



**Invitation to the Annual  
General Meeting for 2024**  
GRAMMER AG

Tuesday, June 4, 2024, 10.00 a.m. (CEST)

Revenue  
**2,304.9** EUR m

Operating EBIT  
**56.8** EUR m

Operating EBIT margin  
**2.5%**

Equity ratio  
**20.4%**

Net profit  
**3.4** EUR m

Free cash flow  
**48.2** EUR m

EBIT  
**42.0**  
EUR m

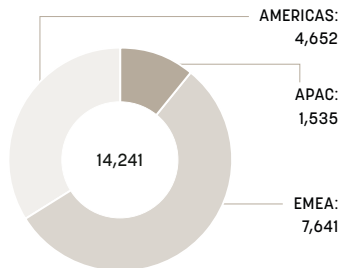
Capital expenditure  
**97.1**  
EUR m

#### 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 14,200 employees in 19 countries around the world. Its revenue in 2023 was about EUR 2.3 billion. GRAMMER shares are listed in the Prime Standard and traded on the Munich and Frankfurt stock exchanges as well as via the Xetra electronic trading platform.

#### Employees by region<sup>1</sup>

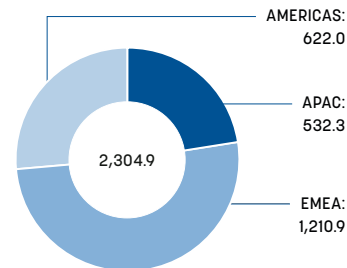
Annual average



<sup>1</sup> On average, 413 people were employed in Central Services.

#### Revenue by region<sup>2</sup>

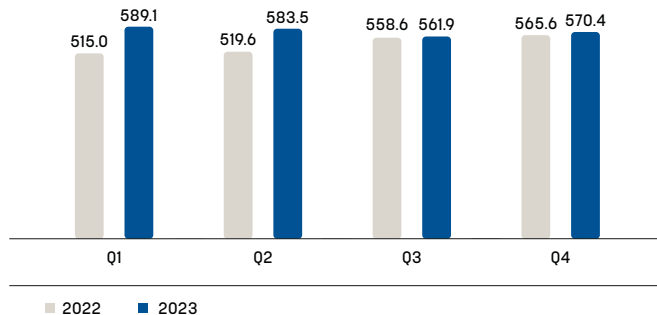
EUR m



<sup>2</sup> The consolidation effect of revenue between the regions amounts to EUR 0.3 million.

#### Revenue by quarter

EUR m



#### Operating EBIT by region

AMERICAS

**-42.7**

EUR m

EMEA

**64.2**

EUR m

APAC

**62.5**

EUR m

## Information pursuant to Section 125 Para. 1 German Stock Corporation Act (Aktiengesetz, AktG) in conjunction with Section 125 Para. 5 AktG, Article 4 Para. 1, Table 3 of the Annex of the Commission Implementing Regulation (EU) 2018/1212

### A. Specification of the Message

A1	Unique identifier of the event	Annual virtual General Meeting of GRAMMER AG on 4 June 2024 in the format according to Implementing Regulation (EU) 2018/1212: b6c63e9944fbee1b53100505696f23c
A2	Type of message	Invitation to the Annual General Meeting in the format according to Implementing Regulation (EU) 2018/1212: <b>NEWM</b>

### 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	4 June 2024 in the format according to Implementing Regulation (EU) 2018/1212: <b>20240604</b>
C2	Time of the Annual General Meeting	10:00 a.m. (CEST) in the format according to Implementing Regulation (EU) 2018/1212: <b>8:00 hours (UTC)</b>
C3	Type of the Annual General Meeting	Annual General Meeting as a virtual Annual General Meeting without the physical presence of shareholders or their authorised representatives in the format according to Implementing Regulation (EU) 2018/1212: <b>GMET</b>
C4	Venue of the Annual General Meeting	Location of the Annual General Meeting within the meaning of the German Stock Corporation Act: Grammer-Allee 2, 92289 Ursensollen URL to the password-protected internet service (" <b>GRAMMER shareholder portal</b> ") for following the entire Annual General Meeting live in video and audio and for exercising shareholder rights for all registered shareholders who have provided proof of their shareholding or their authorised representatives: <a href="https://www.grammer.com/en/investor-relations/annual-general-meeting/">https://www.grammer.com/en/investor-relations/annual-general-meeting/</a>
C5	Technical Record Date	13 May 2024, 24:00 Hours (CEST) in the format according to Implementing Regulation (EU) 2018/1212: 20240513 22:00 hours (UTC)
C6	Uniform Resource Locator (URL)	<a href="https://www.grammer.com/en/investor-relations/annual-general-meeting/">https://www.grammer.com/en/investor-relations/annual-general-meeting/</a>

### 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/>

# **GRAMMER Aktiengesellschaft**

## **Ursensollen**

**German Securities Number (WKN): 589540**  
**ISIN: DE0005895403**

### **Invitation to the Annual General Meeting**

We hereby invite the shareholders of our Company to the

### **Annual General Meeting**

to be held on

**Tuesday, June 4, 2024, 10.00 a.m. (CEST)**

## GRAMMER Aktiengesellschaft

### Ursensollen

Based on Article 22(5) of the Articles of Association of GRAMMER AG, the Annual General Meeting will be held in the form of a virtual Annual General Meeting without the physical presence of the shareholders or their authorized representatives at the location of the Annual General Meeting. The entire Annual General Meeting will be broadcast in a live video and audio stream for properly registered shareholders who have provided evidence of their shareholdings, or their authorized representatives, in the password-protected internet service ("GRAMMER shareholder portal"), which can be accessed on GRAMMER AG's website at

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

using a link.

Shareholders' voting rights are exercised – by the shareholders themselves or by authorized representatives – only by way of electronic postal voting or by granting authorization and issuing instructions to the voting representatives appointed by the Company. The location of the Annual General Meeting within the meaning of the German Stock Corporation Act is the premises of GRAMMER AG at Grammer-Allee 2, 92289 Ursensollen, Germany. Physical presence of the shareholders and their authorized representatives (with the exception of the voting representatives appointed by the Company) at the location of the Annual General Meeting is ruled out. Further details and information can be found at the end of the invitation after the agenda.

## Overview of the agenda

### **Item 1 / Page 7**

Presentation of 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 2023

### **Item 2 / Page 7**

Resolution on official approval of the actions of the members of the Executive Board for fiscal 2023

### **Item 3 / Page 7**

Resolution on official approval of the actions of the members of the Supervisory Board for fiscal 2023

### **Item 4 / Page 8**

Resolution on the election of the auditor of the annual and consolidated financial statements for fiscal 2024 and the auditor for any review of the condensed financial statements and the interim management report for the first half of fiscal 2024 and other intra-year financial information

### **Item 5 / Page 8**

Resolution on the election of the auditor of the sustainability report for fiscal 2024

### **Item 6 / Page 9**

Resolution on the approval of the remuneration report

### **Item 7 / Page 10**

Resolution on the rewording of Article 22(2) sentence 1 of the Articles of Association (right to participate in the Annual General Meeting)

# Agenda

1. **Presentation of 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 2023**

The specified documents will be available on GRAMMER AG's website at

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

from the time that the Annual General Meeting is convened. They will be accessible there during the Annual General Meeting as well.

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, 2023, 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 2023**

The Executive Board and Supervisory Board propose that the actions of the members of the Executive Board named under 2.1 to 2.2 below be approved for fiscal 2023:

**2.1 Jurate Keblyte**

**2.2 Jens Öhlenschläger (Spokesman of the Executive Board)**

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 2023**

The Executive Board and Supervisory Board propose that the actions of the members of the Supervisory Board named under 3.1 to 3.13 below be approved for fiscal 2023:

**3.1 Klaus Bauer**

**3.2 Andrea Elsner**

**3.3 Udo Fechtner**

**(Deputy Chairman of the Supervisory Board since October 1, 2023)**

**3.4 Dr.-Ing. Ping He**

**3.5 Martin Heiß**

**3.6 Peter Kern**

**3.7 Dr. Martin Kleinschmitt (Chairman of the Supervisory Board)**

**3.8 Dipl.-Ing. Jürgen Kostanjevec**



- 3.9 Horst Ott  
(Deputy Chairman of the Supervisory Board until September 30, 2023)
- 3.10 Dipl.-Volkswirtin Dagmar Rehm
- 3.11 Gabriele Sons
- 3.12 Prof. Dr.-Ing. Birgit Vogel-Heuser
- 3.13 Antje Wagner

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 2024 and the auditor for any review of the condensed financial statements and the interim management report for the first half of fiscal 2024 and other intra-year financial information

The Supervisory Board proposes the appointment of

**BDO AG**  
**Wirtschaftsprüfungsgesellschaft**  
**Hamburg**

as the auditor of the annual and consolidated financial statements for fiscal 2024 and the auditor for any review of the condensed financial statements and the interim management report for the first half of fiscal 2024 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) for fiscal 2024.

The Supervisory Board’s proposal is based on the recommendation and preference of the Audit Committee. Based on the selection process carried out in accordance with Article 16 of EU Regulation 537/2014, the Audit Committee recommended that the Supervisory Board propose either **BDO AG Wirtschaftsprüfungsgesellschaft, Hamburg**, or **Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich**, to the Annual General Meeting as the auditor of the annual and consolidated financial statements for fiscal 2024 and the auditor for any review of the condensed financial statements and the interim management report for the first half of fiscal 2024 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) for fiscal 2024. It also indicated that it preferred BDO AG Wirtschaftsprüfungsgesellschaft, Hamburg.

The Audit Committee declared that its recommendation was free from undue third-party influence in accordance with Article 16(2) subparagraph 3 of EU Regulation 537/2014 and that no clause of the kind specified in Article 16(6) of EU Regulation 537/2014 had been imposed on it.

#### 5. Resolution on the election of the auditor of the sustainability report for fiscal 2024

Under the Corporate Sustainability Reporting Directive (“CSRD”) that came into force on January 5, 2023, large capital-market-oriented companies with more than 500 employees are required to supplement their (group) management report with a (group) sustainability report for fiscal years beginning after December 31, 2023 already. This sustainability report is to be audited externally by the auditor of the financial statements or – depending on the options in the respective member state – another auditor (of financial statements) or an independent provider



of assurance services. As such, companies like GRAMMER AG that are already subject to non-financial reporting within the meaning of section 289b(1) and section 315b(1) HGB are required to prepare a sustainability report for the company and the group and have this audited externally for the first time for fiscal 2024.

The EU member states are required to transpose the CSRD into national law by July 6, 2024. German legislators can therefore be expected to pass a law on the implementation of the CSRD in German law ("CSRD Implementation Act") that will come into force by the implementation deadline.

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

**BDO AG**  
**Wirtschaftsprüfungsgesellschaft**  
**Hamburg**

as the auditor of the sustainability report for fiscal 2024 with effect from the date when the CSRD Implementation Act comes into force. This resolution will be implemented only if a sustainability report to be prepared for fiscal 2024 is required under the CSRD Implementation Act to be audited externally by an auditor to be appointed by the Annual General Meeting.

In its recommendation in accordance with Article 16(2) subparagraph 3 of EU Regulation 537/2014, the Audit Committee declared that this recommendation was free from undue third-party influence and that no clause of the kind specified in Article 16(6) of EU Regulation 537/2014 had been imposed on it.

## 6. Resolution on the approval of the remuneration report

In accordance with section 162 AktG, the Executive Board and the Supervisory Board of a listed company must prepare a remuneration report on the remuneration of the members of its executive bodies in the past fiscal year and submit it 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 2023 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 2023" and will be published on the Company's website at

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

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.

## **7. Resolution on the rewording of Article 22(2) sentence 1 of the Articles of Association (right to participate in the Annual General Meeting)**

The conditions for participating in the Annual General Meeting and exercising voting rights contained in section 123(4) sentence 2 AktG were amended by the German Act on Financing Investments to Secure the Future (Zukunftsfinanzierungsg), which came into force in December 2023. Under the amended section 123(4) sentence 2 AktG, evidence of shareholdings in accordance with section 67c(3) AktG for bearer shares in listed companies now refers to the close of business on the 22nd day before the Annual General Meeting rather than the beginning of the 21st day before the Annual General Meeting as previously. This does not entail any material change in the deadline for providing evidence of shareholdings.

Article 22(2) sentence 1 of the Company's Articles of Association is therefore to be amended in line with the changed wording of the law.

The Executive Board and the Supervisory Board propose that Article 22(2) sentence 1 of the Articles of Association be reworded as follows:

“Evidence of shareholdings must refer to the close of business on the 22nd day before the Annual General Meeting.”

## NOTES ON ITEM 6 OF THE AGENDA – Remuneration report in accordance with section 162 AktG for fiscal 2023



## 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 year 2022 in accordance with the remuneration system applicable for the fiscal year 2022. The report takes into account the recommendations and suggestions of the German Corporate Governance Code (GCGC) in the version dated April 28, 2022 (published in the German Federal Gazette (Bundesanzeiger) on June 27, 2022).

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](http://www.grammer.com)).

On June 4, 2024 the remuneration report is to be submitted to the Annual General Meeting for approval in accordance with the requirements of Section 120a (4) AktG.

The Executive Board and Supervisory Board of GRAMMER AG submitted the remuneration report for fiscal year 2022 prepared in accordance with section 162 of the German Stock Corporation Act (AktG) to the Annual General Meeting on May 10, 2023 for resolution. It has been approved with a 99.97% approval rate. The Executive Board and Supervisory Board of

GRAMMER AG regard this high approval rate as a clear confirmation of the form and content of the remuneration report and will therefore maintain the previous structure when preparing the remuneration report for fiscal year 2023.

### 1. Review of the fiscal year 2023

Despite the once again challenging economic environment in fiscal year 2023, in particular influenced by the ongoing war in Ukraine as well as an albeit easing but nonetheless still high level of inflation, the GRAMMER Group was able to report a positive sales development and a revenue increase of EUR 2,304.9 million. The consolidated earnings before interest and taxes (EBIT) also developed positively and increased significantly to EUR 42 million. The operating EBIT also improved significantly to EUR 56.8 million on a year-on-year basis. The year-on-year increase in earnings is primarily due to the more stable business performance in APAC and the positive development in EMEA. However, higher costs in the fourth quarter in particular as a result of volatile plant capacity utilization, currency exchange losses, and a continued sharp rise in personnel costs meant that the forecast of around EUR 70 million in earnings made at the beginning of the financial year could not be achieved and the earnings development was therefore ultimately below expectations. In response, GRAMMER initiated a program of measures aimed at increasing efficiency.

In fiscal year 2023 Mr. Horst Ott, deputy Chairman of the Supervisory Board, resigned from his role as Member of the Supervisory Board effective September 30, 2023. Effective October 1, 2023 the Amtsgericht Amberg appointed Mr. Udo Fechtner to the Supervisory Board. The Supervisory Board elected Mr. Fechtner as deputy Chairman of the Supervisory Board with effect from October 1, 2023.

Effective January 1, 2023 the Supervisory Board resolved to adjust the target remuneration of Executive Board members Jens Öhlenschläger and Jurate Keblyte. With the appointments of Jens Öhlenschläger as CEO/Spokesperson and Jurate Keblyte as Labor Director the scope of their roles and responsibilities were significantly expanded. In light of the expanded scope of their roles and responsibilities as well as the continued positive performance and development of GRAMMER AG despite the once again challenging overall economic environment the Supervisory Board determined an increase in the target remuneration to be appropriate. With the adjustment of the target remuneration the Supervisory Board ensures that the remuneration of the Executive Board remains competitive in the long term in order to attract and retain the best and most suitable candidates as members Executive Board.

## **2. Overview of the Remuneration system of the Executive Board**

### **2.1 Principles**

On June 23, 2021 the current 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 members of the Executive Board.

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.

### **2.2 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)

Plan type	Annual target bonus plan
Cap	170% of the target amount
Performance criteria	<ul style="list-style-type: none"><li>• Net income, EBIT or EBT (determined annually by the Supervisory Board)</li><li>• Free cash flow (FCF)</li><li>• Strategic and ESG goals, e.g. compliance, environmental protection, economic stability and growth</li></ul>
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"><li>• Total shareholder return (TSR) relative to the SDAX</li><li>• ROCE</li></ul>
Performance period	Four years
Payment	In cash after four-year performance period

### Further contractual provisions

Maximum remuneration	<ul style="list-style-type: none"><li>• EUR 2,700,000 for the Chairman of the Executive Board</li><li>• EUR 1,800,000 for the other members of the Executive Board</li></ul>
Penalty / claw-back	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 members of the Executive Board are granted customary ancillary benefits such as insurance benefits in line with market practice as well as a company car.

### **Pension substitute payment**

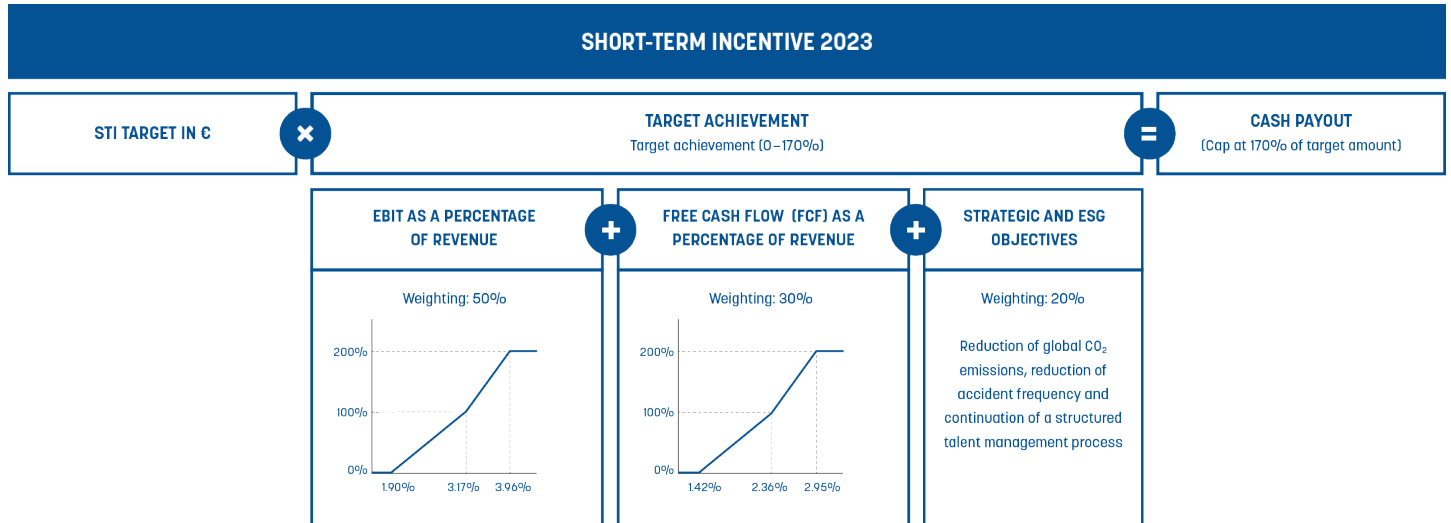
Pension substitute payments are granted to the members of the Executive Board. This cash amount will be paid in December and can be used for private retirement provisions. A company financed pension plan does not exist.



## 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) 2023 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 EBIT (Earnings Before Interest and Taxes) 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 2023. 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.

EBIT 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 CO<sub>2</sub>-emissions in terms of annual sales, the reduction of accident frequency (LTIFR = Lost time incident frequency rate), continuation of a structured talent management process as well as succession planning 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. 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 2023:

### STI 2023

	Weighting	Lower threshold	Target value	Upper threshold	Actual Value	Target achievement
Earnings Before Interest and Taxes (EBIT) (EBIT as % of revenue)	50%	1.90%	3.17%	3.96%	1.80%	0%
Free Cash Flow as % of revenue	30%	1.42%	2.36%	2.95%	2.10%	72%
Reduction of global CO <sub>2</sub> -emissions in terms of revenue	6.7%	Previous Year's Value (45g)	-5% compared to previous year's value (43g)	-10% compared to previous year's value (40g)	24g	200%
Reduction of accident frequency (LTIFR)	6.7%	200% target from 2022 (5.0)	-10% compared to the 200% target from 2022 (4.5)	-20% compared to the 200% target from 2022 (4.0)	2.27	200%
Continuation of a structured talent management process	6.7%	Qualitative assessment of the supervisory board				128%
<b>Total target achievement</b>	100%					<b>57%</b>

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.

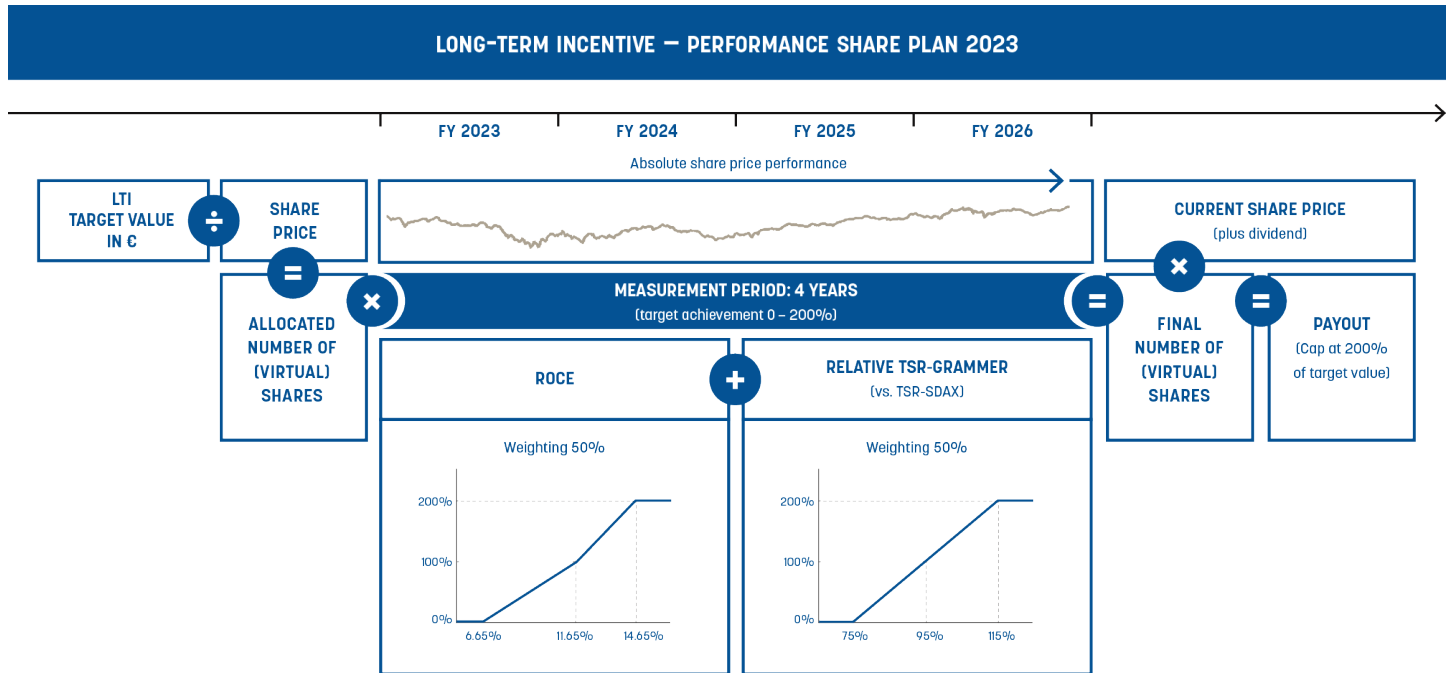
This results in the following target and payout amounts for the 2023 short term incentive:

**Target and payout amounts STI 2023**

	<b>Target value in EUR k</b>	<b>Target achievement in %</b>	<b>Pay out in EUR k</b>
Jens Öhlenschläger	276	57	157
Jurate Keblyte	253	57	144

## Long-term incentive – Performance Share Plan

The Long-term incentive (LTI) 2023 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 2023 the following allocations of virtual shares were made:

#### LTI tranche 2023 allocations

	Target value in EUR k	Initial reference price in EUR	Number of virtual shares
Jens Öhlenschläger	444	10.06	44,135
Jurate Keblyte	407	10.06	40,457

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 2023 tranche the following target achievements for ROCE and relative TSR have been agreed on:

#### LTI tranche 2023 targets

	Lower threshold	Target value	Upper threshold
	0%	100%	200%
ROCE	6.65%	11.65%	14.65%
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 2026 plus dividends paid per GRAMMER AG share during the performance period. The resulting payout amount is limited to 200% of the LTI target amount. Payout is in cash and will be described in the remuneration report in 2026.

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 (clawback).

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 2023, the Supervisory Board did not see any 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-pro-portionate) 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.

### 2.3 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 target remunerations were increased for the members of the Executive Board Jurate Keblyte and Jens Öhlenschläger in the fixed and variable remuneration elements as of January 2023 in order to make the remuneration competitive in the long term. The total target remuneration for Jens Öhlenschläger was increased by 21% to reflect his appointment as CEO/Spokesperson. The remuneration for Jurate Keblyte was increased by 12% to appropriately reflect her new role as Labor Director. With the adjustment of the target remuneration, the Supervisory Board ensures that the remuneration of the Executive Board remains appropriate and competitive in the long term.

The following table presents the target remuneration for the fiscal year 2023 and the relative share of every remuneration component for the fiscal year 2022:

#### Target remuneration

	Jens Öhlenschläger Spokesman of the Executive Board (CEO) Executive Board Member since January 1, 2019			Jurate Keblyte CFO/Labor Director Executive Board Member since August 1, 2019		
	2023		2022	2023		2022
	in EUR k	in %	in EUR k	in %	in %	in EUR k
Fixed remuneration	488	35	390	449	35	390
Benefits in kind	23	2	25	24	2	24
Pension substitute payment	150	11	125	138	11	125
Short-term variable remuneration	276	20	230	253	20	230
Short-term incentive 2022	-	-	230	-	-	230
Short-term incentive 2023	276	-	-	253	-	-
Long-term variable remuneration	444	32	370	407	32	370
Long-term incentive 2022 – 2025	-	-	370	-	-	370
Long-term incentive 2023 – 2026	444	-	-	407	-	-
<b>Total remuneration</b>	<b>1,381</b>	<b>100</b>	<b>1,140</b>	<b>1,270</b>	<b>100</b>	<b>1,139</b>

## Remuneration Awarded and Due

The following table shows the remuneration awarded and due individually for the fiscal year 2023 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 2023.

In addition, the remuneration awarded and due in fiscal year 2022 is presented.

## Remuneration awarded and due for the fiscal year

	Jens Öhlenschläger Spokesman of the Executive Board (CEO) Executive Board Member since January 1, 2019			Jurate Keblyte CFO/Labor Director Executive Board Member since August 1, 2019		
	2023		2022	2023		2022
	in EUR k	in %	in EUR k	in %	in %	in EUR k
Fixed remuneration	488	60	390	449	59	390
Benefits in kind	23	3	25	24	3	24
Pension substitute payment	150	18	125	138	18	125
Short-term variable remuneration	157	19	74	144	19	74
Short-term incentive 2022 <sup>1</sup>	-	-	74	-	-	74
Short-term incentive 2023	157	-	-	144	-	-
Long-term variable remuneration	0	0	0	0	0	0
Long-term incentive 2019-2022 <sup>2</sup>	-	-	0	-	-	0
Long-term incentive 2020-2023 <sup>2</sup>	0	-	-	0	-	-
Other	-	0	-	-	0	-
<b>Remuneration awarded and due in accordance with Section 162 AktG</b>	<b>818</b>	<b>100</b>	<b>614</b>	<b>754</b>	<b>100</b>	<b>613</b>

<sup>1</sup> It was agreed between the Supervisory Board and the members of the Executive Board in office on December 31, 2022 to pay out only half of the remuneration due under the STI 2022, which constitutes a waiver in the amount of 50%.

<sup>2</sup> In March 2020, the members of the Executive Board waived the previously allocated 2019-2022 LTI tranche and the allocation of their 2020-2023 LTI tranche in view of the economic impact of the COVID-19 pandemic on the company.

## 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.

In fiscal year 2023, the total of the fixed remuneration, benefits in kind, retirement benefits, and the awarded short-term incentive is EUR 818 thousand and EUR 754 thousand for Jens Öhlenschläger and Jurate Keblyte respectively. Even if the long-term incentive were to pay out at its maximum the total of all remuneration components would not exceed the maximum remuneration.

### Maximum remuneration for fiscal year 2023

	<b>Jens Öhlenschläger</b> Spokesman of the Executive Board (CEO) Executive Board Member since January 1, 2019	<b>Jurate Keblyte</b> CFO/Labor Director Executive Board Member since August 1, 2019
	in EUR k	in EUR k
Fixed remuneration 2023	488	449
Benefits in kind 2023	23	24
Retirement benefits 2023	150	138
Short-term incentive 2023	157	144
Payout limit for the Performance Share Plan (2023- 2026)	888	814
<b>Maximum Value of the remuneration for the fiscal year 2023</b>	<b>1,706</b>	<b>1,568</b>
<b>Maximum remuneration Section 87a (1) sentence 2 No 1 AktG</b>	<b>1,800</b>	<b>1,800</b>

### 3. 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. In addition, the members of the committees, with the exception of the Nominating Committee and the Presiding Committee, receive fixed remuneration for each full fiscal year of their membership of the respective committee. The members of the Supervisory Board receive a fixed attendance fee for each Supervisory Board meeting and for each committee meeting they attend in person. The attendance fee is not paid for participation in meetings of the Nominating Committee. Members of the Supervisory Board

or a committee for only part of the fiscal year receive fixed remuneration on a pro rata basis. Remuneration is differentiated by function and is based on the recommendations of the GCGC. In addition, the Company shall reimburse the members of the Supervisory Board for expenses incurred in the performance of their duties, including any value-added tax payable on the remuneration and the reimbursement of expenses.

## REMUNERATION SYSTEM FOR THE SUPERVISORY BOARD





The following table presents the remuneration awarded and due individually for members of the Supervisory Board for the fiscal years 2023 and 2022 as well as their relative share of total remuneration.

### Supervisory Board remuneration

	2023					2022				
	Fixed remuneration		Attendance fees		Total remuneration	Fixed remuneration <sup>1</sup>		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
Dr. Martin Kleinschmitt (ChSB)	99	82	21	18	120	57	80	14	20	71
Udo Fechtner (deputy ChSB / from October 1, 2023)	14	69	6	31	20	n/a	n/a	n/a	n/a	n/a
Klaus Bauer	35	85	6	15	41	32	76	10	24	42
Andrea Elsner	45	82	10	18	55	42	74	15	26	57
Dr. Ping He	35	85	6	15	41	32	76	10	24	42
Martin Heiss	45	78	13	22	58	42	69	19	31	61
Peter Kern	35	85	6	15	41	32	76	10	24	42
Jürgen Kostanjevec	35	90	4	10	39	32	76	10	24	42
Dagmar Rehm	55	85	10	15	65	32	82	7	18	39
Gabriele Sons	45	82	10	18	55	39	68	18	32	57
Prof. Dr. Birgit Vogel-Heuser	45	83	9	17	54	35	76	11	24	46
Antje Wagner	45	82	10	18	55	42	78	12	22	54
<b>Former Supervisory Board members</b>										
Horst Ott (deputy ChSB / until September 30, 2023)	40	80	10	20	50	49	71	20	29	69

<sup>1</sup> The members of the Supervisory Board in office as of December 31, 2022 have waived 10% of the fixed remuneration to which they are entitled in accordance with section 20 (1) of the Articles of Association of GRAMMER AG (only fixed remuneration for Supervisory Board activities, no waiver of fixed remuneration for committee activities).

#### **4. 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

	2023 in EUR k	2022 in EUR k	Change 2023/2022 in %	Change 2022/2021 in %	Change 2021/2020 in %
<b>Executive Board members</b>					
Jens Öhlenschläger	818	614	33	6	23
Jurate Keblyte	754	613	23	6	32
<b>Supervisory Board members</b>					
Dr. Martin Kleinschmitt (ChSB)	120	71	69	n/a	n/a
Udo Fechtner (deputy ChSB / from October 1, 2023)	20	n/a	n/a	n/a	n/a
Klaus Bauer	41	42	-2	14	164
Andrea Elsner	55	57	-4	36	-2
Dr. Ping He	41	42	-2	14	90
Martin Heiss	58	61	-5	33	0
Peter Kern	41	42	-2	14	90
Jürgen Kostanjevec	39	42	-7	14	90
Dagmar Rehm	65	39	67	n/a	n/a
Gabriele Sons	55	57	-4	30	87
Prof. Dr. Birgit Vogel-Heuser	54	46	17	28	0
Antje Wagner	55	54	2	29	5
Horst Ott (deputy ChSB / until September 30, 2023)	50	69	-27	6	-4
<b>Employees</b>					
Average	73	70	4	-1	2
<b>Earnings performance</b>					
Net Income Group	3,414	-78,561	104	-12,261	101
Net Income GRAMMER AG	-14,897	-56,316	74	-2,247	97

## **Independent auditor's report on the audit of the remuneration report pursuant to section 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 2023 to determine whether the disclosures required by section 162 (1) and (2) AktG have been made therein. In accordance with section 162 (3) AktG, we have not audited the content of the remuneration report.

In our opinion, the disclosures required by section 162 (1) and (2) AktG 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 section 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 (09.2023)). 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 German Law Regulating the Profession of German Public Auditor and the Professional Charter for German Public Accountants / German Sworn Auditors including the requirements regarding independence.

### **Responsibilities of the Executive Board and Supervisory Board**

The Executive Board and Supervisory Board are responsible for the preparation of the remuneration report and the related disclosures in compliance with the requirements of section 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 (i.e. fraudulent financial reporting and misappropriation of assets) or error.

### **Responsibilities of the auditor**

Our objectives are to obtain reasonable assurance about whether the disclosures required by section 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 section 162 (1) and (2) AktG. In accordance with section 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.

### **Consideration of misrepresentations**

In connection with our audit, our responsibility is to read the remuneration report considering the knowledge obtained in the audit of the financial statements and, in doing so, remain alert for indications of whether the remuneration report contains misrepresentations in relation to the accuracy of the disclosures, the completeness of the individual disclosures or the fair presentation of the remuneration report.

If, based on the work we have performed, we conclude that there is a misrepresentation, we are required to report that fact. We have nothing to report in this regard.

Nuremberg, March 26, 2024

EY GmbH & Co. KG  
Wirtschaftsprüfungsgesellschaft

Schuberth  
German Public Auditor

Thies  
German Public Auditor

## Further information on the convening of the Annual General Meeting

The Executive Board of GRAMMER AG has decided to hold the Annual General Meeting as a virtual Annual General Meeting without the physical presence of the shareholders or their authorized representatives, in accordance with Article 22(5) of the Company's Articles of Association. Physical presence of the shareholders and their authorized representatives at the location of the Annual General Meeting is ruled out.

The entire Annual General Meeting will be broadcast in a live video and audio stream for properly registered shareholders who have provided evidence of their shareholdings, or their authorized representatives, on June 4, 2024 starting from 10:00 a.m. (CEST) in the password-protected internet service ("GRAMMER shareholder portal"), which can be accessed on the Company's website at

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

using a link. The login data for using the GRAMMER shareholder portal will be sent to the shareholders or their authorized representatives after they have properly registered for the Annual General Meeting and provided evidence of their shareholdings. When using the GRAMMER shareholder portal throughout the duration of the virtual Annual General Meeting on June 4, 2024, the shareholders or their authorized representatives are connected to the virtual Annual General Meeting electronically and can exercise their shareholder rights on the GRAMMER shareholder portal. On the GRAMMER shareholder portal, properly registered shareholders who have provided evidence of their shareholdings, or their authorized representatives, can – among other things – exercise

voting rights, make use of the right to speak and the right to information, file objections, and submit statements before the meeting in accordance with the designated process for this.

### 1. Conditions for participating in the Annual General Meeting and exercising voting rights

In accordance with Article 22(1) of the Company's 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. In accordance with Article 22(1) of the Articles of Association, evidence of shareholdings must refer to the start of the 21st day before the Annual General Meeting, i.e. midnight (CEST) at the start of May 14, 2024. This corresponds to the close of business on the 22nd day before the Annual General Meeting in accordance with section 123(4) sentence 2 AktG in the version of the German Act on Financing Investments to Secure the Future (ZukunftsfinanzierungsG) (BGBl. 2023 I no. 354), i.e. the end of May 13, 2024 (midnight, 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 28, 2024 (midnight, CEST):

#### GRAMMER AG

c/o Computershare Operations Center  
80249 Munich

by e-mail: [anmeldestelle@computershare.de](mailto:anmeldestelle@computershare.de)

The registration and evidence of shareholdings must be in written 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 virtual 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 record date, for example, but who purchases shares before the Annual General Meeting is not entitled to participate or vote. The record date also has no effect on entitlement to dividends.

After their registration and evidence of their shareholdings have been received, the shareholders or their authorized representatives will be sent the login data for 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/>

using a link. We would ask shareholders to ensure that they register and send evidence of their shareholdings to the Company in good time.

## **2. Procedure for electronic postal voting**

Shareholders who have registered properly and provided evidence of their shareholdings in accordance with the above provisions can exercise their voting rights – themselves or through authorized representatives – by electronic postal voting on the GRAMMER shareholder portal.

Votes are cast electronically in accordance with the designated process for this 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/>

using a link. Postal votes can be cast, modified, or revoked on the GRAMMER shareholder portal until such time as voting is closed by the chair of the meeting at the virtual Annual General Meeting on June 4, 2024.

## **3. Procedure for voting through authorized representatives**

Shareholders who do not wish to exercise their voting rights themselves by electronic postal voting can also have their voting rights exercised by an authorized representative such as an intermediary, a shareholder association, a voting right consultant, or another third party, after granting the corresponding authorization. Even in the case of representation of the shareholder, shareholders must register properly and provide evidence of their shareholdings in due time.

In order for an authorized representative to use the GRAMMER shareholder portal, the corresponding login data sent after the shareholder properly registered for the Annual General Meeting and provided evidence of their shareholdings must be received by the authorized representative from the authorizing shareholder, provided the login data were not sent directly to the authorized representative.

Written or electronic form is required to issue, amend, revoke or provide documentary evidence of an authorization to the Company. There may be special considerations for granting authorization to exercise voting rights in accordance with section 135 AktG (granting of authorization to intermediaries, voting right consultants, shareholder associations, or other equivalent persons or institutions in accordance with section 135(8) AktG) and revoking these and for providing the relevant evidence to the Company; with regard to the form to be used here, we would ask our shareholders to coordinate with the specified persons.

For granting authorization in relation to the Company, sending proof of an authorization granted, and modifying and revoking authorizations, the GRAMMER shareholder portal, accessible at

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

is available until the end of the Annual General Meeting.

The following address is also available until the end of June 3, 2024 (midnight, CEST) (receipt by the Company).

**GRAMMER AG**

c/o Computershare Operations Center  
80249 Munich  
or

**by e-mail:** [anmeldestelle@computershare.de](mailto:anmeldestelle@computershare.de)

If a shareholder authorizes more than one person, the Company may reject one or more of these.

An authorization form and further information on granting authorization will be sent to properly registered shareholders together with the login data for the GRAMMER shareholder portal. The authorization form will also be sent to shareholders or their authorized representatives on request at any time and is also available at

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

Please note that authorized representatives (with the exception of the voting representatives appointed by the Company) also cannot physically attend the virtual Annual General Meeting, but rather can likewise exercise voting rights for the shareholders they are representing only by way of electronic postal voting or by granting (sub-)authorization to the voting representatives appointed by the Company.



#### 4. Procedure for voting through the voting representatives appointed by the Company

The Company offers shareholders who have registered properly and provided evidence of their shareholdings in accordance with the above provisions the option of granting authorization to voting representatives appointed by the Company before the Annual General Meeting already. If granted authorization, the voting representatives appointed by the Company exercise voting rights at the Annual General Meeting in accordance with the instructions issued. The voting representatives may exercise voting rights only with regard to those items of the agenda for which they have been issued clear and explicit instructions. The voting representatives cannot accept any instructions to request to speak, to submit statements, to file objections to resolutions of the Annual General Meeting, or to ask questions or propose motions.

Authorizations and instructions to the voting representatives appointed by the Company can be issued, modified, or revoked in accordance with the designated process for this up until the start of voting at the virtual Annual General Meeting on the GRAMMER shareholder portal, which is accessible at

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

In addition, authorizations and instructions to the voting representatives appointed by the Company can be issued in written form (section 126b BGB) to the address below by no later than the end of June 3 (midnight, CEST) (receipt by the Company).

#### GRAMMER AG

c/o Computershare Operations Center  
80249 Munich  
or

by e-mail: [anmeldestelle@computershare.de](mailto:anmeldestelle@computershare.de)

If both electronic postal votes and authorizations with instructions to the voting representatives appointed by the Company are received, postal votes will always be considered to take precedence. If different authorizations with instructions are received via different communication channels, the following order of precedence will apply: declarations sent (1) via the GRAMMER shareholder portal, (2) by e-mail, (3) by mail.

#### 5. Information on shareholders' rights

##### (a) Requests for 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 May 4, 2024 (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/>

and shareholders will be made aware of them.

### **(b) Countermotions and nominations (sections 126 and 127 AktG)**

Each shareholder is entitled to submit countermotions and nominations to the Company before the virtual 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 should 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 20, 2024 (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. 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/>

Shareholders will be asked to provide evidence of their capacity as shareholders when they send the countermotion or nomination.

Countermotions or nominations to be disclosed apply at the Annual General Meeting as being submitted at the time when they are disclosed. Voting rights on such motions can be exercised, including before the Annual General Meeting, as soon as the conditions for exercising voting rights are met. If the shareholder who submitted the motion is not properly legitimated or is not properly registered for the Annual General Meeting, the motion does not have to be addressed at the meeting.

Shareholders who are connected to the Annual General Meeting electronically can also submit motions and nominations during the Annual General Meeting without having sent these in advance. Further information on the designated process for this can be found in the section "Right to speak (section 118a(1) sentence 2 no. 7 and section 130a(5) and (6) AktG), right to information (section 118a(1) sentence 2 no. 4 and section 131 AktG) and right to propose motions (section 118a(1) sentence 2 no. 3 AktG) at the Annual General Meeting."

**(c) Right to submit statements (section 118a(1) sentence 2 no. 6 and section 130a (1) to (4) AktG)**

Shareholders who have registered properly for the Annual General Meeting and provided evidence of their shareholdings, or their authorized representatives, have the right to submit statements on the items of the agenda electronically on the GRAMMER shareholder portal at

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

in written form before the Annual General Meeting. Statements must not exceed a length of 10,000 characters. By submitting a statement,

the shareholder or his/her authorized representatives consents to the statement being made available on the password-protected GRAMMER shareholder portal along with his/her name. Statements must be submitted by no later than five days before the Annual General Meeting, i.e. by no later than the end of May 29, 2024 (midnight, CEST).

Submitted statements that satisfy these requirements and are to be made available in accordance with the statutory provisions will be published no later than four days before the Annual General Meeting, i.e. by the end of May 30, 2024 (midnight, CEST), on the GRAMMER shareholder portal accessible at

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

disclosing the name of the shareholder or of his/her authorized representative.

Questions, motions, nominations, and objections to resolutions of the Annual General Meeting that are contained in statements will not be taken into account as such.

**(d) Right to speak (section 118a(1) sentence 2 no. 7 and section 130a (5) and (6) AktG), right to information (section 118a(1) sentence 2 no. 4 and section 131 AktG) and right to propose motions (section 118a(1) sentence 2 no. 3 AktG) at the Annual General Meeting**

Shareholders and authorized representatives of shareholders who are connected to the Annual General Meeting electronically have a right to speak and a right to information at the Annual General Meeting.

Requests for information may form part of a speech. It is not possible to submit questions prior to the Annual General Meeting.

Shareholders and authorized representatives of shareholders who are connected to the Annual General Meeting electronically also have the right to submit motions and nominations at the Annual General Meeting.

The GRAMMER shareholder portal at

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

is to be used for exercising the above rights. The right to speak and the right to submit motions and nominations at the Annual General Meeting will be exercised by way of video communication; it is planned to stipulate that the right to information can also be exercised only by way of video communication. The above rights can be exercised only on the day of the Annual General Meeting starting from 10:00 a.m. (CEST) until the time determined by the chair of the meeting.

The Company has reserved the right to check the functionality of the video communication between the shareholder or authorized representative and the Company at the meeting in advance and to refuse the speech, question, motion, or nomination if functionality is not ensured. The chair of the meeting will explain the procedure for requesting to speak and calling shareholders up to speak at the Annual General Meeting in more detail.

The right to information in accordance with section 131(1) AktG comprises information on matters relating to the Company, provided this is required to appropriately assess an item on the agenda. The Executive Board's duty to provide information also extends to the Company's legal and business relations with affiliated companies and the position of the Group and the companies included in the consolidated financial statements (see section 131(1) sentence 2 and sentence 4 AktG). The Executive Board may refrain from answering individual questions for the reasons listed in section 131(3) AktG.

#### **(e) Filing objections (section 118a(1) sentence 2 no. 8 AktG)**

Shareholders and their authorized representatives are given the possibility to declare objections to resolutions of the Annual General Meeting. Such declarations can be made by way of electronic communication on the GRAMMER shareholder portal accessible at

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

and are possible from the time that the Annual General Meeting is opened on June 4, 2024, until it is closed by chair of the meeting.

#### **(f) Further information**

Further information on shareholders' rights in accordance with section 122(2) and sections 126, 127, 130a and 131(1) AktG can be found on the Company's website at

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

## 6. Publications on the website (section 124a AktG)

Starting from when the virtual Annual General Meeting is convened, the documents and other information to be disclosed will be available together with this convening on the Company's website at

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

They will be accessible there during the virtual Annual General Meeting as well.

Any countermotions, nominations, and requests for additions by shareholders that are received by the Company in time, i.e. by the deadlines specified above, and that are required to be published will also be disclosed on the above website. The voting results will be published on the same website after the virtual Annual General Meeting.

## 7. 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.

## 8. Data protection information for shareholders and authorized representatives

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/>

from the time that the Annual General Meeting is convened.

Ursensollen, April 2024

**GRAMMER AG**  
**The Executive Board**

**GRAMMER AG**

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