2021

Item 4 / Page 8

Resolution on the election of the auditor of the annual and consolidated financial statements for fiscal 2022 and the auditor for any review of the condensed financial statements and the interim management report for the first half of fiscal 2022 and other intra-year financial information

Item 5 / Page 8

Elections to the Supervisory Board

Item 6 / Page 10

Resolution on the approval of the remuneration report

Agenda

1. Presentation of the GRAMMER AG's adopted annual financial statements and the approved consolidated financial statements, the management report of GRAMMER AG and the GRAMMER Group, the explanatory report of the Executive Board on the disclosures in accordance with sections 289a and 315a of the Handelsgesetzbuch (HGB – German Commercial Code) and the report of the Supervisory Board for fiscal 2021

The Supervisory Board approved the annual financial statements and the consolidated financial statements prepared by the Executive Board in accordance with section 172 AktG; the annual financial statements are thus adopted. The Annual General Meeting is therefore not required to adopt a resolution on this item 1 of the agenda.

The annual financial statements of GRAMMER AG as of December 31, 2021, which were prepared in accordance with the provisions of the German Commercial Code, show a net accumulated loss. The agenda for this year's Annual General Meeting therefore does not contain any item requiring a resolution to be adopted by the Annual General Meeting on the appropriation of net retained profits.

2. Resolution on official approval of the actions of the members of the Executive Board for fiscal 2021

The Executive Board and Supervisory Board propose that the actions of the members of the Executive Board named under 2.1 to 2.3 below be approved for fiscal 2021:

- 2.1 Jurate Keblyte
- 2.2 Jens Öhlenschläger
- 2.3 Thorsten Seehars (Chief Executive Officer)

It is intended to have the Annual General Meeting decide the official approval of the members of the Executive Board by individual votes.

3. Resolution on official approval of the actions of the members of the Supervisory Board for fiscal 2021

The Executive Board and Supervisory Board propose that the actions of the members of the Supervisory Board named under 3.1 to 3.12 below be approved for fiscal 2021:

- 3.1 Klaus Bauer
- 3.2 Andrea Elsner
- 3.3 Dr. Ping He
- 3.4 Martin Heiß
- 3.5 Peter Kern
- 3.6 Dipl.-Ing. Jürgen Kostanjevec
- 3.7 Dr. Peter Merten
- 3.8 Horst Ott (Deputy Chairman of the Supervisory Board)
- 3.9 Gabriele Sons
- 3.10 Prof. Dr.-Ing. Birgit Vogel-Heuser
- 3.11 Antje Wagner
- 3.12 Alfred Weber (Chairman of the Supervisory Board)

It is intended to have the Annual General Meeting decide the official approval of the members of the Supervisory Board by individual votes.

4. Resolution on the election of the auditor of the annual and consolidated financial statements for fiscal 2022 and the auditor for any review of the condensed financial statements and the interim management report for the first half of fiscal 2022 and other intra-year financial information

Based on the recommendation of its Audit Committee, the Supervisory Board proposes the appointment of

**Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft
Stuttgart**

as the auditor of the annual and consolidated financial statements for fiscal 2022 and the auditor for any review of the condensed financial statements and the interim management report for the first half of fiscal 2022 and for any review of additional intra-year financial information as referred to by section 115 (7) of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act) if such review takes place before the next Annual General Meeting.

The Audit Committee has declared that its recommendation is free from undue third-party influence and that, in particular, no clauses restricting its choice as referred to by Article 16(6) of the EU Audit Regulation (Regulation (EU) No. 537/2014 of the European Parliament and of the Council of April 16, 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC) have been imposed on it.

5. Elections to the Supervisory Board

The members of the Supervisory Board of GRAMMER AG elected by the Annual General Meeting, Mr. Alfred Weber (Chairman of the Supervisory Board) and Dr. Peter Merten, have resigned as members of the Supervisory Board from the end of the Annual General Meeting on May 18, 2022. Two new members of the Supervisory Board are to be elected at the Annual General Meeting.

In accordance with section 95, sentence 2, section 96(1), section 101(1) AktG, section 7(1) no. 1 of the Mitbestimmungsgesetz (MitbestG – German Co-determination Act) and Article 10(1) of the Articles of Association of the Company, the Supervisory Board of the Company consists of six shareholder members and six employee members.

In accordance with section 96(2) AktG, the Supervisory Board must comprise at least 30% women and at least 30% men. As joint fulfillment in accordance with section 96(2), sentence 3 AktG was objected to, this minimum share must be achieved by both the shareholder representatives and the employee representatives separately. Therefore, of the six shareholder members of the Supervisory Board, at least two must be women and at least two must be men. The shareholder members of the Supervisory Board currently include Ms. Gabrielle Sons and Prof. Birgit Vogel-Heuser. The minimum quota for shareholder members is therefore currently fulfilled regardless of the candidates nominated below.

The Supervisory Board's proposals are each based on recommendations by its Nomination Committee. They are consistent with the skills profile for the Supervisory Board, its diversity profile and the targets for its composition. It is intended to vote for the nominees individually in accordance with Recommendation C.15, sentence 1 of the German Corporate Governance Code, as amended December 16, 2019.

In accordance with Article 10(4) sentence 1 of the Articles of Association of the Company, the new members of the Supervisory Board will be elected for the remainder of the term of office of the resigning members.

Effective from the end of the Annual General Meeting on May 18, 2022 until the end of the Annual General Meeting that adopts a resolution on formal approval of the actions of the Supervisory Board for fiscal 2024, the Supervisory Board proposes to elect the following persons to the Supervisory Board as shareholder representatives:

5.1 Dr. Martin Kleinschmitt, Berlin,
lawyer and partner of Noerr Partnerschaftsgesellschaft mbB
Rechtsanwälte Steuerberater Wirtschaftsprüfer

5.2 Ms. Dagmar Rehm, Dipl.-Volkswirtin, Langen,
self-employed management consultant

In the opinion of the Supervisory Board, neither Dr. Martin Kleinschmitt nor Ms. Dagmar Rehm, Dipl.-Volkswirtin, have any personal or business relations with GRAMMER AG or its Group companies, the executive bodies of GRAMMER AG or a significant shareholder of GRAMMER AG that would have to be disclosed in accordance with Recommendation C.13 of the German Corporate Governance Code, as amended December 16, 2019.

The Supervisory Board has also assured itself that the candidates can dedicate the necessary time.

In accordance with section 100(5) AktG, at least one member of GRAMMER AG's Supervisory Board must possess expertise in the field of financial reporting and at least one other member of the Supervisory Board must possess expertise in the field of auditing. These requirements for the composition of the Supervisory Board will be fulfilled as a result of the forthcoming elections. Dr. Martin Kleinschmitt covers the area of "accounting", while Ms. Dagmar Rehm, Dipl.-Volkswirtin, covers the area of "financial reporting".

Disclosures in accordance with section 125(1) sentence 5 AktG on the candidates for Supervisory Board nominated by the Supervisory Board:

Dr. Martin Kleinschmitt

- (a) Memberships in statutory supervisory boards:
- Chairman of the Supervisory Board of SAF-HOLLAND SE, Bessenbach
 - Chairman of the Supervisory Board of SAF-HOLLAND GmbH, Bessenbach
 - Chairman of the Supervisory Board of G&H Bankensoftware AG, Berlin
- (b) Memberships in comparable German and foreign control bodies of business enterprises:
- None

Ms. Dagmar Rehm, Dipl.-Volkswirtin (graduate economist)

- (a) Memberships in statutory supervisory boards:
- Member of the supervisory board of Koenig & Bauer AG, Würzburg
 - Member of the supervisory board of O'Donovan AG, Bad Homburg
- (b) Memberships in comparable German and foreign control bodies of business enterprises:
- Non-executive Director, Renewable Power Capital Ltd, London, Great Britain

Further information on the candidates, in particular their résumés, can be found on the Company's website at

<https://www.grammer.com/en/investor-relations/annual-general-meeting/2022.html>

6. Resolution on the approval of the remuneration report

Following the amendment of the German Stock Corporation Act by the Gesetz zur Umsetzung der zweiten Aktionärsrechterichtlinie (ARUG II – German Act on the Implementation of the Second Shareholder Rights Directive), a remuneration report must be prepared by the Executive Board and the Supervisory Board in accordance with section 162 AktG and submitted to the Annual General Meeting for approval in accordance with section 120a(4) AktG.

The remuneration report was audited by the auditor in accordance with section 162(3) AktG to determine whether it contains the disclosures required by law in accordance with section 162(1) and (2) AktG. The report on the audit of the remuneration report is attached to the remuneration report.

The Executive Board and the Supervisory Board propose that the remuneration report prepared and approved in accordance with section 162 AktG for fiscal 2021 be approved.

The remuneration report has been reproduced as an annex to the agenda under "NOTES ON ITEM 6 OF THE AGENDA – Remuneration report in accordance with section 162 AktG for fiscal 2021" and will be published on the Company's website at

<https://www.grammer.com/en/investor-relations/annual-general-meeting/2022.html>

from the time that the Annual General Meeting is convened. The remuneration report will also be accessible there during the Annual General Meeting as well.

NOTES ON ITEM 6 OF THE AGENDA – Remuneration report in accordance with section 162 AktG for fiscal 2021



Remuneration Report

Remuneration Report in accordance with Section 162 of the German Stock Corporation Act

The remuneration report, prepared jointly by the Executive Board and the Supervisory Board of GRAMMER AG in accordance with Section 162 of the German Stock Corporation Act (AktG), describes the basic features of the remuneration system for both the Executive Board and the Supervisory Board. The remuneration report provides information on the remuneration awarded and due to current and former members of the Executive Board and Supervisory Board in the fiscal years 2021 and 2020 in accordance with the remuneration system applicable for the fiscal year 2021. The report takes into account the recommendations and suggestions of the German Corporate Governance Code (GCGC) in the version dated December 16, 2019.

In accordance with Section 162 (3) AktG, Ernst & Young Wirtschaftsprüfungsgesellschaft has formally audited the remuneration report. The remuneration report and the note regarding the audit are published on the website of GRAMMER AG (www.grammer.com).

On May 18, 2022 the remuneration report is to be submitted to the Annual General Meeting for approval in accordance with the requirements of Section 120a (4) AktG.

I. Review of the fiscal year 2021

Following a challenging fiscal year 2020, marked by the impact of the COVID-19 pandemic, GRAMMER AG recorded positive business development in 2021. This development was largely driven by the disproportionately high share of sales generated by the higher-margin Commercial Vehicles division. The company is currently growing particularly strongly in the APAC region, which includes the, for GRAMMER AG, particularly important Chinese market.

In fiscal 2021, the ongoing COVID-19 pandemic and its aftermath continued to determine business activities of GRAMMER AG to a large extent. While the first half of the year was initially characterized by regional lockdowns and simultaneous economic recovery, in the second half of the year negative impacts, such as supply chain problems and labor shortages, as well as the emerging delta and omicron variants of the COVID-19 virus, increasingly impacted the earnings development of GRAMMER. With regard to its own organization, the Group succeeded in limiting the negative effects and protecting the health and safety of its employees in the best possible way thanks to comprehensive Corona-virus protection and response measures.

During the reporting period the realignment of the organization into the three regions AMERICAS, APAC, and EMEA, initiated in 2020, was tested, which was a stress test for the Group, particularly due to the ongoing COVID-19 pandemic. However, the realignment was successful for the Group. The new structure has strengthened the various market regions by giving them more responsibility. The aim is to further strengthen the three regions in the current fiscal year, thereby further increasing responsiveness and flexibility.

The Supervisory Board of GRAMMER AG extended the terms of office of the three members of the Executive Board Thorsten Seehars (CEO), Jurate Keblyte (CFO) and Jens Öhlenschläger (COO) in the preceding fiscal year. Through this the Supervisory Board rewarded the strategic realignment of GRAMMER AG the Executive Board undertook in 2020 and its exceptional circumstances. In addition, the early and determined implementation of the efficiency assurance program to further improve the cost structure and sustainably strengthen competitiveness created a solid basis for operational excellence and the longterm success of the company.

As the world's largest single market for passenger cars and commercial vehicles, China has an enormous importance for GRAMMER. That's the reason why the company pursued its growth strategy resolutely there in the year 2021. Next to the opening of the new production location in Shenyang the company opened the new Chinese Headquarter in Hefei (Province Anhui). Furthermore, the foundation of a joint venture company together with a subsidiary of the FAW-Group, the biggest commercial vehicle manufacturer in China, marked another milestone. In this context, GRAMMER together with its joint venture partner expanded its manufacturing network for commercial vehicle seats with the Chinese sites in Harbin and Qingdao.

The GRAMMER Group takes its responsibility towards the environment seriously and wants to make its contribution to meeting the 1.5 degree target of the Paris climate agreement. To this end, the company aims to reduce its CO₂-emissions worldwide by at least 50% by the end of this decade and has defined various fields of action in 2021 that will contribute to achieving this goal.

II. Overview of the Remuneration system of the Executive Board

1. Principles

In response to the amended regulatory requirements resulting from the implementation of the second European Shareholder Rights Directive (ARUG II), the Supervisory Board reviewed the remuneration system for the Executive Board of GRAMMER AG in detail from the fourth quarter of 2020 and revised it to ensure compliance with the German Stock Corporation Act (AktG) and the GCGC and to implement an ambitious incentive structure aligned with the corporate strategy.

On June 23, 2021 the revised remuneration system for the members of the Executive Board of GRAMMER AG was approved by the Annual General Meeting with an approval rate of 99.89% and has been in place since the fiscal year 2021 for all active Executive Board members.

There were no changes in the Executive Board during the reporting period. The contracts of the incumbent Executive Board members were extended in March and August 2021 respectively to ensure continuity and a sustainable focus in the Executive Board team.

The remuneration system adopts a clear pay-for-performance approach, setting ambitious targets that are aligned with the corporate strategy. In addition, the remuneration system is more closely oriented to the capital market by offering a revised Long-term incentive in the form of a performance share plan. Among other things, the Short-term incentive includes ESG objectives, i.e. environmental aspects, social objectives, and responsible corporate governance, in order to provide an incentive for sustainable and responsible development at GRAMMER AG.

The principles of the new remuneration system are explained below.

2. Remuneration elements

The remuneration system of the Executive Board of GRAMMER AG consists of both fixed and variable components. In this context, a high proportion of the remuneration is performance-related. The variable remuneration components comprise a Short-term incentive (STI) and a Long-term incentive (LTI). The table below shows the main principles of the remuneration system.

Fixed components

Fixed remuneration	Contractually agreed fixed remuneration paid in twelve equal monthly installments
Ancillary benefits	Standard ancillary benefits (including company car and insurance cover)
Retirement benefits	Cash amount that can be used by the member of the Executive Board for private pension savings

Variable components

Short-term incentive (STI)

Plantyp	Annual target bonus plan
Cap	170% of the target amount
Performance criteria	<ul style="list-style-type: none">• Net income, EBIT or EBT (determined annually by the Supervisory Board)• Free cash flow (FCF)• Strategic and ESG goals, e.g. compliance, environmental protection, economic stability and growth
Payment	In cash after the end of the financial year

Long-term incentive (LTI)

Plan type	Performance share plan
Cap	200% of the target amount
Performance criteria	<ul style="list-style-type: none">• Total shareholder return (TSR) relative to the SDAX• ROCE
Performance period	Four years
Payment	In cash after four-year performance period

Further contractual provisions

Maximum remuneration	<ul style="list-style-type: none">• EUR 2,700,000 for the Chairman of the Executive Board• EUR 1,800,000 for the other members of the Executive Board
Malus / Clawback	Possibility of reducing or reclaiming performance-related remuneration in the event of serious breaches of duty or misstatements in the consolidated financial statements
Cap on terminations benefits	Termination benefits may not exceed the value of two years' total remuneration

Fixed remuneration

The fixed remuneration is paid in twelve equal monthly installments at the end of each month. The members of the Executive Board do not receive any separate remuneration for accepting intra-Group mandates.

Benefits in kind

The Executive Board members are granted customary ancillary benefits such as insurance benefits in line with market practice as well as a company car.

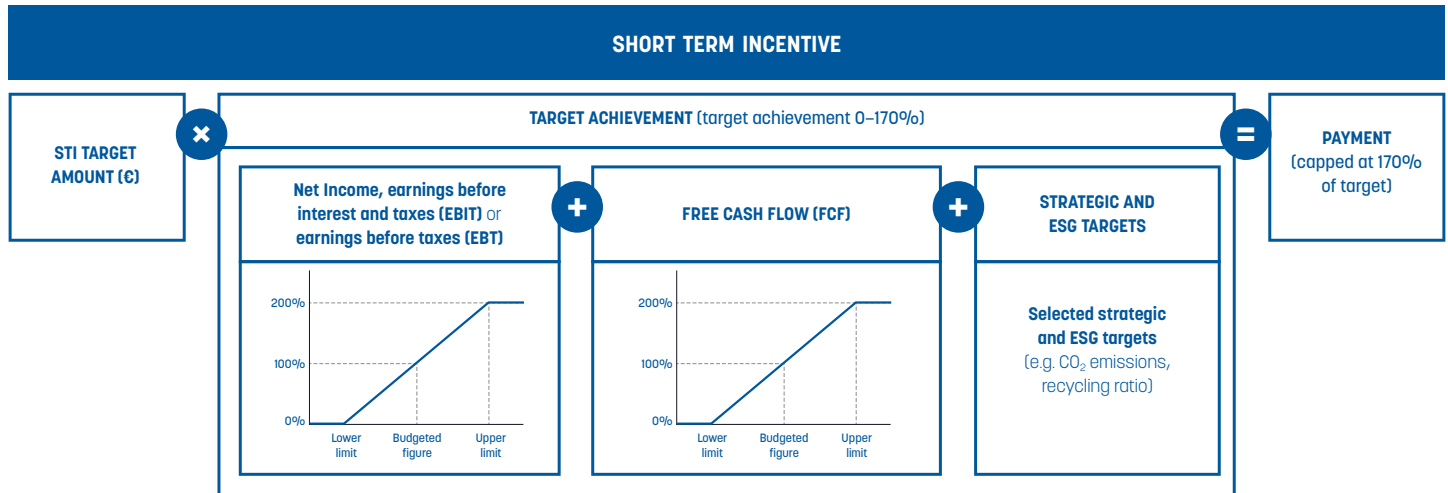
Pension substitute payment

Pension substitute payments are granted to the Executive Board Members. This cash amount will be paid in December and can be used for private retirement provisions. A company financed pension plan does not exist.

Short-term incentive

The Short-term incentive is structured as a target bonus system and includes financial, strategic, and ESG targets. The financial performance criteria are derived directly from the corporate strategy and thus take into account the company's profitability and liquidity. In addition, the strategic and ESG objectives are intended to ensure the sustainability of the company's development.

The Short-term incentive (STI) 2021 complies with the remuneration system of GRAMMER AG, approved by the Annual General Meeting, and is described in the graphic below:



The Supervisory Board set Net Income and Free Cash Flow, each as a percentage of sales, as financial performance criteria for the STI and determined the individual weightings for the fiscal year 2021. Thus, the Supervisory Board considers profitability and liquidity of GRAMMER AG and supports the implementation of the corporate strategy through the use of these core performance indicators.

Net Income as a percentage of sales (50%) and Free Cash Flow (30%) are weighted at 80% of the total.

For strategic and ESG objectives the reduction of global CO₂-emissions in terms of annual sales, the reduction of accident frequency (LTIFR = Lost time incident frequency rate), and introduction of a structured talent management process taking into account a medium-term diversity target rate. Those strategic and ESG criteria were selected by the Supervisory Board from a catalog of criteria derived from the materiality analysis of sustainability reporting. Strategic and ESG targets are weighted at 20%. The individual targets were equally weighted at 6.7%.

For all performance criteria, a target achievement between 0% and 200% can be achieved. However, the final payout is capped at 170% of the STI target amount. Target achievements at intermediate values are interpolated linearly.

The following table shows target achievements and objectives for every performance criteria which is part of the Short Term Incentive for the fiscal year 2021:

STI 2021	Weighting	Lower threshold	Target value	Upper threshold	Actual value	Target achievement
Net Income as % of sales	50%	0.96%	1.60%	2.00%	0.03%	0%
Free Cash Flow as % of sales	30%	2.33%	3.11%	3.88%	-0.29%	0%
Reduction of global CO ₂ emissions in terms of sales	6.7%	Previous Year's Value	-10% compared to previous year's value	-20% compared to previous year's value	-21% compared to previous year's value	200%
Reduction of accident frequency (LTIFR)	6.7%	Previous Year's Value	-10% compared to previous year's value	-20% compared to previous year's value	-48% compared to previous year's value	200%
Introduction of a structured talent management process	6.7%	Qualitative assessment of the supervisory board				175%
Total target achievement						38%

The basis for STI payments is the STI target amount specified in the service contracts, which is multiplied by overall target achievement of the financial, strategic, and ESG performance criteria. The STI payment is made in cash and capped at 170% of the STI target amount.

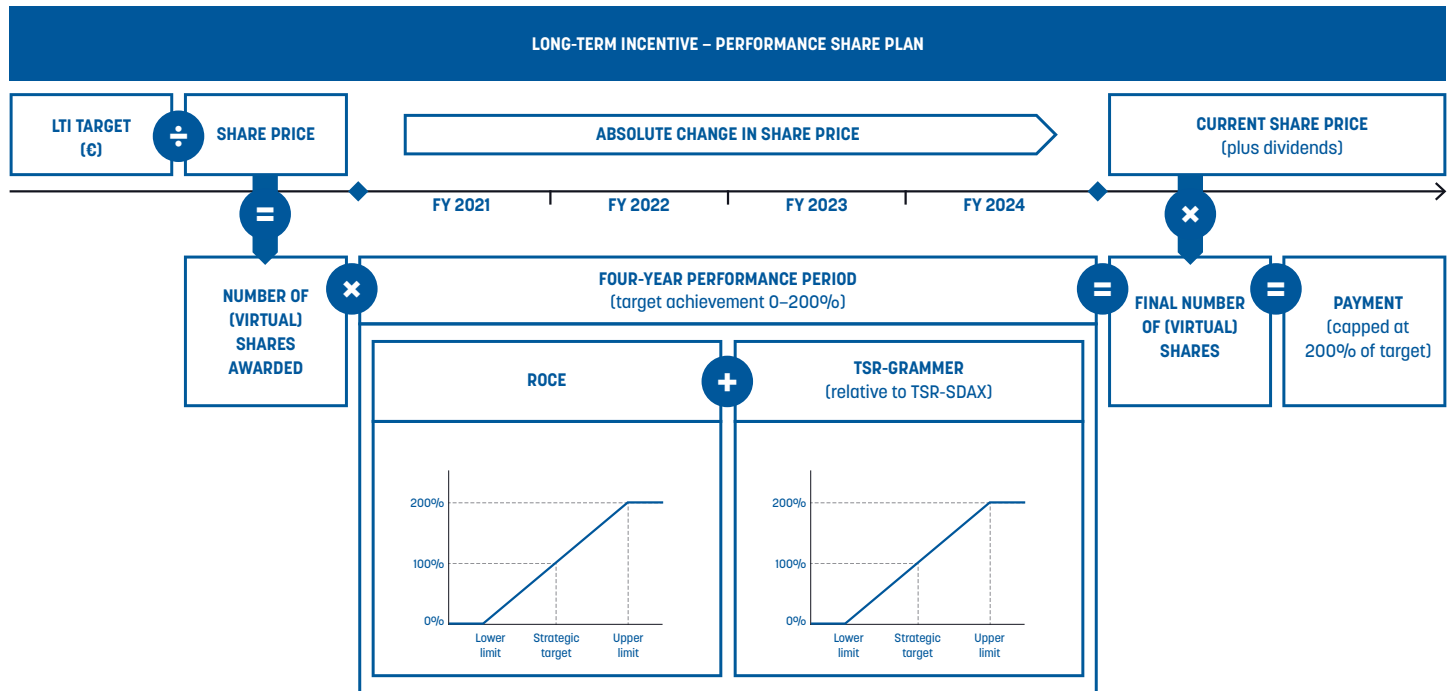
This results in the following target and payout amounts for the 2021 short term incentive:

Target and payout amounts STI 2021

	Target value in EUR k	Target achievement in %	Payout in EUR k
Thorsten Seehars	319	38	121
Jurate Keblyte	195	38	74
Jens Öhlenschläger	195	38	74

Long-term incentive – Performance Share Plan

The Long-term incentive (LTI) 2021 is structured as a Performance Share Plan and corresponds to the remuneration system of GRAMMER AG approved by the Annual General Meeting.



With a performance period of four years, the LTI is geared towards the long-term development of GRAMMER AG and, through its orientation to the share price, provides an incentive for achieving continuous growth in enterprise value. By additionally taking into account the Company's share performance relative to the SDAX, the interests of the Executive Board and shareholders are further aligned and GRAMMER AG's competitiveness in the capital market enhanced.

Under the performance share plan, a number of virtual shares are contingently allocated at the beginning of the performance period. The number of virtual shares is determined by dividing the LTI target by the arithmetic mean of the closing prices for the GRAMMER AG share over the last 60 trading days before the start of the performance period (initial reference price).

For the performance share plan 2021 the following allocations of virtual shares were made:

LTI tranche 2021 allocations

	Target value in EUR k	Allocation course in EUR	Number of allocated virtual shares
Thorsten Seehars	404	18.27	22,099
Jurate Keblyte	247	18.27	13,498
Jens Öhlenschläger	247	18.27	13,498

In addition to the virtual share's performance target achievement is determined by the Return on Capital Employed (ROCE) and the relative total shareholder return (TSR).

ROCE is the ratio of earnings before interest and taxes (EBIT) reported for the applicable financial year to average operating assets in the same financial year, expressed as a percentage. ROCE provides an incentive for maximizing the long-term profitability and efficiency of GRAMMER AG's business activities. It is measured as an average over the performance period. For ROCE the target for each LTI tranche is derived from the long-term forecast.

The relative total shareholder return (TSR) is based on GRAMMER AG's share performance as well as (notionally) reinvested dividends in comparison with the SDAX and thus places a particular focus on the development of the Company's enterprise value as well as its capital market orientation. This particularly strengthens the alignment between the interest of the Executive Board and those of the shareholders.

For the performance share plan's 2021 tranche the following target achievements for ROCE and relative TSR have been agreed on:

LTI tranche 2021 target achievements

	Lower threshold	Target value	Upper threshold
Target achievements	0%	100%	200%
ROCE	7.1%	10.1%	13.1%
Relative TSR	75%	95%	115%

The final number of virtual shares reached at the end of the performance period is multiplied by the arithmetic mean of the closing prices of the GRAMMER AG share during the last 60 trading days prior to the end of the performance period plus dividends paid per GRAMMER AG share during the performance period. Target achievement between 0% and 200% is possible for both performance criteria. Payout is in cash and will be described in the remuneration report in 2024.

In 2019 and 2020, the members of the Executive Board have been promised Long-term incentives in the form of a performance cash plan. The relative total shareholder return compared with the SDAX is also taken into account. Instead of ROCE GRAMMER Economic Value Added (EVA) is used. In March 2020, in view of the economic impacts of the COVID-19 pandemic on the company, the members of the Executive Board waived the allocation of their 2020-2023 LTI tranche and the grants already allocated for the 2019-2022 LTI tranche. Hence, no remuneration awarded or due under the Long-term incentive is currently to be reported within the meaning of Section 162 AktG.

Malus and Clawback

The remuneration system includes malus and clawback provisions, which allow the Supervisory Board, in certain cases, to reduce variable remuneration components that have not yet been paid (malus) or reclaim variable remuneration components that have already been paid (claw-back).

In the event of a significant breach of duty or a compliance violation on the part of a member of the Executive Board, the

Supervisory Board may reduce the variable remuneration components (STI or LTI) in part or in full at its due discretion (malus). If variable remuneration components have already been paid, the Supervisory Board may also demand partial or full repayment of the variable remuneration amounts received in such cases (claw-back).

If variable remuneration components are determined or paid on the basis of incorrect data, e.g. misstatements in the consolidated financial statements, the Supervisory Board may correct the determination or reclaim the remuneration components already paid.

This does not prejudice the Executive Board member's potential liability towards the Company for damages under Section 93 (2) AktG.

For fiscal year 2021, the Supervisory Board saw no reason to make any reductions or claims for repayment against members of the Executive Board.

Termination of the service contract

In the event of the premature termination of the service contract with a member of the Executive Board other than for good cause, payments to members of the Executive Board may not exceed the value of two years' worth of total remuneration and may not exceed the total remuneration for the remaining term of the service contract. The total annual remuneration as defined above comprises the fixed remuneration, the STI, the LTI and the pension substitute payment. If the service contract is terminated for good cause for reasons for which the member of the Executive Board is responsible, no LTI payments are made to him or her.

In the event of incapacity due to illness or accident, the member of the Executive Board concerned receives fixed remuneration for a further nine months. If the member of the Executive Board is entitled to illness-related benefits from third parties (e.g. sick pay), the claims are reduced accordingly. In the event of protracted incapacity over more than six months, the target STI and LTI amounts are reduced on a time-prorated basis.

In the event of the death of a member of the Executive Board, the surviving dependents (spouse and dependent children) continue to receive fixed remuneration for the month of death (time-proportionate) as well as for a further period of six months starting at the end of the month of death as joint creditors.

In the event of premature termination of the service contract, any outstanding variable remuneration components attributable to the period up until the date of termination of the contract are paid on the basis of the originally agreed targets and performance criteria on the due dates specified above. There is no early payout.

All entitlement accruing under outstanding LTI tranches lapse without any remuneration if the service contract is terminated by the Company before the end of the performance period for good cause for which the member of the Executive Board concerned is responsible, his or her appointment is revoked due to gross breach of duty, or he or she steps down other than for good cause and without the Company's consent. Notwithstanding this, all outstanding LTI tranches are settled immediately at the agreed targets (100% target achievement) and paid to the member of the Executive Board or his or her heirs if the service contract lapses due to disability or the death of the member of the Executive Board.

3. Individual disclosure of the Executive Board remuneration

Target remuneration

When determining the specific target total remuneration of the members of the Executive Board, the Supervisory Board ensures that it is commensurate with the duties and performance of the member of the Executive Board in question and the Company's situation and thus conforms to the requirements of the German Stock Corporation Act and the recommendations of the GCGC. The target total remuneration is set at a level that ensures competitiveness in the market for highly qualified executives but does not exceed the customary remuneration in the absence of any special justification.

To ensure this, the Supervisory Board regularly reviews the target total remuneration of the members of the Executive Board of GRAMMER AG. External as well as internal comparisons are applied for this purpose: On the one hand, an external comparison is made with companies that are comparable in terms of size, country, and sector. Hence, the Supervisory Board performed a comparison with the companies listed on the SDAX.

In addition, an internal comparison is used to assess the remuneration structure within GRAMMER AG. For this purpose, the remuneration of the Executive Board is compared with the two highest pay scale groups and the non-pay scale employee remuneration, and the status quo of and changes in these ratios over time are analyzed.

The following table presents the target remuneration for the fiscal year 2021 and the relative share of every remuneration component for the fiscal year 2020:

Target remuneration

	Thorsten Seebars CEO Executive Board Member since August 1, 2019			Jurate Keblyte CFO Executive Board Member since August 1, 2019			Jens Öhlenschläger COO Executive Board Member since January 1, 2019		
	2021		2020 ¹⁾	2021		2020 ¹⁾	2021		2020 ¹⁾
	in EUR k	in %	in EUR k	in EUR k	in %	in EUR k	in EUR k	in %	in EUR k
Fixed remuneration	575	39	550	353	37	317	353	37	317
Benefits in kind	15	1	23	24	3	31	27	3	28
Pension substitute payment	160	11	0	125	13	0	125	13	0
Short-term variable remuneration	319	22	313	195	21	180	195	21	180
Short-term incentive 2020	-	-	313	-	-	180	-	-	180
Short-term incentive 2021	319	-	-	195	-	-	195	-	-
Long-term variable remuneration	404	27	388	247	26	223	247	26	223
Long-term incentive 2020-2023	-	-	387.5	-	-	223.2	-	-	223.2
Long-term incentive 2021-2024	404	-	-	247	-	-	247	-	-
Pension service cost	0	0	110	0	0	63	0	0	63
Total remuneration	1,473	100	1,383	944	100	814	947	100	811

¹⁾ In March 2020, the members of the Executive Board waived the 2020 STI and the 2020-2023 LTI tranche allocation in light of the impact of the COVID-19 pandemic.

Remuneration Report Remuneration Awarded and Due

The following table shows the remuneration awarded and due individually for the fiscal year 2021 in accordance with Section 162 AktG (fixed remuneration, short-term incentive, long-term incentive, expenses for benefits) and their relative share. The term “remuneration awarded and due” describes remuneration for which the underlying activity has been fully performed as of the end of fiscal year 2021.

In addition, the remuneration awarded and due for the fiscal year 2020 is presented. To provide a complete picture of the total remuneration expenses for retirement commitments are shown (after redemption of retirement entitlement as of December 31, 2020 only in 2020).

Remuneration awarded and due for the fiscal year

	Thorsten Seehars CEO Executive Board Member since August 1, 2019			Jurate Keblyte CFO Executive Board Member since August 1, 2019			Jens Öhlenschläger COO Executive Board Member since January 1, 2019		
	2021		2020	2021		2020	2021		2020
	in EUR k	in %	in EUR k	in EUR k	in %	in EUR k	in EUR k	in %	in EUR k
Fixed remuneration	575	66	550	353	61	317	353	61	317
Benefits in kind	15	2	23	24	4	31	27	5	28
Pension substitute payment	160	18	0	125	22	0	125	22	0
Short-term variable remuneration	121	14	0	74	13	0	74	13	0
Short-term incentive 2020 ¹⁾	-	-	0	-	-	0	-	-	0
Short-term incentive 2021	121	-	-	74	-	-	74	-	-
Long-term variable remuneration	0	0	0	0	0	0	0	0	0
Long-term incentive 2017-2020 ²⁾	-	-	0	-	-	0	-	-	0
Long-term incentive 2018-2021 ²⁾	0	-	-	0	-	-	0	-	-
Other ³⁾	-	0	154	-	0	89	-	0	124
Remuneration awarded and due in accordance with Section 162 AktG	871	100	727	576	100	436	579	100	469

¹⁾ Executive Board members waived the 2020 STI in March 2020 in light of the impact of the COVID-19 pandemic.

²⁾ Due to joining the Executive Board in 2019, the members of the Executive Board did not receive an allocation of the 2017 and 2018 LTI tranches.

³⁾ As part of the revision of the Executive Board remuneration system, the old company pension plan was abolished and a pension substitute payment was introduced.

Previous retirement entitlements were replaced as of December 31, 2020 and the settlement was paid in fiscal year 2021.

The total shown includes the pension service cost for 2020.

In the fiscal year 2020, the pension obligations to the former member of the Executive Board, Manfred Pretscher, were discharged, amounting to EUR 931,641.

Maximum remuneration

Appropriate remuneration for members of the Executive Board is ensured by two types of caps: Firstly, a maximum cap of 170% on the STI and 200% on the LTI relative to the respective target amount is set for the variable components.

Secondly, pursuant to Section 87a (1) sentence 2 No 1 AktG, the Supervisory Board has defined maximum remuneration which caps the total amount of remuneration paid out for a given financial year irrespective

of the date payment. The maximum remuneration amounts to EUR 2,700,000 for the Chairman of the Executive Board and EUR 1,800,000 for the other members of the Executive Board.

The total of all expenses resulting from commitments for the fiscal year 2021 can only be determined after the four-year performance period of the Performance Share Plan 2021 (LTI 2021 - 2024). However, it can already be ruled out that the maximum remuneration pursuant to Section 87 (1) sentence 2 No 1 AktG will be exceeded, as even if the Performance Share Plan were to pay out 200% of the target amount (cap), the total of all remuneration components would be below the maximum remuneration:

Maximum remuneration for fiscal year 2021

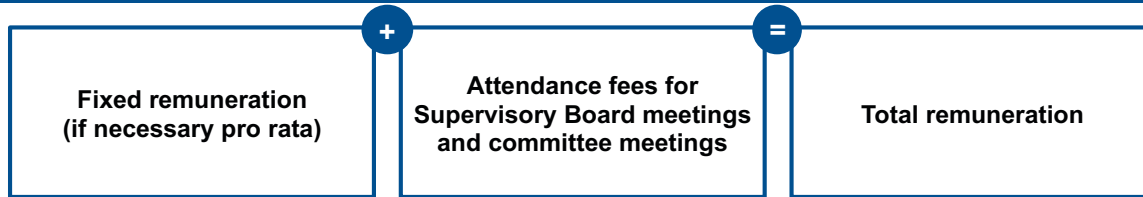
	Thorsten Seehars CEO	Jurate Keblyte CFO	Jens Öhlenschläger COO
	in EUR k	in EUR k	in EUR k
Fixed remuneration 2021	575	353	353
Benefits in kind 2021	15	24	27
Retirement benefits 2021	160	125	125
Short-term incentive 2021	121	74	74
Payout limit for the Performance Share Plan (2021-2024)	808	493	493
Maximum Value of the remuneration for the fiscal year 2021	1,679	1,069	1,072
Maximum remuneration Section 87a (1) sentence 2 No 1 AktG	2,700	1,800	1,800

III. Remuneration System for the Supervisory Board

For each full year of membership, each member of the Supervisory Board receives fixed remuneration that is paid after the end of the year in question. The members of the Supervisory Board receive a fixed attendance fee for every physical meeting of the Supervisory Board and for every physical meeting of a committee of the Supervisory Board as well as lump-sum reimbursement of expenses including any value

added tax applicable. The attendance fee is not paid for participation in meetings of the Nominating Committee. Members of the Supervisory Board who only sit on the board for part of the year receive fixed remuneration on a pro rata basis. Remuneration is differentiated by function and is based on the recommendations of the GCGC.

Remuneration system of the Supervisory Board



The following table presents the remuneration awarded and due individually for members of the Supervisory Board for the fiscal years 2021 and 2020 as well as their relative share of total remuneration.

Supervisory Board remuneration

	2021					2020				
	Fixed remuneration		Attendance fees		Total remuneration	Fixed remuneration		Attendance fees		Total remuneration
	in EUR k	in %	in EUR k	in %	in EUR k	in EUR k	in %	in EUR k	in %	in EUR k
Alfred Weber (ChSB)	60	63	35	37	95	29	57	22	43	51
Horst Ott (deputy ChSB)	45	69	20	31	65	45	66	23	34	68
Klaus Bauer	30	81	7	19	37	10	71	4	29	14
Andrea Elsner	30	71	12	29	42	30	70	13	30	43
Dr. Ping He	30	81	7	19	37	14	74	5	26	19
Martin Heiß	30	65	16	35	46	30	65	16	35	46
Peter Kern	30	81	7	19	37	14	74	5	26	19
Jürgen Kostanjevec	30	81	7	19	37	14	74	5	26	19
Dr. Peter Merten	30	63	18	38	48	30	71	12	29	42
Gabriele Sons	30	68	14	32	44	14	62	9	38	23
Prof. Dr. Birgit Vogel-Heuser	30	83	6	17	36	30	83	6	17	36
Antje Wagner	30	71	12	29	42	30	75	10	25	40
Former members of the Supervisory Board										
Wolfram Hatz (until July 8, 2020)	0	0	0	0	0	16	63	9	37	25
Ingrid Hunger (until July 8, 2020)	0	0	0	0	0	16	84	3	16	19
Harald Jung (until September 1, 2020)	0	0	0	0	0	20	87	3	13	23
Dr.-Ing. Klaus Probst (until July 8, 2020)	0	0	0	0	0	31	71	13	29	44
Lars Roder (until July 8, 2020)	0	0	0	0	0	16	76	5	24	21
Dr. Bernhard Wankerl (until July 8, 2020)	0	0	0	0	0	16	76	5	24	21

IV. Comparative presentation of remuneration and earnings development

The table below describes the development of the remuneration awarded and due of present and former members of the Executive Board and the Supervisory Board in accordance with Section 162 AktG, the development of the average employee remuneration, as well as the performance development of GRAMMER AG over the past two years.

The average personnel expenses (IFRS) on a full-time equivalent basis are used for employee remuneration. For this purpose, employees in Germany are taken into account.

Net income is used as the earnings indicator, as it is a key performance indicator and an indicator of the profitability of business activities. Net income also serves as a possible performance target in the STI.

Comparative presentation

	2021	2020	Change 2021/2020
	in EUR k	in EUR k	in %
Executive Board members			
Thorsten Seehars	871	727	20
Jurate Keblyte	576	436	32
Jens Öhlenschläger	579	469	23
Supervisory Board members			
Alfred Weber (ChSB, from July 8, 2020)	95	51	87
Horst Ott (deputy ChSB)	65	68	-4
Klaus Bauer (from September 1, 2020)	37	14	164
Andrea Elsner	42	43	-2
Dr. Ping He (from July 8, 2020)	37	19	90
Martin Heiß	46	46	0
Peter Kern (from July 8, 2020)	37	19	90
Jürgen Kostanjevec (from July 8, 2020)	37	19	90
Dr. Peter Merten	48	42	14
Gabriele Sons (from July 8, 2020)	44	23	87
Prof. Dr. Birgit Vogel-Heuser	36	36	0
Antje Wagner	42	40	5
Employees			
Average	71	70	2
Earnings performance			
Net Income Group	646	-64.708	n/a
Net Income GRAMMER AG	-2,400	-72,472	97

Report of the independent auditor on the audit of the remuneration report pursuant to Sec. 162 (3) AktG

To GRAMMER Aktiengesellschaft

Opinion

We have audited the formal aspects of the remuneration report of GRAMMER Aktiengesellschaft, Ursensollen, for the fiscal year from 1 January to 31 December 2021 to determine whether the disclosures required by Sec. 162 (1) and (2) AktG [“Aktiengesetz“: German Stock Corporation Act] have been made therein. In accordance with Sec. 162 (3) AktG, we have not audited the content of the remuneration report.

In our opinion, the disclosures required by Sec. 162 (1) and (2) have been made in the accompanying remuneration report in all material respects. Our opinion does not cover the content of the remuneration report.

Basis for the opinion

We conducted our audit of the remuneration report in accordance with Sec. 162 (3) AktG and in compliance with the IDW Auditing Standard: Audit of the Remuneration Report in Accordance with Sec. 162 (3) AktG (IDW AuS 870). Our responsibilities under this provision and standard are further described in the “Responsibilities of the auditor” section of our report. As an audit firm, we applied the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QS 1). We complied with the professional obligations pursuant to the WPO [“Wirtschaftsprüferordnung“: German Law Regulating the Profession of Wirtschaftsprüfer (German Public Auditor)] and the BS WP/vBP [“Berufssatzung für Wirtschaftsprüfer/vereidigte Buchprüfer“: Professional Charter for German Public Accountants/German Sworn Auditors] including the requirements regarding independence.

Responsibilities of the management board and supervisory board

The management board and supervisory board are responsible for the preparation of the remuneration report and the related disclosures in compliance with the requirements of Sec. 162 AktG. In addition, they are responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report and the related disclosures that are free from material misstatement, whether due to fraud or error.

Responsibilities of the auditor

Our objectives are to obtain reasonable assurance about whether the disclosures required by Sec. 162 (1) and (2) AktG are made in the remuneration report in all material respects and to express an opinion thereon in a report.

We planned and performed our audit so as to determine the formal completeness of the remuneration report by comparing the disclosures made in the remuneration report with the disclosures required by Sec. 162 (1) and (2) AktG. In accordance with Sec. 162 (3) AktG, we have not audited the accuracy of the disclosures, the completeness of the individual disclosures or the fair presentation of the remuneration report.

Nürnberg, 29 March 2022

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Schuberth
Wirtschaftsprüfer
[German Public Auditor]

Thies
Wirtschaftsprüfer
[German Public Auditor]

Further information on the invitation

1. Virtual Annual General Meeting without shareholders attending in person

In accordance with section 1(1), (2) and (6) sentence 1 of the Gesetz über Maßnahmen im Gesellschafts-, Genossenschafts-, Vereins-, Stiftungs- und Wohnungseigentumsrecht zur Bekämpfung der Auswirkungen der COVID-19-Pandemie (German Act Concerning Measures Under the Law of Companies, Cooperative Societies, Associations, Foundations and Commonhold Property to Combat the Effects of the COVID-19 Pandemic) of March 27, 2020 (Federal Law Gazette I no. 14 2020, p. 570), as amended by the Gesetz zur weiteren Verkürzung des Restschuldbefreiungsverfahrens und zur Anpassung pandemiebedingter Vorschriften im Gesellschafts-, Genossenschafts-, Vereins- und Stiftungsrecht sowie im Miet- und Pachtrecht (German Act on the Further Shortening of the Residual Debt Relief Procedure and the Adjustment of Pandemic-Related Provisions Under the Law of Companies, Cooperative Societies, Associations, Foundations and Commonhold Property) of December 22, 2020 (Federal Law Gazette I no. 67 2020, p. 3,332), the applicability of which was extended until August 31, 2022 by the Gesetz zur Errichtung eines Sondervermögens "Aufbauhilfe 2021" und zur vorübergehenden Aussetzung der Insolvenzantragspflicht wegen Starkregenfällen und Hochwassern im Juli 2021 sowie zur Änderung weiterer Gesetze (German Act on the Establishment of a "Development Aid 2021" Fund and on the Temporary Suspension of the Duty to File for Insolvency on account of Heavy Rainfall and Flooding in July 2021 and on the Amendment of Other Laws) of September 10, 2021 (Federal Law Gazette I no. 63 2021, p. 4,153) (hereinafter referred to as the "**COVID-19 Act**"), the Executive Board has determined, with the approval of the Supervisory Board, that the Annual



General Meeting will be held without shareholders or their authorized representatives attending in person (with the exception of the voting representatives appointed by the Company) as a virtual Annual General Meeting, and that the shareholders will vote by way of electronic communication in particular. The Annual General Meeting will be held at the Company's headquarters, Grammer-Allee 2, 92289 Ursensollen, Germany, with the members of the Executive Board, the Chairman and the Deputy Chairman of the Supervisory Board, the voting representatives of the Company and a notary public engaged to take the minutes of the Annual General Meeting attending in person.

Holding the 2022 Annual General Meeting as a virtual meeting in accordance with the German COVID-19 Act requires modifications to the procedures of the Annual General Meeting and to shareholders' rights. The Annual General Meeting will be streamed live (audio and video) on the Internet for all duly registered shareholders and their authorized representatives. Shareholders will be permitted to exercise their voting rights and to grant authorizations in writing or by means of electronic communication (postal voting). The intended votes on items 2 to 5 of the agenda are of a binding nature and the intended vote on item 6 of the agenda an advisory nature; votes can be cast "Yes", "No" or "Abstain", or shareholders can choose not to vote. Shareholders will be granted a right to ask questions by means of electronic communication and can file objections to resolutions of the Annual General Meeting by means of electronic communication.

We ask the shareholders and their authorized representatives to pay special attention to the following information on registering for the virtual Annual General Meeting, exercising voting rights and other shareholder rights.

All times stated in the invitation are Central European Summer Time (CEST) in Germany. In terms of Coordinated Universal Time (UTC), UTC = MESZ minus two hours.

2. Conditions for participating in the virtual Annual General Meeting and exercising voting rights

In accordance with Article 22(1) of the Articles of Association, only those shareholders who register for the virtual Annual General Meeting and provide evidence of their shareholdings are entitled to participate in the Annual General Meeting and exercise their voting rights.

Evidence of shareholdings must refer to the start of the 21st day before the Annual General Meeting, i.e. midnight at the start of April 27, 2022 (CEST), (the "**record date**"). Evidence of shareholdings provided by the last intermediary in accordance with section 67c(3) AktG is required. The Company must receive the registration and evidence of shareholdings at the following address by no later than the end of May 11, 2022 (midnight, CEST):

GRAMMER AG
c/o Computershare Operations Center
80249 Munich
e-mail: anmeldestelle@computershare.de

The registration and evidence of shareholdings must be in written or electronic form (section 126b of the Bürgerliches Gesetzbuch (BGB – German Civil Code)). We recommend that our shareholders contact their custodian bank in good time in order to ensure that the Company receives proper proof of the last intermediary in accordance with section 67c(3) AktG in due time.

Significance of the record date

Only those shareholders who have provided the Company with evidence of their shareholdings will be considered shareholders for the purposes of participating in the Annual General Meeting and exercising voting rights. Entitlement to participate in the Annual General Meeting and the number of voting rights are exclusively determined by the shareholder's shareholdings as of the record date. The record date does not prevent shareholders from selling their shareholdings. Even in the event of the full or partial sale of shareholdings after the record date, the exercise of shareholder rights, participation in the Annual General Meeting and the number of voting rights are exclusively determined by the shareholder's shareholdings on the record date, i.e. the sale of shares after the record date has no effect on the shareholder's entitlement or the number of voting rights. The same applies to the purchases of (additional) shares after the record date. Any person who is not a shareholder on the reference date, for example, but who purchases shares before the virtual Annual General Meeting is not entitled to participate or vote. The record date also has no effect on entitlement to dividends.

After the registration and evidence of shareholdings have been received by the Company, the shareholders or their authorized representatives will be sent a registration confirmation and information on how to electronically access the virtual Annual General Meeting.

3. Authorization

(a) Procedure for voting through an authorized representative

Shareholders can also exercise their voting rights through an authorized representative, e.g. an intermediary, a voting right consultant, a shareholders' association or another person of their choice. Even in these cases, shareholders must register and provide proof of ownership as of the record date in due time. If the shareholder authorizes more than one person, the Company is entitled to reject one or more of the persons in accordance with section 134(3), sentence 2 AktG.

Authorized representatives cannot attend the Annual General Meeting in person. They can only exercise the voting rights conveyed by the shareholders they represent by postal voting or by granting (sub-) authorization, in particular to the voting representatives appointed by the Company. Written or electronic form is required to issue, revoke or provide documentary evidence of an authorization to the Company (section 126b BGB).

Shareholders who wish to authorize an intermediary, a voting right consultant, a shareholder association or any equivalent institutions or persons referred to by section 135 AktG to vote on their behalf should note that in such cases the institution or person in question may require a particular form of authorization as they must retain a verifiable record of the authorization in accordance with section 135 AktG. We therefore advise such shareholders to coordinate the proper form of authorization with their authorized representatives.

Evidence of authorization or notice of revocation of such authorization can be submitted to the Company at the following postal or e-mail address:

GRAMMER AG
c/o Computershare Operations Center
80249 Munich
e-mail: anmeldestelle@computershare.de

The above can also be communicated electronically using the GRAMMER Shareholder Portal, which is available on the Company's website at

<https://www.grammer.com/en/investor-relations/annual-general-meeting/2022.html>

before and during the virtual Annual General Meeting until the start of voting.

The use of the GRAMMER Shareholder Portal by an authorized representative requires the authorized representative to receive the access data sent with the registration confirmation from the authorizing party, unless the access data are sent directly to the authorized representative.

(b) Procedure for voting through a voting representative appointed by the Company

The Company also offers shareholders the option of being represented by a voting representative appointed by the Company but bound by the shareholder's instructions. Written or electronic form is required to issue, revoke or provide documentary evidence of an authorization to the Company (section 126b BGB). The form sent to shareholders

with their registration confirmation can be used to authorize a voting representative appointed by the Company. Please note that even when authorizing a voting representative appointed by the Company, shareholders must still register and provide evidence of their shareholdings in line with the above provisions. The authorization and instructions to the voting representative should be submitted to the following postal address or e-mail address before the Annual General Meeting by the end of May 17, 2022 (midnight, CEST):

GRAMMER AG
c/o Computershare Operations Center
80249 Munich
e-mail: anmeldestelle@computershare.de

Moreover, the GRAMMER Shareholder Portal, which can be accessed on the Company's website at

<https://www.grammer.com/en/investor-relations/annual-general-meeting/2022.html>

can also be used to submit, revoke or modify any authorizations or instructions issued to the voting representatives appointed by the Company before and during the virtual Annual General Meeting until the start of voting.

The voting representatives appointed by the Company cannot accept any instructions to submit questions, propose motions or file objections.

4. Procedure for postal voting

Shareholders or their authorized representatives have the option of voting by post. This can be done in writing or by means of electronic communication.

The form printed on the registration confirmation can be used for postal voting. Shareholders will receive the postal voting form together with their registration confirmation, which will be sent to them after they have duly registered on time as described above.

Postal votes can be submitted, modified or revoked by written mail or e-mail by the end of May 17, 2022 (midnight, CEST), using the address provided under section 3 a) "Procedure for voting through an authorized representative".

Furthermore, postal votes can be submitted by means of electronic communication using the GRAMMER Shareholder Portal, which can be accessed on the Company's website at

<https://www.grammer.com/en/investor-relations/annual-general-meeting/2022.html>

Postal votes can be submitted, altered or revoked electronically using the GRAMMER Shareholder Portal before and during the virtual Annual General Meeting until the start of voting.

Please note that even when using the postal vote procedure, shareholders must still register and provide evidence of their shareholdings in line with the above provisions.

Shareholders can find further details on the form sent with their registration confirmation.

5. Additional information on exercising voting rights

If voting rights are exercised on time by multiple channels (by letter, e-mail, electronically using the GRAMMER Shareholder Portal or by postal vote in accordance with section 67c(1) and (2) sentence 3 AktG in conjunction with Article 2(1) and (3) and Article 9(4) of the Implementing Regulation (EU) 2018/1212) or if an authorization and any instructions are issued, these will be accepted in the following order regardless of when they are received: 1. electronically using the GRAMMER Shareholder Portal, 2. in accordance with section 67c(1) and (2) sentence 3 AktG in conjunction with Article 2(1) and (3) and Article 9(4) of the Implementing Regulation (EU) 2018/1212, 3. by e-mail and 4. by letter.

If multiple postal votes or authorizations and instructions are received on time by the same channel, the last declaration received is binding.

A vote cast at a later time as such does not count as the revocation of a vote cast at an earlier time.

The last revocation, received on time, of a declaration is binding.

The following applies if declarations with more than one form of a voting right being exercised are received by the same channel: Postal votes take precedence over authorizations/instructions issued to voting representatives of the Company and the latter take precedence over authorizations/instructions issued to an intermediary, a shareholder association, a voting right consultant in accordance with section 134a AktG or an equivalent person in accordance with section 135(8) AktG.

If an intermediary, a shareholder association, a voting right consultant in accordance with section 134a AktG or an equivalent person in accordance with section 135(8) AktG is unwilling to represent any shareholders, the voting representatives of the Company will be authorized to represent these shareholders according to their instructions.

6. Information on shareholders' rights in accordance with section 122(2), section 126(1), section 127 AktG, section 1(2), sentence 1, no. 3, sentence 2 of the COVID-19 Act

(a) Additions to the agenda (section 122(2) AktG)

Shareholders whose combined shares amount to at least one-twentieth of the Company's share capital (761,897 shares at the time of the Annual General Meeting being convened) or a pro rata amount of EUR 500,000 (195,313 shares at the time of the Annual General Meeting being convened) can request that items be placed on the agenda and published. Each new item must be accompanied by grounds or a proposed resolution. The request must be sent to the Executive Board in writing. The Company must receive requests for additions to the agenda at least 30 days before the Annual General Meeting, i.e. by the end of April 17, 2022 (midnight, CEST), at the following address:

**The Executive Board of GRAMMER AG
– Annual General Meeting –
Grammer-Allee 2
92289 Ursensollen, Germany**

Applicants must provide evidence that they have held shares for at least 90 days before the date when the request is received and that they will hold the shares until the Executive Board makes a decision on the application.

Additions to the agenda that must be disclosed publicly will be published in the Federal Gazette and passed on for publication to media that can be expected to disseminate the information throughout the entire European Union immediately after the request is received. They will also be published on the Company's website at

<https://www.grammer.com/en/investor-relations/annual-general-meeting/2022.html>

and shareholders will be made aware of them.

(b) Countermotions and nominations (sections 126(1) and 127 AktG)

Each shareholder is entitled to submit countermotions and nominations to the Company before the Annual General Meeting in accordance with sections 126 (1), 127 AktG. The Company will publish the countermotions and nominations on its website provided that they satisfy the relevant statutory requirements.

If countermotions or nominations must be published in advance by the Company in accordance with sections 126 and 127 AktG, they must be sent to the following address no later than 14 days before the date of the Annual General Meeting, i.e. by no later than the end of May 3, 2022 (midnight, CEST):

GRAMMER AG
– Annual General Meeting –
Grammer-Allee 2
92289 Ursensollen, Germany
e-mail: hv@grammer.com

Countermotions and nominations sent elsewhere will not be considered. Furthermore, under certain other conditions governed in more detail by sections 126 and 127 AktG, the Company can also opt not to publish countermotions (or their grounds) or nominations, in full or in part, or it can combine them. Grounds do not have to be provided for nominations. A nomination for a member of the Supervisory Board must contain the name, profession and place of residence of the nominee in addition to information on their membership of other statutory supervisory bodies. The nomination, including the name of the shareholder, any grounds to be disclosed, mandatory disclosures in accordance with section 127(4) AktG and any statement by the administration will be published on the Company's website at

<https://www.grammer.com/en/investor-relations/annual-general-meeting/2022.html>

As the COVID-19 Act is designed, shareholders cannot submit any countermotions or nominations during the virtual Annual General Meeting. Any countermotions or nominations that must be published in

accordance with sections 126 or 127 AktG are considered to have been raised at the virtual Annual General Meeting if the shareholder bringing the motion or making the nomination has been properly authenticated and has registered for the Annual General Meeting.

**(c) Right to ask questions by means of electronic communication
(section 1(2), sentence 1, no. 3, sentence 2 of the COVID-19 Act)**

Under section 1(2), sentence 1, no. 3 of the COVID-19 Act, any shareholder who has registered for the virtual Annual General Meeting is entitled to exercise their right to ask questions by means of electronic communication. The Executive Board has stipulated that questions must be submitted by means of electronic communication no later than one day before the meeting.

Questions must be submitted using the GRAMMER Shareholder Portal, which can be accessed on the Company's website at

<https://www.grammer.com/en/investor-relations/annual-general-meeting/2022.html>

by no later than the end of May 16, 2022 (midnight, CEST).

The Executive Board will decide at its own due discretion how it answers questions, section 1(2), sentence 2 of the COVID-19 Act.

Please note that under section 1(2) of the COVID-19 Act, you will be able to participate in the virtual Annual General Meeting electronically this year, but that you will not have any comprehensive right to request information or to speak by means of video and audio transmission beyond the right to ask questions in the manner described above.

Further information on shareholders' rights can be found on the Company's website at

<https://www.grammer.com/en/investor-relations/annual-general-meeting/2022.html>

7. Filing objections to resolutions adopted at the Annual General Meeting

Subject to the waiver of the requirement to appear at the Annual General Meeting, shareholders who have exercised their voting rights by means of electronic communication or by granting authorization will have the option to object to resolutions adopted at the Annual General Meeting. Such declarations must be sent to the notary public using the GRAMMER Shareholder Portal, which is available on the Company's website at

<https://www.grammer.com/en/investor-relations/annual-general-meeting/2022.html>

and can be submitted from the start of the Annual General Meeting until it is closed by the chairman of the meeting.

8. Video and audio stream of the virtual Annual General Meeting

The video and audio stream of the Annual General Meeting on the Internet will be available to duly registered shareholders or their authorized representatives using the GRAMMER Shareholder Portal, which can be accessed on the Company's website at

<https://www.grammer.com/en/investor-relations/annual-general-meeting/2022.html>

9. Option to submit statements by video

As the COVID-19 Act is designed, shareholders and their authorized representatives cannot have spoken statements added to the agenda of the virtual Annual General Meeting. However, after registering – and going beyond the provisions of the COVID-19 Act – they will have the option of submitting statements relating to the agenda by video before the Annual General Meeting, so that these can be posted on the GRAMMER Shareholder Portal on the Company's website.

Such video statements, in German, can be sent to the Company by shareholders who have duly registered to participate in the Annual General Meeting, or their authorized representatives, using the GRAMMER Shareholder Portal, which can be accessed on the Company's website at

<https://www.grammer.com/en/investor-relations/annual-general-meeting/2022.html>

by no later than the end of Friday, May 13, 2022 (midnight, CEST).

A video statement must not exceed a length of two minutes. Video statements are only permitted if a shareholder or their representative appear and speak themselves.

There is no legal right to have a video statement published. In particular, the Company reserves the right not to publish video statements if they have no discernible connection to the agenda of the Annual General Meeting, their content and form of presentation are not consistent with a permissible spoken contribution at the Annual General Meeting or if they feature content that is offensive, discriminatory, illegal, patently false or misleading. The same applies to video statements in a language other than German and to video statements of longer than two minutes or that are not submitted by the deadline stated above. The Company also reserves the right to publish only one video statement per shareholder.

If video statements duly submitted in accordance with the above provisions are submitted prior to the Annual General Meeting are published, this will be done on the GRAMMER Shareholder Portal, which can be accessed on the Company's website at

<https://www.grammer.com/en/investor-relations/annual-general-meeting/2022.html>

It is also intended to play the video statements published for the shareholders and their authorized representatives during the stream of the Annual General Meeting. However, the Executive Board can decide at its due discretion not to play video statements in full if this would potentially lead to the Annual General Meeting overrunning an appropriate amount of time. At its due discretion, the Executive Board can also decide to play only a selection of the video statements published.

Any such decision can be guided in particular by the connection to the agenda, the time needed to play the video statement, the number of video statements submitted and the number of shares represented by the submitting shareholder/authorized representative, and the Executive Board can give preference to, for instance, shareholder associations or fund companies. There is no legal right to have a video statement played.

Video statements will be posted on the GRAMMER Shareholder Portal/played during the Annual General Meeting with the name and place of residence/business address of the submitting shareholder/authorized representative. This is conditional on the submitting shareholder/authorized representative having given their consent.

10. Any motions, nominations, questions or objections to resolutions of the Annual General Meeting in the video statements submitted will be disregarded. These should be exclusively submitted by the channels described in this invitation. Reference to the Company's website

The information in accordance with section 124a AktG can be accessed on the Company's website at

<https://www.grammer.com/en/investor-relations/annual-general-meeting/2022.html>

11. Total number of shares and voting rights

At the time of the Annual General Meeting being convened, the share capital of the Company is divided into 15,237,922 no-par value shares with the same number of voting rights. There are therefore 15,237,922 voting rights. The Company holds 330,050 treasury shares at the time of the Annual General Meeting being convened. These shares do not confer any voting rights.

12. Data protection

GRAMMER AG processes the personal data of its shareholders and any shareholder representatives in order to prepare and conduct its virtual Annual General Meeting. The purpose of processing this data is to enable shareholders and shareholder representatives to participate in the virtual Annual General Meeting and to exercise their rights before and during the virtual Annual General Meeting.

GRAMMER AG processes this data as the controller in accordance with the provisions of the EU General Data Protection Regulation (GDPR) and all other relevant laws. Details on the handling of personal data and rights in accordance with the European General Data Protection Regulation can be found on the Company's website at

<https://www.grammer.com/en/investor-relations/annual-general-meeting/2022.html>

Ursensollen, April 2022

The Executive Board

GRAMMER AG

Grammer-Allee 2
92289 Ursensollen
Phone +49 (0) 96 21 66 0
Germany
www.grammer.com