

**Consolidated**

**Corporate**

**Governance**

**Report**

**PALFINGER**  
Annual Report 2023

# CONSOLIDATED CORPORATE GOVERNANCE REPORT

## DECLARATION PURSUANT TO SECTION 243C AND SECTION 267B OF THE AUSTRIAN BUSINESS CODE (UNTERNEHMENSGESETZBUCH, UGB)

PALFINGER is committed to the standards of the Austrian Code of Corporate Governance ([www.corporate-governance.at](http://www.corporate-governance.at)), satisfies the requirements of the binding L-rules (legal requirements), and adheres to nearly all C-rules (comply or explain) of the Code.

Only C-Rules No. 39 and No. 53 (independence of the Supervisory Board and independence of the members of the committee members) are not fulfilled, based on the criteria for the independence of the Supervisory Board in accordance with Appendix 1 of the Corporate Governance Code.

With the Palfinger family, which directly or indirectly holds around 56.4 percent of the shares, PALFINGER AG has a stable core shareholder who is also represented on the Supervisory Board. HP Immobilien GmbH is a 100 percent subsidiary of the PALFINGER private foundation. Hubert Palfinger and Hannes Palfinger are beneficiaries of the PALFINGER private foundation. PALFINGER AG rents commercial space at the Kasern location from HP Immobilien GmbH and leases premises in Bergheim to the same company and consequently has a business relationship with this legal entity.

Gerhard Rauch is the managing partner of Walser GmbH and Chairman of the Board of Directors of Walser Schweiz AG. Walser Schweiz AG is a PALFINGER authorized dealer for Switzerland and Liechtenstein.

All members of the Supervisory Board of PALFINGER AG were elected by the Annual General Meeting. The performance of the members of the Supervisory Board to date has made a significant contribution to the success of PALFINGER AG in recent years. The balanced composition of the Supervisory Board, the prudent selection of the individual members based on professional and personal characteristics, and their knowledge of the company and the entire industry were of great importance.

If members of the Supervisory Board have conflicts of interest, they must immediately disclose this to the Chairman of the Supervisory Board in accordance with Rule 46 ÖCGK. No conflicts of interest were reported in the 2022 financial year.

This procedure and approach also apply with respect to the committee members (rule no. 39).

No agreements in accordance with rule no. 48 were submitted to the Supervisory Board for approval during the year 2023.

 [www.palfinger.ag/en/investors/corporate-governance](http://www.palfinger.ag/en/investors/corporate-governance); [www.corporate-governance.at](http://www.corporate-governance.at)

# GOVERNING BODIES OF THE COMPANY AND FUNCTIONING OF THE EXECUTIVE BOARD AND SUPERVISORY BOARD PURSUANT TO SECTION 243C(2) AND SECTION 267B OF THE UGB

In accordance with the Austrian Stock Corporation Act (Aktiengesetz, AktG), the Executive Board of PALFINGER AG manages the company under its own responsibility in the best interest of the company, taking into consideration the interests of all stakeholders. The foremost principles include fostering a positive working relationship and continuous communication with the other members of the board, keeping an open mind, and reaching decisions quickly and efficiently. The Executive Board directs the management teams responsible for operations in the individual segments and/or businesses and functions. In addition, the Executive Board is represented in the management of several PALFINGER holding companies in Austria.

The Supervisory Board of PALFINGER AG supervises the company's management and supports the Executive Board with major decisions. The foundation of good corporate governance is open communication between the Executive Board and the Supervisory Board and within the respective Boards. This has been a long tradition at PALFINGER.

In accordance with Rule 36 ÖCGK, the Supervisory Board deals annually with the efficiency of its activities, in particular with its organization and working methods (self-evaluation).

## EXECUTIVE BOARD

The Management Board of PALFINGER AG consisted of three members throughout the 2023 financial year, with one change in the Management Board member responsible for Development and Production. Since 8 January 2024, the Executive Board has consisted of four members.

Name		Initial appointment	End of the term of office	Diversity factors <sup>1)</sup>
<b>Andreas Klauser</b>	(CEO)	6/1/2018	5/31/2028	male; born in 1965; AT
<b>Felix Strohbiehler</b>	(CFO)	10/1/2017	12/31/2027	male; born in 1974; AT
<b>Alexander Susanek</b>	(COO)	01/07/2023	30/06/2028	male; born in 1975; DE
<b>Maria Koller</b>	(CHRO)	01/08/2024	01/09/2029	female; born in 1972; AT
<b>Martin Zehnder</b>	(COO)	1/1/2008	17/04/2023	male; born in 1967; CH

<sup>1)</sup> Diversity factors include gender, age, and nationality.

### Andreas Klauser

CEO – CHIEF EXECUTIVE OFFICER (SINCE JUNE 1, 2018)

Born in 1965, Andreas Klauser began his career at STEYR Landmaschinentechnik in Upper Austria. He was responsible for the integration of twelve brands and nine business units in Turin, Italy, as the COO of CNH Industrial for the EMEA region until 2015. Most recently, Klauser was a member of the CNH Industrial board of directors based in the USA and Global Brand President of Case IH and STEYR. Andreas Klauser has been Chief Executive Officer of PALFINGER AG since June 2018. In this capacity, his responsibilities include Sales & Service, Business Development, P21st/Digital Transformation, Marketing & Communication, Sustainability, as well as Investor Relations and Sponsoring.

Andreas Klauser is also chairman of the supervisory boards of Trivest AG.

### **Felix Strohbichler**

CFO – CHIEF FINANCIAL OFFICER (SINCE OCTOBER 1, 2017)

Born in 1974, Strohbichler became head of PALFINGER's Legal department in 2000. He went on to hold numerous executive positions in several areas of the PALFINGER Group, most recently that of EMEA Area Manager in charge of Marketing, Sales and Service, and Finance and Controlling. From May 2015 to September 2017 Strohbichler was managing director of B&C Industrieholding GmbH. In his capacity as CFO of PALFINGER AG, he has been responsible for the areas of Controlling, Accounting, Tax, Treasury, Risk Management, Internal Auditing, Compliance, Sales & Operations Planning, Process and Quality Management, and Information and Communications Technology since October 2017.

### **Alexander Susanek**

COO – CHIEF OPERATING OFFICER (SINCE JULY 1, 2023)

Born in 1975, Alexander Susanek began his career at MAN Trucks & Bus SE in Munich. After holding various specialist and management positions, he was General Manager of the assembly plant for heavy trucks in Niepolomice, Poland, from 2011 to 2014. He moved to the BMW Group in 2014. After holding positions as Head of Passenger Car Prototype Construction in Munich and Assembly Manager at the Regensburg plant, he took over as Managing Director of BMW Motoren GmbH in 2020, managing the BMW Group's largest engine plant worldwide in Steyr. Since November 2022, he has been responsible for global drive production at BMW. Since July 2023 he has been responsible for the worldwide manufacturing and assembly area as Chief Operating Officer. In addition, his responsibilities include Product Line Management, Research & Development, Procurement, Health, Safety & Environment (HSE), and Supply Chain Management.

### **Maria Koller**

CHRO – CHIEF HUMAN RESOURCES OFFICER (SINCE JANUARY 8, 2024)

Born in 1972, business psychologist Maria Koller began her professional career in 1998 as an HR expert at Alcatel in Austria. She then moved to NextiraOne in Stuttgart, where she worked as Human Resources Director for Germany from 2002. She built on her international experience from 2004 to 2006 in Paris at Platinum Equity, the owner of NextiraOne, as Human Resources Director for Europe. In 2007, she took on senior HR roles in the Danaher Group in the UK and Germany. In 2017, she took on the role of Executive Vice President Global HR at JENOPTIK AG. Maria Koller has been CHRO at PALFINGER AG since January 2024. She is responsible for human resources and legal affairs.

### **Martin Zehnder**

COO – CHIEF OPERATING OFFICER (FROM JANUARY 1, 2008 UNTIL APRIL 17, 2023)

Born in 1967, Martin Zehnder began his career at Alstom Schienenfahrzeuge AG in 1984. From 2000 to 2005 he was managing director of development and production at Keystone Europe in France. In 2005, Zehnder took charge of all production facilities in the PALFINGER Group as Global Manufacturing Manager. From 2008 to 2023 he was responsible for the worldwide manufacturing and assembly area as Chief Operating Officer. In addition, his responsibilities included Product Line Management, Research & Development, Procurement, Health, Safety & Environment (HSE), and Supply Chain Management.

Martin Zehnder was also a member of the Supervisory Board of Rosenbauer International AG during the period in which he exercised his mandate for PALFINGER.

The Board of Management has overall responsibility for sustainability. The functions of Group Data Protection Officer and Issuer Compliance Officer also report to the full Board of Management.

Group Management Report, Remuneration of the Executive Board and Supervisory Board, page 167

## SUPERVISORY BOARD

In 2023, the Supervisory Board of PALFINGER AG initially consisted initially of six members elected by the Annual General Meeting and three members delegated by the Works Council. Between the end of March 2023 and the middle of August only one member of the Works Council was delegated effective to the Supervisory Board. Two further members were delegated with effect from 16 August 2023, meaning that three members have been delegated by the Works Council again since then. The Supervisory Board was chaired by Hubert Palfinger. His deputies were Gerhard Rauch and Hannes Palfinger.

Six Supervisory Board meetings (four ordinary meetings and two extraordinary meetings) were held in 2023. The main topics of the Supervisory Board meetings in 2022 were: the appointment of two new members of the Executive Board, important location and investment projects, the current business development, as well as the effects of the challenging economic conditions in connection with the interest rate and economic landscape, the ongoing Ukraine war and the continued challenging situation on the procurement markets. Other focal points included measures to reduce costs and capital employed, integration, restructuring and expansion projects, risk management and the internal control system as well as anti-corruption measures, sustainability priorities and the strategic orientation of the PALFINGER Group for the coming years.

Group Management Report, Report of the Supervisory Board, p. 166

Name	Initial appointment	End of the term of office	Diversity factors <sup>2)</sup>
<b>Hubert Palfinger</b> (Chairman of the Supervisory Board since 12/10/2013)	4/13/2005	AGM 2025	male; born in 1969; AT
<b>Gerhard Rauch</b> (First Deputy Chairman since 6/6/2016)	3/9/2016	AGM 2026	male; born in 1963; AT
<b>Hannes Palfinger</b> (Second Deputy Chairman since 12/10/2013)	3/30/2011	AGM 2026	male; born in 1973; AT
<b>Hannes Bogner</b>	3/8/2017	AGM 2027	male; born in 1959; AT
<b>Isabel Diaz Rohr</b>	8/5/2020	AGM 2025	female; born in 1967; ESP/GER
<b>Sita Mazumder</b>	7.4.2021	AGM 2026	female; born in 1970; CH
<b>Johannes Kücher<sup>1)</sup></b>	2/6/2015	<sup>1)</sup>	male; born in 1963; AT
<b>Claudia Weindl<sup>1)</sup></b>	8/16/2023	<sup>1)</sup>	female; born in 1991; AT
<b>Alois Weiss<sup>1)</sup></b>	12/20/2017	resigned on 3/31/2023, reappointed on 8/16/2023 <sup>1)</sup>	male; born in 1971; AT
<b>Erwin Asen<sup>1)</sup></b>	13/2/2006	resigned on 3/31/2023 <sup>1)</sup>	male; born in 1962; AT

<sup>1)</sup> Delegated by the works council.

<sup>2)</sup> Diversity factors include gender, age, and nationality.

### Hubert Palfinger

#### CHAIRMAN OF THE SUPERVISORY BOARD

After 15 years in various companies of the PALFINGER Group, Hubert Palfinger took over the management of Industrieholding GmbH in 2004. He has been a member of the Supervisory Board of PALFINGER AG since 2005 and became Deputy Chairman in September 2008. In 2013, he was elected Chairman of the Supervisory Board. Hubert Palfinger is also managing director of HP Immobilien GmbH.

## **Gerhard Rauch**

FIRST DEPUTY CHAIRMAN

As a managing partner of the Walser Group, Gerhard Rauch has wide-ranging experience in truck body manufacturing and vehicle construction and has worked with the PALFINGER Group in this business area for decades. Mr. Rauch is managing partner of Walser GmbH and chairman of the board of Walser Schweiz AG (general agency Palfinger). He is also Chairman of the Board of Directors of Walser Zizers AG, Managing Partner of Kulhay Yachtwerft GmbH and managing partner of G.R. Property Ltd. Mr. Rauch is also Co-owner of Rauch Fruchtsäfte GmbH & Co OG. Furthermore, Mr. Rauch is the economic co-owner of Rauch Private foundation and beneficial owner of E.R. private foundation. He has been a member of the supervisory board since 2016 PALFINGER AG and 1st Deputy Chairman.

## **Hannes Palfinger**

SECOND DEPUTY CHAIRMAN

After studying business administration and pursuing a career as an athlete, Hannes Palfinger spent three years working for PricewaterhouseCoopers in Vienna as an assistant auditor. From 2007 to 2010, he held an executive position at Palfinger Systems GmbH. Hannes Palfinger is currently managing director of Clear Holding GmbH, HP Immobilien GmbH, Industrieholding GmbH, and Audiodata Lautsprecher GmbH. He has been a member of the Supervisory Board of PALFINGER AG since 2011 and Second Deputy Chairman since 2013.

## **Other positions held by members of the Supervisory Board**

### **Hannes Bogner**

In addition to being a member of the Supervisory Board of PALFINGER AG, Hannes Bogner has a seat on the supervisory boards of Oberbank AG, BKS Bank AG, and the Bank für Tirol und Vorarlberg AG.

### **Isabel Diaz Rohr**

In addition to her function as a member of the Supervisory Board of PALFINGER AG, Isabel Diaz Rohr has also been a member of the Shareholders' Committee of Voith Management GmbH since 1 October, 2021, and a member of the Supervisory Board of Voith GmbH & Co. KGaA since 7 December, 2021.

### **Sita Mazumder**

Sita Mazumder was elected to the Supervisory Board of PALFINGER AG on 7 April 2021. In addition to her function as a member of the Supervisory Board of PALFINGER AG, Ms. Mazumder is a member of the Supervisory Board of Josef Manner & Comp AG (Vienna), where she chairs the Digitization Committee and a member of the Federal Electricity Commission EICOM (Berne), where she chairs the Market Surveillance Committee. Furthermore, Ms. Mazumder is a member of the Board of Directors and the Nomination and Compensation Committee of Clientis AG (Bern), where she is the chairwoman of the strategy committee, Vice-President of the Board of Directors of Hiltl AG (Zurich), and a member of the Board of Directors of Helsana AG.

Apart from Hubert Palfinger and Hannes Palfinger, no Supervisory Board member owns stock or represents the interests of a holding of more than 10 percent in PALFINGER AG.

Remuneration of the Executive Board and Supervisory Board, p. 167

 [www.palfinger.ag/en/company/management](https://www.palfinger.ag/en/company/management)

## SUPERVISORY BOARD COMMITTEES

### Audit Committee

The decision-making authority of the Audit Committee of PALFINGER AG complies with the provisions of the AktG. In 2023, the Audit Committee held three meetings dealing with the 2023 financial statements, the internal control system, risk management, IFRS/accounting topics, internal audits, and cooperation with the independent auditor.

The following were members of the Audit Committee in 2023: Hannes Bogner (Chairman, financial expert), Hubert Palfinger, Gerhard Rauch, Hannes Palfinger, and Johannes Kücher.

### Nomination Committee

The election to the Supervisory Board by the Annual General Meeting is preceded by an election proposal by the Supervisory Board to the Annual General Meeting. This election proposal is based on a nomination by the nomination committee. If they are not elected for a shorter period of office, the members of the Supervisory Board are elected for the period up to the end of the Annual General Meeting that decides on the discharge for the fourth financial year after the election, not counting the financial year in which the election took place. When electing members of the Supervisory Board, the general meeting must pay attention to the professional and personal qualifications of the members in accordance with Section 87 (2a) AktG and to a professionally balanced composition of the Supervisory Board with regard to the structure and business area of the company. Furthermore, aspects of the diversity of the Supervisory Board with regard to the representation of both genders and the age structure as well as with regard to the internationality of the members must be adequately taken into account. Care must also be taken to ensure that no one is elected to the Supervisory Board who has been convicted of a criminal act that calls into question his or her professional reliability.

The Nomination Committee held seven meetings in 2023 and dealt with the selection and nomination of two new members of the Executive Board for election by the Supervisory Board.

The following were members of the Nomination Committee in 2023: Hubert Palfinger (Chairman), Gerhard Rauch, Hannes Palfinger, Hannes Bogner and Isabel Diaz Rohr.

### Remuneration Committee

At its three meetings in 2023, the Remuneration Committee dealt with the remuneration of Executive Board members and held feedback discussions with each member of that Board. Furthermore, the Remuneration Committee 2023 was involved in the establishment of contracts and remuneration for two new members of the Executive Board, the termination of the contract of Mr. Zehnder, the preparation of a new long-term-incentive-program for the Executive Board as well as the remuneration report for the Annual General Meeting 2023.

The following were members of the Remuneration Committee in 2023: Hubert Palfinger (Chairman), Gerhard Rauch, Hannes Palfinger, Hannes Bogner and Isabel Diaz Rohr.

Remuneration of the Executive Board and Supervisory Board, p. 167 and 168

## Project Committee

The Project Committee is entrusted with the in-depth examination of research and development projects and the preparation of related reporting and resolution items for the Supervisory Board. In one meeting in 2023, the Project Committee dealt in particular with the organization of Product Line Management & Engineering and the current projects in both the product lines and the Centers of Excellence.

Members of the Project Committee in 2023 were: Hubert Palfinger (Chairman), Hannes Palfinger, Isabel Diaz Rohr and Johannes Kücher.

## Digital Committee

The Digital Committee focuses in detail on digital technologies and the preparation of items for reports and resolutions on this issue for the Supervisory Board. In its two meetings in 2023, the Digital Committee in particular undertook ongoing monitoring of existing projects and digitalization initiatives in the business units and shed light on data protection organization and compliance.

Members of the Digital Committee in 2023: Sita Mazumder (Chair), Isabel Diaz Rohr, Hannes Palfinger and Johannes Kücher.

## AUDITOR

PwC Wirtschaftsprüfung GmbH, Vienna, was proposed by the Supervisory Board as the auditor of the 2023 financial statements and consolidated financial statements of PALFINGER AG and elected by the Annual General Meeting on March 30, 2023.

*Auditor's reports, p. 179*



## DIVERSITY PLAN

PALFINGER understands diversity to include not only primary dimensions such as origin, cultural background, gender, and generations, but also secondary dimensions such as a person's working style, values, knowledge, and skills. PALFINGER is convinced that diversity, as part of its corporate culture, benefits all stakeholders and employees and therefore actively incorporates current study results and the scientific discourse on the topic into the development of measures. A cross-departmental diversity working group has been set up for this purpose.

When proposing candidates to the Annual General Meeting for Supervisory Board mandates and when nominating Executive Board members, care is taken to achieve a balance according to professional and diversity-related aspects. This approach helps to ensure the professional and successful work of the Supervisory Board and Executive Board. In addition to professional and personal qualifications, criteria such as age structure, origin, gender, education and experience background are also taken into account.

## PROMOTION OF WOMEN ON THE EXECUTIVE BOARD, SUPERVISORY BOARD AND IN MANAGEMENT POSITIONS

With Maria Koller there has been a woman in the Executive Board since January 2024. This equals to a percentage of 25 percentage within the Executive Board. Two women were involved in the Supervisory Board, which equals to a percentage of 22 percent. Four top management positions in the Global Management Team were held by women in the 2023 fiscal year. In 2023, the share of women in the Group was 12.9 percent (2022: 13.3 percent), compared to a share of women in top management of 6.2 percent (2022: 8.3 percent). At the levels below, the share of female managers roughly corresponds to the gender ratio of the Group as a whole. PALFINGER specifically addresses female high potentials at job fairs and supports, for example, the "Mini Girls Day" and "Neugierig ins Leben" (Curious about Life) organized by the province of Salzburg. PALFINGER is increasingly trying to recruit women for new and follow-up management positions.

## REMUNERATION OF THE EXECUTIVE BOARD AND SUPERVISORY BOARD

At the Annual General Meeting on August 5, 2020, a resolution was passed regarding the remuneration policy of Palfinger AG. An amendment to the remuneration policy was presented to the Annual General Meeting on March 30, 2023, and approved.

Further, at the Annual General Meeting on August 5, 2020, the remuneration of the Supervisory Board in fiscal year 2020 and the ensuing years was revised. A further adjustment to Supervisory Board compensation was made at the Annual General Meeting on April 7, 2021. The compensation policy and the compensation report in accordance with § 78c and § 98a AktG is available to all interested parties on the company website ([www.palfinger.ag](http://www.palfinger.ag)).

[www.palfinger.ag/en/investors/corporate-governance](http://www.palfinger.ag/en/investors/corporate-governance)

## EXTERNAL EVALUATION

According to C-rule 62 of the Austrian Corporate Governance Code (ÖCGK), the company must regularly, but at least every three years, appoint an external institution to assess the company's compliance with the Code's C-rules. PALFINGER has appointed PWC Wirtschaftsprüfung GmbH to assess the 2021 Corporate Governance Report with the exception of rules 77 through 83. Compliance with rules 77 through 83, providing these are C-rules, was assessed by Schönherr Rechtsanwälte GmbH.

The assessment came to the conclusion that PALFINGER adheres to nearly all C-rules (comply or explain), with the exception of the above mentioned rules nr. 39 and nr. 53, of the Austrian Code of Corporate Governance in the version of January 2023.

The reports on the external evaluation in accordance with Rule 62 ÖCGK are also available on the company website ([www.palfinger.at](http://www.palfinger.at)).

Bergheim, March 5, 2024

**Andreas Klauser**  
CEO

**Felix Strohbichler**  
CFO

**Alexander Susanek**  
COO

**Maria Koller**  
CHRO

Consolidated financial statement, information on transactions with related parties, page 165

[www.palfinger.ag/en/investors/corporate-governance](http://www.palfinger.ag/en/investors/corporate-governance)