

# CORPORATE GOVERNANCE

## Corporate governance declaration pursuant to sections 289f and 315d HGB

In this declaration, the Executive Board and Supervisory Board report on the Company's corporate governance in the financial year from January 1 to December 31, 2022 in accordance with sections 289f, 315d HGB and as stipulated in principle 23 of the German Corporate Governance Code (the Code). Further information on Corporate Governance – such as the Company's articles of association, the Supervisory Board's rules of procedure and the corporate governance declarations from previous financial years – are also available on our website at <https://www.grammer.com/en/investor-relations/corporate-governance>.

### 1. Declaration of conformity with the German Corporate Governance Code

The Executive Board and Supervisory Board of GRAMMER AG have approved the following declaration in accordance with section 161 AktG as of December 20, 2022::

GRAMMER Aktiengesellschaft Executive Board and Supervisory Board declaration on the recommendations of the "Government Commission on the German Corporate Governance Code" in accordance with section 161 AktG

GRAMMER AG ("Company") conforms to all recommendations of the Government Commission on the German Corporate Governance Code in the version dated April 28, 2022, published in the official section of Bundesanzeiger on June 27, 2022, announced by the Federal Ministry of Justice and Consumer Protection in the official section of Bundesanzeiger and will continue to comply with these in the future:

Since issuing the last declaration of conformity on December 9, 2021, the Company has conformed to all recommendations of the Government Commission on the German Corporate Governance Code in the version dated December 16, 2019, published in the official section of Bundesanzeiger on March 20, 2020, announced by the Federal Ministry of Justice and Consumer Protection in the official section of Bundesanzeiger.

Ursensollen, December 20, 2022

GRAMMER Aktiengesellschaft

The Executive Board

The Supervisory Board

The current declaration of conformity and the declarations of conformity for the past five years can be viewed on GRAMMER AG's website at <https://www.grammer.com/en/investor-relations/corporate-governance/>.

### 2. Remuneration report/remuneration system

The remuneration report for the last financial year and the auditor's report in accordance with section 162 AktG, the remuneration system in place for members of the Executive Board in accordance with section 87a (1) and (2) sentence 1 AktG, which was approved by the Annual General Meeting on June 23, 2021, and the resolution passed by the Annual General Meeting on June 23, 2021, in accordance with section 113 (3) AktG on remuneration for members of the Supervisory Board are available to the public at <https://www.grammer.com/en/investor-relations/corporate-governance/overview.html>.

### 3. Information on corporate governance practices Suggestions of the Code

GRAMMER AG voluntarily complies with all suggestions set out in the Code.

#### GRAMMER Code of Conduct

Other corporate practices that go beyond the statutory requirements are included in the GRAMMER Code of Conduct, which is publicly available at <https://www.grammer.com/en/company/sustainability/code-of-conduct/code-of-conduct.html>. The GRAMMER Code of Conduct outlines the ethical and legal framework within which the Company operates. It covers the fundamental principles and rules governing the conduct within the GRAMMER Group and in relation to external partners and the public.

#### Compliance management system

GRAMMER's corporate culture is shaped primarily by the GRAMMER Code of Conduct. This is binding on all employees of the GRAMMER Group. It summarizes the main internal and external rules and principles and contains binding rules for, among other things, anti-corruption, insider trading and fair competition, data protection, occupational health and safety, export controls and health and environment. The GRAMMER Code of Conduct is publicly available at <https://www.grammer.com/en/company/sustainability/code-of-conduct/code-of-conduct.html>. The Code of Conduct is supplemented by detailed compliance guidelines, which are available in the languages relevant to GRAMMER on the Intranet. The Executive Board as a whole is jointly responsible for compliance. A compliance organization headed by a Chief Compliance Officer ensures that the compliance management system is refined on an ongoing basis and that managers and employees receive training and advice. If any employees or external parties suspect or become aware of any misconduct

or breaches of the law or internal guidelines, they can report this (anonymously) using the multilingual electronic whistleblower system.

#### 4. Description of the working methods of the Executive Board and Supervisory Board and composition and working methods of their committees

GRAMMER AG is subject to German stock corporation law and therefore has a dual management system consisting of an Executive Board and a Supervisory Board. Their roles and authority, as well as the requirements for their working methods and composition, are essentially based on the German Stock Corporation Act (AktG), the articles of association of GRAMMER AG and the rules of procedure. GRAMMER AG's articles of association and the rules of procedure for the Supervisory Board can be found online at <https://www.grammer.com/en/investor-relations/corporate-governance/overview.html>.

##### Executive Board

As a management body, the Executive Board is committed to furthering the Company's interests and to increasing its sustained enterprise value. The members of the Executive Board are jointly responsible for overall corporate governance and make decisions about key business policy and corporate strategy issues, as well as annual and multi-year planning.

The Executive Board is responsible for preparing the Company's quarterly reports and half-yearly financial report as well as the annual and consolidated financial statements and the combined management report for GRAMMER AG and the Group. It prepares the dependent company report and, together with the Supervisory Board, the remuneration report. The Executive Board is responsible for compliance with the law and internal policies and ensures these are implemented and observed throughout the Company. To meet these obligations, the Executive Board ensures that there is an appropriate and effective internal control and risk management system in place that is based on the Company's risk position, which also comprises a compliance management system based on the Company's risk position. Employees and third parties can anonymously report legal violations within the Company.

The Supervisory Board has issued rules of procedure for the Executive Board, which include the definition of various areas of responsibility and the rules for cooperation both within the Executive Board and between the Executive Board and the Supervisory Board. In an allocation of responsibilities plan, the Supervisory Board sets out the members of the Executive Board responsible for the individual Executive Board areas. As head of Human Resources, the HR Director is appointed in accordance with section 33 of the German Codetermination Act (MitbestG). Each member of the Executive Board manages his or her assigned area on their own responsibility; business of particular significance is reserved for resolution by the Executive Board in its entirety. The Executive Board is supported by the Executive Committee, which was established in fall 2022 and meets regularly. An Executive Committee comprises the members of the Executive Board and the heads of key core business areas and forms the Company's highest operating management body.

The Executive Board and the Supervisory Board work closely together in the Company's best interests. The Executive Board informs the Supervisory Board regularly, promptly and extensively about all business matters of particular significance due to their financial impact and/or relevance for general company policy. In particular, these include matters relating to the strategy, business performance, the risk situation, risk management and compliance. The members of the Executive Board are subject to a comprehensive non-competition clause during their activities for GRAMMER AG. They undertake to act in the Company's best interests and may not pursue any personal interests when making decisions; in particular, they may not make use of any business opportunities arising for the Company for their own personal benefit. They may only engage in sideline activities, in particular, supervisory board mandates outside the GRAMMER Group, with the approval of the Supervisory Board. The Supervisory Board is also responsible for deciding on how the remuneration received for sideline activities is to be treated. Each member of the Executive Board is under a duty to disclose to the Supervisory Board any conflicts of interest without delay and to inform the other Executive Board members of these.

Members of the Executive Board are initially appointed for a period of no more than three years. However, the Supervisory Board assesses each individual case on the basis of its own merits to determine the appropriate initial period of appointment.

The members of the GRAMMER AG Executive Board in the financial year were Jens Öhlenschläger, Jurate Keblyte and Thorsten Seehars (until May 31, 2022).

<b>Jens Öhlenschläger</b> Member of the Executive Board since January 1, 2019, Spokesman of the Executive Board since June 1, 2022, appointed until December 31, 2026	<b>Responsibilities (as of December 31, 2022):</b> Strategy & CSR, Operations, Sales & Projects, Supply Chain Management, Research & Development, Quality Management & HSE
<b>Jurate Keblyte</b> Member of the Executive Board since August 1, 2019, Human Resources Director since June 1, 2022, appointed until June 30, 2027	<b>Responsibilities (as of December 31, 2022):</b> Accounting & Controlling, Finance & Treasury, Investor Relations, Human Resources, Legal & Compliance, IT, Risk Management
<b>Thorsten Seehars</b> Chief Executive Officer, Human Resources Director, member of the Executive Board from August 1, 2019 to May 31, 2022	<b>Responsibilities (until May 31, 2022):</b> Automotive Division; Commercial Vehicles Division; Group R&D; Corporate Development; Group Marketing, Communications, Corporate Social Responsibility, Strategic Product Planning, Group Human Resources

The resumes of the members of the Executive Board are available on the Company's website at <https://www.grammer.com/en/investor-relations/corporate-governance/management/executive-board.html>. Further details on seats of Executive Board members to be disclosed under section 285 no. 10 HGB can be found in (10) of this declaration.

### Supervisory Board

GRAMMER AG's Supervisory Board has 12 members. In accordance with the German Codetermination Act, it comprises equal numbers of shareholder and employee representatives. The members of the Supervisory Board representing the shareholders are elected at the Annual General Meeting by a simple majority. Elections to the Supervisory Board are regularly held in the form of individual elections. The employee representatives on the Supervisory Board are elected in accordance with the provisions of the German Codetermination Act.

Further details on the members of the Supervisory Board and their seats to be disclosed under section 285 no. 10 HGB can be found in (11) of this declaration. Resumes for the Supervisory Board members are published at <https://www.grammer.com/en/investor-relations/corporate-governance/supervisory-board.html> and updated each year.

The Supervisory Board monitors and advises the Executive Board on the management of the Company. At regular intervals, the Supervisory Board discusses the Company's business performance and planning as well as strategy and its implementation. It reviews the annual and consolidated financial statements, the combined management report of GRAMMER AG and the Group, including the non-financial statement, sustainability reporting and the dependent company report. It adopts the annual financial statements of GRAMMER AG and approves the consolidated financial statements, based on the results of the preliminary review conducted by the Audit Committee and taking into account the external auditor's reports. The Supervisory Board passes a resolution concerning the Executive Board's proposal for the appropriation of the Company's net retained profits and the Supervisory Board's report to the Annual General Meeting and submits a pro-

posal for the election of the external auditor at the Annual General Meeting. Together with the Executive Board, the Supervisory Board prepares a report on the remuneration paid and owed to members of the Executive Board and the Supervisory Board in the previous year. The Supervisory Board/Audit Committee is also responsible for monitoring compliance with legal provisions, official regulations and internal company policies. In particular, monitoring and advisory activities by the Supervisory Board also encompass sustainability issues.

The Supervisory Board is also responsible for appointing and dismissing the members of the Executive Board and determining the allocation of responsibilities. The Supervisory Board, acting on a proposal by the Personnel and Mediation Committee, decides on the system for the remuneration of the members of the Executive Board and sets the specific remuneration in accordance with this system. It defines the targets for variable remuneration and the respective total remuneration for the individual members of the Executive Board and reviews the appropriateness of the total remuneration as well as the remuneration system for the Executive Board on a regular basis.

Material decisions by the Executive Board – such as major acquisitions, divestment, investment in tangible assets and financial measures – require the Supervisory Board's approval. To prepare for the Supervisory Board meetings, the shareholder and employee representatives usually meet separately. The Supervisory Board also regularly meets without the presence of the Executive Board. Each member of the Supervisory Board is under a duty to disclose any conflicts of interest to the Supervisory Board. Any conflicts of interest and the measures taken to address these are disclosed in the Supervisory Board report. The members of the Supervisory Board take their own initiative to undertake any training that may be required for their role and are supported here by the Company. Internal presentations are also given for the purpose of ongoing training. Details about the board's work can be found in the report of the Supervisory Board, which can be viewed for the last financial year at <https://www.grammer.com/en/investor-relations/corporate-governance/supervisory-board.html>.

### Supervisory Board committees

The Supervisory Board had five committees in the reporting year. Their duties, responsibilities and work processes comply with the requirements of the German Stock Corporation Act (AktG) and the Code. The committee chairs regularly report to the Supervisory Board on their activities.

The **Audit Committee** focuses on monitoring the accounts and the accounting process. It is responsible for the preliminary review of the annual and consolidated financial statements and the combined management report of GRAMMER AG and the Group, including non-financial topics. Based on the auditor's report on the audit of the financial statements, after conducting its own preliminary review it makes proposals on the approval of the annual financial statements of GRAMMER AG and the consolidated financial statements by the Supervisory Board. The Audit Committee is required to discuss the quarterly statements and half-yearly financial report with the Executive Board. The Audit Committee also deals with sustainability reporting. In addition, the Audit Committee is also responsible for monitoring compliance with legal provisions, official regulations and internal company policies. It also handles the Company's risk monitoring system and monitors the appropriateness and effectiveness of its internal control system, the risk management system and the internal auditing system. The Audit Committee prepares the Supervisory Board's proposal to the Annual General Meeting regarding the choice of auditor and issues a recommendation to the Supervisory Board accordingly. Following the resolution by the Annual General Meeting, the Audit Committee issues the audit engagement to the auditor and monitors the audit of the financial statements and the selection, independence, qualifications, rotation and efficiency of the auditor and the services provided by the auditor. It regularly assesses the quality of the audit. The Chair of the Audit Committee also maintains regular dialog with the auditor outside meetings. The Audit Committee regularly consults with the auditor without the presence of the Executive Board.

The Audit Committee's members as of December 31, 2022 were:

- Dagmar Rehm (Chairwoman)
- Dr. Martin Kleinschmitt
- Andrea Elsner
- Antje Wagner

Under the German Stock Corporation Act, at least one member of the Supervisory Board must be an expert in the area of accounting and at least one additional member of the Supervisory Board must be an expert in auditing. With Dagmar Rehm as Chairwoman, the Supervisory Board and its Audit Committee have a member who is an expert in auditing and, with Dr. Martin Kleinschmitt, they both have a member with accounting expertise.

After studying economics, Ms. Dagmar Rehm spent many years in commercial executive positions and CFO roles. She has been Chairwoman of the Audit Committee at Koenig & Bauer AG for several years and so has particular knowledge and experience in auditing. She also has a sound understanding of the requirements of sustainability reporting. Ms. Rehm is also independent.

Dr. Martin Kleinschmitt trained as a banker and studied law before also working as a CFO for many years. He is a member of the Executive Board at Noerr Consulting AG, as part of which he advises companies on finance issues and takes responsibility for commercial management, and so he has particular knowledge and experience in the application of accounting principles and internal control and risk management systems.

The [Personnel and Mediation Committee](#) deliberates on the Supervisory Board's personnel decisions in an advisory and preparatory capacity, chiefly regarding the appointment and removal of Executive Board members (including concluding, amending, extending and terminating Executive Board contracts), the remuneration system for the Executive Board, total compensation for the individual members of the Executive Board and the preparation of the remuneration report. When making proposals for initial appointments, the committee takes into

account the fact that the period of appointment should not generally exceed three years. When proposing potential members of the Executive Board, the committee considers their professional suitability, international experience and leadership qualities, the age limit set for Executive Board members, long-term succession planning and diversity. In addition, the Personnel and Mediation Committee consults regularly about long-term succession planning for the Board of Management. The Personnel and Mediation Committee decides on the approval of an Executive Board member's sideline activities and whether and to what extent any remuneration is to be taken into account.

The members of the Personnel and Mediation Committee as of December 31, 2022 were:

- Gabriele Sons (Chairwoman)
- Dr. Martin Kleinschmitt
- Martin Heiß
- Horst Ott

The main task of the [Strategy Committee](#) is to advise the Executive Board on the Company's ongoing strategic development in relation to the corporate strategy and projects of strategic relevance and to prepare the strategy meetings and resolutions of the Supervisory Board on business requiring the Supervisory Board's approval.

The Strategy Committee's members as of December 31, 2022 were:

- Prof. Dr. Birgit Vogel-Heuser (Chairwoman)
- Dr. Martin Kleinschmitt
- Martin Heiß
- Horst Ott

The [Nomination Committee](#) has the task of proposing to the Supervisory Board suitable shareholder representatives for election to the Supervisory Board at the Annual General Meeting. As well as

the required knowledge, skills and professional experience, the objectives designated by the Supervisory Board for its composition and the competence profile drawn up for the entire Supervisory Board should be taken into account when proposing candidates. When determining its composition, the Supervisory Board should, in particular, suitably consider the Company's international activities, the age limit specified and diversity. Attention must be paid to ensuring appropriate representation of women and men in accordance with the statutory gender representation requirements and to ensuring that the members of the Supervisory Board as a whole are familiar with the sector in which the Company operates.

The Nomination Committee's members as of December 31, 2022 were:

- Gabriele Sons (Chairwoman)
- Prof. Dr. Birgit Vogel-Heuser
- Jürgen Kostanjevec

The [Chairman's Committee's](#) task is to support the Chairman of the Supervisory Board in the performance of his duties, particularly the preparation of the meetings and the coordination of the Supervisory Board's activities as well as the preparation of the resolutions to be passed by the Supervisory Board.

The Chairman's Committee's members as of December 31, 2022 were:

- Dr. Martin Kleinschmitt
- Horst Ott

Further details of the working methods and composition of the Supervisory Board and its committees are based on the rules of procedure for the Supervisory Board, which are publicly available at <https://www.grammer.com/en/investor-relations/corporate-governance.html>.

## Supervisory Board self-assessment

The Supervisory Board and its committees regularly review, either internally or with the involvement of external advisors, how effectively the Supervisory Board as a whole and its committees are performing their duties. With the support of an external advisor, the Supervisory Board conducted a self-assessment in the 2022 financial year that incorporated the perspectives of the Audit Committee, the Personnel and Mediation Committee and the Executive Board and discussed its findings and resulting measures at its meeting on November 9, 2022.

The overall result of the 2022 self-assessment was positive and confirmed constructive collaboration within the Supervisory Board and with the Executive Board. The composition and structure of the Supervisory Board, including the committees, are considered effective and efficient. There was no evidence that fundamental changes are needed, although the board's strategic work in particular should be strengthened. Individual recommendations for action to further optimize the work of the Supervisory Board are also taken on board and implemented throughout the year.

### **5. Targets within the meaning of section 76 (4) AktG for the representation of women in the two management levels below the Executive Board; disclosure on compliance with minimum quota requirements in the composition of the Executive Board and the Supervisory Board**

When filling management positions within the Company, the Executive Board pays attention to diversity and strives, in particular, to give appropriate consideration to women and an international background. In line with statutory requirements in Germany, the Executive Board has set targets for the share of women at GRAMMER AG in the two management levels below the Executive Board within the meaning of section 76 (4) AktG of 15% for the first management level below the Executive Board and 20% for the second level below the Executive Board by September 30, 2025. As of December 31, 2022, 17.6% of those employed at the first management level below the Executive

Board were female and 13.7% at the second level. This is higher than the target set for the first management level, although the target for the second management level below the Executive Board had not yet been achieved as of December 31, 2022.

As the Executive Board of GRAMMER AG has three/two members, the minimum quota requirement of section 76 (3a) AktG does not apply. In accordance with section 111 (5) AktG, in 2020 the Supervisory Board set the target of 33% for the proportion of women on the GRAMMER AG Executive Board by December 31, 2023. The Executive Board of GRAMMER AG comprised two men and one woman in the 2022 financial year until May 31, 2022. Since June 1, 2022, it has comprised one woman and one man, meaning that the target was reached/exceeded. Regardless of this, giving consideration to women is a material aspect of the Supervisory Board's long-term succession planning for the Executive Board. It considers the Company's executive planning and takes account of diversity.

In the period under review, the composition of the Supervisory Board in terms of the representation of women and men complied with the statutory minimum representation requirements.

### **6. Diversity policy for the Executive Board and long-term succession planning**

When selecting members of the Executive Board, the Supervisory Board looks at their personal suitability, integrity, the presence of convincing leadership qualities, international experience, professional qualifications for the area of responsibility to be taken on, past performance, knowledge of the Company and ability to adapt business models and processes in a changing world.

Diversity is an important selection criterion when Executive Board positions are filled and also includes aspects such as age, gender and educational and professional background. When selecting members of the Executive Board, the Supervisory Board also considers the following aspects in particular:

- In addition to the specific technical knowledge and management and leadership experience required for the task in question, the members of the Executive Board should possess as broad a range of knowledge and experience as possible as well as educational and professional backgrounds.
- With a view to the Company's international orientation, the composition of the Executive Board should take into account international profiles in the sense of different cultural backgrounds or international experience.
- The Executive Board as a whole should have experience in the business segments that are important for GRAMMER, particularly the industrial and automotive sectors.
- The Executive Board as a whole should have many years of experience in research and development, technology, purchasing, production and sales, finance, as well as legal matters (including compliance) and human resources.
- Diversity also refers to gender diversity. The minimum quota requirement of section 76 (3a) AktG does not currently apply to the Executive Board of GRAMMER AG. When Executive Board positions are filled, the target set by the Supervisory Board in accordance with section 111 (5) AktG for the representation of women on the Executive Board must be taken into account. The Supervisory Board has set a target of 33% for the representation of women on the Executive Board.
- It is considered helpful to have different age groups represented on the Executive Board. In accordance with the recommendations of the German Corporate Governance Code, the Supervisory Board has set an age limit for the members of the Executive Board. Consequently, persons appointed to the Executive Board should not be older than 63 at the time of their initial or reappointment.

A decision on filling a specific position on the Executive Board is always based on the interests of the Company, taking into account all the circumstances of the individual case.

### Implementation of the diversity policy for the Executive Board in the last financial year

The diversity policy for the Executive Board is implemented as part of the appointment process. The Supervisory Board and/or the Personnel and Mediation Committee observe the requirements set out in the diversity policy for the Executive Board when selecting candidates or proposing candidates for appointment to the Executive Board.

In its current composition, the Executive Board meets all requirements of the diversity concept. The members of the Executive Board possess a broad range of knowledge and experience, as well as educational and professional backgrounds and have international experience. The Executive Board as a whole possesses all the knowledge and experience considered essential in view of GRAMMER's activities. The Executive Board as a whole has experience in the business segments that are important for GRAMMER. Appropriate consideration is given to women. The target of 33% set by the Supervisory Board was met/exceeded last year. The Executive Board has a female member, Jurate Keblyte. No member of the Executive Board is currently older than 63.

### Long-term succession planning for the Executive Board

Together with the Executive Board, the Supervisory Board is responsible for long-term succession planning for the Executive Board and is supported here in a preparatory capacity by the Personnel and Mediation Committee. In addition to the requirements of the German Stock Corporation Act and the recommendations of the Code and the rules of procedure, long-term succession planning takes into account the target set by the Supervisory Board for the representation of women on the Executive Board as well as the criteria defined in the diversity policy adopted by the Supervisory Board for the composition of the Executive Board. Taking into account the specific qualification requirements and the aforementioned criteria, the Personnel and Mediation Committee prepares an ideal profile, on the basis of which it draws up a shortlist of available candidates. Structured interviews are conducted with these candidates.

A recommendation is then submitted to the Supervisory Board. If required, the Supervisory Board and/or the Personnel and Mediation Committee are supported by external consultants in the definition of job profiles and the selection of candidates.

### 7. Objectives for the composition, competence profile and diversity policy for the Supervisory Board

The Supervisory Board of GRAMMER AG should be composed in such a way as to ensure that the Executive Board receives qualified supervision and advice from it. In this context, the complementary interaction of members with different personal and professional backgrounds as well as diversity in terms of internationality, age and gender is considered helpful.

#### Competence profile

Based on their knowledge, skills and experience, the candidates proposed for election to the Supervisory Board should be able to perform the duties of a Supervisory Board member in an internationally active and capital market-oriented company and safeguard the GRAMMER Group's public reputation. Particular attention should be paid to the personality, integrity and commitment of the proposed candidates here. The aim is for the Supervisory Board as a whole to possess all the knowledge and experience considered essential in view of GRAMMER's activities. These include knowledge and experience of research and development, production and sales, (new) technologies, accounting, risk management and compliance. In addition, the Supervisory Board should have knowledge and experience in the business segments, markets and regions that are important for GRAMMER. The members of the Supervisory Board as a whole should be familiar with the sector in which the Company operates.

Under the German Stock Corporation Act, at least one member of the Supervisory Board must be an expert in the area of accounting and at least one additional member of the Supervisory Board must be an expert in auditing. Expertise in the area of accounting should take the form of particular knowledge and experience in the application of accounting principles and internal control and risk management systems and expertise in

auditing in the form of particular knowledge and experience of auditing. Accounting and auditing also include sustainability reporting and auditing of this reporting. The Chairman of the Audit Committee should be knowledgeable and independent in at least one of the two areas.

Which of the desirable skills on the Supervisory Board is to be strengthened should be determined whenever a new candidate is to be elected to the Supervisory Board.

#### International profile

With a view to the Company's international orientation, it should be ensured that the Supervisory Board has a sufficient number of members with international experience.

#### Diversity

Sufficient diversity should be ensured in the composition of the Supervisory Board. In addition to the appropriate representation of women, this also includes diversity with regard to cultural origins as well as the diversity of educational and professional backgrounds, experience and ways of thinking. When considering potential candidates for by-election or replacement for positions on the Supervisory Board that become vacant, the aspect of diversity should be given appropriate consideration at an early stage of the selection process.

In accordance with the German Stock Corporation Act (AktG), the Supervisory Board must be composed of at least 30% women and 30% men.

#### Independence

The Supervisory Board should have an appropriate number of independent members (according to its own definition of appropriate), taking into account the shareholder structure. More than half of the shareholder representatives should be independent of the Company and the Executive Board. Significant conflicts of interest that are not merely temporary should be avoided. No more than two former members of GRAMMER AG's Executive Board are permitted to hold seats on the Supervisory Board.

The members of the Supervisory Board should have sufficient time to exercise their mandate with the requisite regularity and diligence.

#### **Age limit**

In accordance with the age limit specified by the Supervisory Board, only persons who are no older than 70 years of age at the time of being elected or re-elected are proposed for election as members of the Supervisory Board.

#### **Implementation of the objectives for the composition, competence profile and diversity policy for the Supervisory Board in the last financial year; independent members of the Supervisory Board**

The Supervisory Board as well as its Nomination Committee, take into account the objectives for the composition of the Supervisory Board and the requirements set out in the diversity policy during the selection process and the nomination of candidates for the Supervisory Board. The Nomination Committee and the Supervisory Board took these objectives into account when preparing the election proposals for the two shareholder representatives selected by the 2022 Annual General Meeting.

The Supervisory Board believes that its current composition meets the targets with respect to composition and fulfills the competence profile and diversity policy. The members of the Supervisory Board have the professional and personal qualifications deemed necessary. The members of the Supervisory Board as a whole are familiar with the sector in which the Company operates and possess the knowledge, skills, capabilities and experience considered necessary for GRAMMER in the in areas of research and development, production and sales, (new) technologies, accounting, risk management and compliance. The Supervisory Board also has knowledge and experience in the business segments, markets and regions that are important for GRAMMER. Some of the Supervisory Board members work internationally or have many years of international experience. Diversity is duly taken into account in the composition of the Supervisory Board. In the reporting year, the Supervisory Board had five female members from May 18, 2022 onwards (until May 18, 2022 four female members), including three shareholder representatives and two employee representatives (separate fulfillment pursuant to section 96 (2) sentence 3 AktG). Women thus make up 41.7% of the Supervisory Board (as of: December 31, 2022). The shareholder rep-

resentatives believe that all six shareholder representative members are independent within the meaning of the Code. The defined age limit is observed.

The implementation status of the competence profile for the shareholder representatives is shown below in the form of a qualification matrix.

## Qualification matrix of the Supervisory Board of GRAMMER AG

as of December 31, 2022

		Dr. Martin Kleinschmitt	Dr.-Ing. Ping He	Jürgen Kostanjevec	Prof. Dr.-Ing. Birgit Vogel-Heuser	Dagmar Rehm	Gabriele Sons
	Member since/elected until *	2022/2025	2020/2025	2020/2025	2017/2025	2020/2025	2020/2025
<b>Function</b>	Supervisory Board	Chairman	Member	Member	Member	Member	Member
	Audit Committee	Member				Chairwoman	
	Nomination Committee			Member	Member		Chairwoman
	Personnel and Mediation Committee	Member					Chairwoman
	Strategy Committee	Member			Chairwoman		
	Chairman's Committee	Member					
<b>Independence</b>	Independence according to DCGK	yes	yes	yes	yes	yes	yes
	Sex	male	male	male	female	female	female
<b>Diversity</b>	Age cluster	56 - 65	56 - 65	56 - 65	56 - 65	56 - 65	56 - 65
	Nationality	German	Chinese	German	German	German	German
	International Experience	✓	✓	✓	✓	✓	✓
	Educational background	Lawyer	Engineer	Engineer	Engineer	Economist	Lawyer
	Management / Leadership	✓		✓	✓	✓	✓
<b>Professional competences</b>	Strategy / Market Development / Business Devel.		✓	✓	✓	✓	
	Corporate development and -organization	✓		✓	✓	✓	✓
	Industry and sector knowledge in GRAMMER business segments (global perspective)	✓	✓	✓			
	Operations / Operational Excellence			✓	✓		
	New technologies, products and services		✓		✓		
	Digitalization / IT / Software		✓		✓		
	Sales / Marketing			✓	✓		
	Human Resources / New Work	✓					✓
	ESG / Sustainability	✓	✓	✓		✓	
	Legal / Compliance / Corporate Governance	✓		✓		✓	✓
	Control systems (CMS, RMS, ICS, internal audit)	✓		✓		✓	

		Dr. Martin Kleinschmitt	Dr.-Ing. Ping He	Jürgen Kostanjevec	Prof. Dr.-Ing. Birgit Vogel-Heuser	Dagmar Rehm	Gabriele Sons
<b>Professional competences</b>	Accounting	✓				✓	
	Financial audit	✓				✓	
	Restructuring / Transformation	✓	✓	✓	✓	✓	✓
	Financing / Capital Markets	✓	✓			✓	
	Experience in Advisory or Supervisory boards	✓	✓		✓	✓	✓
<b>Proven Expert</b>	Financial expert pursuant to Sec. 100 (5) AktG						
	Accounting Expert	✓					
	Audit Expert					✓	
	ESG Expertise according to DCGK					✓	

Note: at least 75% as part of the annual self-assessment.

## 8. Directors' dealings

Members of the Executive Board and the Supervisory Board, as well as persons closely related to them, must disclose transactions with shares of debt instruments of GRAMMER AG or related financial instruments if the value of the transaction exceeds EUR 20,000 within one calendar year. The transactions reported to GRAMMER AG are properly published and are available at <https://www.grammer.com/en/investor-relations/corporate-governance/directors-dealings.html>. No transactions were reported in the last financial year.

## 9. Annual General Meeting and shareholder communication

The shareholders exercise their rights at the Annual General Meeting. At the Annual General Meeting, the shareholders pass resolutions on the appropriation of profits, the ratification of the actions of the members of the Executive Board and the Supervisory Board and the election of the auditors, among other things. The shareholders pass resolutions on amendments to the articles of association and capital measures, which are duly implemented by the Executive Board. By using electronic means of communication, primarily the internet, Executive Board makes it easier for shareholders to take part in the Annual General Meeting and be represented by voting proxies when exercising their voting rights in accordance with the instructions issued; the voting proxies

can also be reached during the Annual General Meeting. Shareholders may also cast their votes in writing or electronically (postal vote). They can submit motions on resolutions proposed by the Executive Board and Supervisory Board and contest resolutions passed at the Annual General Meeting.

The reports, documents and information required by law for the Annual General Meeting, including the annual report, are available on the internet, as are the agenda for the Annual General Meeting and any countermotions or election proposals from shareholders that are required to be disclosed. When shareholder representatives are to be elected to the Supervisory Board, a detailed resume is published for each candidate.

On account of the special circumstances arising from the COVID-19 pandemic, the Annual General Meeting on May 18, 2022 was held as a virtual Annual General Meeting without the physical presence of the shareholders or their proxies in accordance with section 1 of the Act Governing Measures In Company Law, Laws On Cooperatives, Association Law, Foundation Law And Residential Property Law To Combat The Effects Of The COVID-19 Pandemic of March 27, 2020 (Federal Law Gazette I no. 14 2020, page 570) in the version amended by the Act to Further Shorten the Residual Debt Discharge Procedure and Amend Pandemic-related

Provisions in Company Law, Laws On Cooperatives, Association Law, Foundation Law And in Rental and Lease Law of December 22, 2020 (Federal Law Gazette I no. 67 2020, page 3332), the term of which was extended until August 31, 2022 by the Act to Establish a Special Fund "Aufbauhilfe 2021" and Temporarily Suspend the Obligation to File for Insolvency Due to Heavy Rainfall and Flooding in July 2021 and to Amend Other Acts of September 10, 2021 (Federal Law Gazette I no. 63 2021, page 4153). As part of the investor relations work, the Company provides comprehensive information on developments at the Company. Among other things, quarterly statements, half-yearly financial and annual reports, earnings reports, ad hoc announcements, analyst presentations, press releases and the financial calendar for the current year, which includes the publication dates that are important for financial communications and the date of the Annual General Meeting, are published at <https://www.grammer.com/en/investor-relations.html>. GRAMMER AG's articles of association and the rules of procedure for the Supervisory Board, the declarations of conformity and other corporate governance documents can be found online at <https://www.grammer.com/en/investor-relations/corporate-governance.html>.

## 10. Members of the Executive Board and Executive Board member mandates

The Executive Board's members in the 2022 financial year were:

Name	Year of birth	First appointed on	Appointed until	Seats on other Supervisory Boards required by law or comparable domestic and foreign governing bodies of commercial enterprises	
				External mandates (as of December 31, 2022)	Group mandates (as of: December 31, 2022)
<b>Jens Öhlenschläger</b> Spokesman from June 1, 2022	1964	January 1, 2019	December 31, 2026	–	<b>Board of Directors:</b> – Allygram Systems and Technologies Pvt. Ltd., India – Grammer Vehicle Parts (Harbin) Co., Ltd., China  <b>Supervisory Board:</b> – Grammer (China) Holding Co., Ltd., China – Grammer Interior (Beijing) Co., Ltd., China – Grammer Interior (Changchun) Co., Ltd., China – Grammer Interior (Shanghai) Co., Ltd., China – Grammer Interior (Tianjin) Co., Ltd., China – Grammer Seating (Ningbo) Co., Ltd., China – Grammer Seating (Shaanxi) Co., Ltd., China – Grammer Vehicle Parts (Shenyang) Co., Ltd., China – Grammer Vehicle Interiors (Hefei) Co., Ltd., China – Grammer Japan Ltd., Japan
<b>Jurate Keblyte</b> CFO	1975	August 1, 2019	June 30, 2027	– Member of the Supervisory Board of HAWE Hydraulik SE, Aschheim/Munich (not listed) – Member of the Supervisory Board of Ottobock SE & Co. KGaA, Duderstadt (not listed)	<b>Board of Directors:</b> – Changchun GRAMMER FAWSN Vehicle Parts Co., Ltd., China
<b>Thorsten Seehars</b> Chairman until May 31, 2022	1972	August 1, 2019	May 31, 2022	–	<b>Board of Directors:</b> – GRA-MAG Truck Interior Systems LLC, USA (until May 31, 2022) – Changchun GRAMMER FAWSN Vehicle Parts Co., Ltd., China (until May 31, 2022) – GRAMMER Vehicle Parts (Harbin) Co., Ltd., China (until May 31, 2022)

## 11. Members of the Supervisory Board and Supervisory Board member mandates

The Supervisory Board's members in the 2022 financial year were:

Name, place of residence	Profession	Year of birth	Member since	Appointed until <sup>1</sup>	Membership in Supervisory Boards required by law as well as in comparable domestic or foreign supervisory bodies of business enterprises (as of December 31, 2022)
<b>Dr. Martin Kleinschmitt</b> Berlin <b>(Chairman)</b>	Partner at Noerr Partnergesellschaft mbB, Executive Board member at Noerr Consulting AG	1960	May 18, 2022	2025	– Chairman of the Supervisory Board at SAF-HOLLAND SE <sup>3</sup> , Bessenbach – Chairman of the Supervisory Board at SAF-HOLLAND GmbH, Bessenbach – Chairman of the Supervisory Board at G&H Bankensoftware AG, Berlin
<b>Horst Ott<sup>2</sup></b> Königstein <b>(Deputy Chairman)</b>	First Representative of IG Metall Amberg	1966	July 30, 2012	2025	
<b>Klaus Bauer<sup>2</sup></b> Ensdorf	Plant manager at GRAMMER Deutschland GmbH, Kümmersbruck	1970	September 1, 2020	2025	
<b>Andrea Elsner<sup>2</sup></b> Ebermannsdorf	Business management assistant, member of the Works Council at GRAMMER AG	1979	May 20, 2015	2025	
<b>Dr. Ping He</b> Wenzenbach-Irlbach	Former development engineer in the Powertrain Division of Continental AG (retired)	1957	July 8, 2020	2025	
<b>Martin Heiß<sup>2</sup></b> Sulzbach-Rosenberg	Management assistant for data processing, Chairman of the Works Council at GRAMMER AG	1971	May 20, 2015	2025	
<b>Peter Kern<sup>2</sup></b> Kümmersbruck	Locksmith, member of the Works Council at GRAMMER AG	1963	July 8, 2020	2025	
<b>Jürgen Kostanjevec</b> Köln	Independent consultant	1961	July 8, 2020	2025	
<b>Dagmar Rehm</b> Langen	Independent management consultant	1963	May 18, 2022	2025	– Member of the Supervisory Board of Koenig & Bauer AG <sup>3</sup> , Würzburg – Member of the Supervisory Board of O'Donovan AG, Bad Homburg – Non-executive Director, Renewable Power Capital Ltd., London, United Kingdom

<b>Name, place of residence</b>	<b>Profession</b>	<b>Year of birth</b>	<b>Member since</b>	<b>Appointed until<sup>1</sup></b>	<b>Membership in Supervisory Boards required by law as well as in comparable domestic or foreign supervisory bodies of business enterprises (as of December 31, 2022)</b>
<b>Gabriele Sons</b> Berlin	Attorney at Law in the Sons Law Firm	1960	July 8, 2020	2025	– Member of the Supervisory Board of ElingKlinger AG <sup>3</sup> , Dettingen/Erms – Member of the Board of Directors of Accelleron Industries AG <sup>3</sup> , Baden, Switzerland
<b>Prof. Dr. Birgit Vogel-Heuser</b> Garching	Electrical engineer, Professor of Automation and Information Systems at the Technical University of Munich	1961	July 26, 2017	2025	– Member of the Supervisory Board of HAWE Hydraulik SE, Aschheim/Munich
<b>Antje Wagner<sup>2</sup></b> Frankfurt am Main	Lawyer, Trade Union Secretary, IG Metall Management Board	1966	September 16, 2019	2025	– Member of the Supervisory Board of WISAG Produktionsservice GmbH, Frankfurt am Main
<b>Former members</b>					
<b>Dr. Peter Merten</b> Heppenheim	Management consultant	1954	May 20, 2015	May 18, 2022	– Member of the Advisory Board of Deutsche Bank AG, Mannheim – Member of the Advisory Board of KAMAX Holding GmbH & Co. KG, Homburg (Ohm)
<b>Alfred Weber</b> Stuttgart	Former Chief executive Officer of MANN+HUMMEL GmbH (retired)	1957	July 8, 2020	May 18, 2022	– Chairman of the Advisory Board of SÜDPACK Verpackungen GmbH & Co. KG, Ochsenhausen

<sup>1</sup> Term of office ends at the close of the respective Annual General Meeting

<sup>2</sup> Employee representative

<sup>3</sup> Listed