



PALFINGER AG
Bergheim, FN 33393 h

Proposed resolutions
of the Executive Board and the Supervisory Board
for the
33rd Annual General Meeting
April 7, 2021

- 1. Presentation of the financial statements, including the management report and the corporate governance report, the consolidated financial statements, including the consolidated management report, the proposal for the appropriation of profits and the report of the Supervisory Board for the fiscal year 2020**

Because these documents are presented to the Annual General Meeting merely for informational purposes, no resolution will be adopted in respect of this agenda item. The 2020 financial statements have already been approved by the Supervisory Board and have thus been adopted.

- 2. Resolution on the distribution of the net profit for the year**

The Executive Board and the Supervisory Board propose that the net result for the year as reported in the adopted financial statements as at December 31, 2020 in the amount of EUR 364,099,448.93 be used as follows:

- (i) Distribution of a dividend of EUR 0.45 per share entitling its holder to a dividend,
i.e. dividends in the total amount of EUR 16,916,966.10
- (ii) Carry-forward of the remaining amount of EUR 347,182,482.83 to a new account

The dividend payment date is April 13, 2021.

- 3. Resolution to ratify the actions of the members of the Executive Board in the fiscal year 2020**

The Executive Board and the Supervisory Board propose that the members of the Executive Board holding office in the fiscal year 2020 be released from liability for their management activities during this period.

4. Resolution to ratify the actions of the members of the Supervisory Board in the fiscal year 2020

The Executive Board and the Supervisory Board propose that the members of the Supervisory Board holding office in the fiscal year 2020 be released from liability for their management activities during this period.

5. Selection of the independent auditor for the financial statements and consolidated financial statements for the fiscal year 2021

The Supervisory Board proposes that PwC Wirtschaftsprüfung GmbH, Vienna, be elected as the auditor of the financial statements and the consolidated financial statements for the fiscal year 2021.

This resolution proposed by the Supervisory Board is based on a recommendation of the Audit Committee to the Supervisory Board to propose PwC Wirtschaftsprüfung GmbH, Vienna, to the Annual General Meeting for the election of the auditor.

6. Election to fill three seats on the Supervisory Board

The term of office of Ing. Mag. Hannes Palfinger, Dr. Heinrich Dieter Kiener and Gerhard Rauch as members of the Supervisory Board will expire at the close of the coming regular Annual General Meeting.

Dr. Heinrich Dieter Kiener is not available for re-election.

Under Item 10.1 of the Articles of Association of PALFINGER AG, the Supervisory Board shall consist of four to eight members elected by the Annual General Meeting.

Until now, i.e. since the last election by the Annual General Meeting, the Supervisory Board has consisted of seven members elected by the Annual General Meeting. (This does not include the members delegated in accordance with the Austrian Labor Constitution Act.)

Three people would have to be elected to retain the current number of members.

The Supervisory Board proposes that the three vacancies be filled, so that the Supervisory Board will consist of seven members elected by the Annual General Meeting following the election to be held at the Annual General Meeting on April 7, 2021.

Sec. 86 para. 7 of the Stock Corporation Act (AktG) applies to PALFINGER AG.

Of the currently seven shareholder representatives, there are five men and two women. The employee representatives are three men.

On the part of the capital representatives on the Supervisory Board, the 30 % quota in accordance with Sec. 86 para. 7 of the Stock Corporation Act has already been fulfilled by means of the minimum shareholding requirement.

It is noted that the majority of the shareholder representatives has filed an objection in accordance with Sec. 86 para. 9 of the Stock Corporation Act. Therefore, there must be separate compliance with the minimum quota requirement under Sec. 86 para. 7 of the Stock Corporation Act.

When the Supervisory Board submitted the election proposal, it took into consideration that, if seven shareholder representatives are elected to the Supervisory Board, at least two must be women to meet the minimum quota requirement (30%) in accordance with Sec. 86 para. 7 of the Stock Corporation Act. The Supervisory Board makes the following election nominations based on the requirements of Sec. 87 para. 2a of the Stock Corporation Act and the Corporate Governance Code.

The Supervisory Board nominates Ing. Mag. Hannes Palfinger, born in 1973, Gerhard Rauch, born in 1963, and Prof. Dr. Sita Monica Mazumder, born in 1970, for election to the Supervisory Board, to take effect as of the end of the Annual General Meeting and remain in effect, in accordance with Item 10.2 of the Articles of Association and Sec. 87 para. 7 of the Stock Corporation Act, until the close of the Annual General Meeting that adopts a resolution releasing them from liability for the fiscal year 2025.

In the event of the election of the proposed persons by the Annual General Meeting, the Supervisory Board will again consist of seven members who are capital representatives, of which four are men and three are women. The minimum quota requirement in accordance with Sec. 86 para. 7 of the Stock Corporation Act (30 % quota) is therefore fulfilled.

The Supervisory Board intends to take a separate vote for each of the positions to be filled (three positions) at the coming Annual General Meeting. The vote will be taken in the order mentioned.

Each of the persons nominated has made a declaration in accordance with Sec. 87 para. 2 of the Stock Corporation Act, which is also available on the Company's website, stating as follows:

1. all circumstances in connection with Sec. 87 para. 2 of the Stock Corporation Act have been disclosed and, in the opinion of the nominee, there are no circumstances that could give rise to concern regarding their bias,
2. no final judgment has been issued convicting the nominee of any criminal offense, particularly any criminal offense that could call their professional reliability into question under Sec. 87 para. 2a sentence 3 of the Stock Corporation Act, and
3. there are no obstacles to their appointment within the meaning of Sec. 86 paras. 2 and 4 of the Stock Corporation Act.

The Supervisory Board's Nomination Committee prepared this proposal and has considered the professional and personal qualifications of the members and the

professionally balanced composition of the Supervisory Board in accordance with Sec. 87 para. 2a of the Stock Corporation Act in submitting the proposal and has given reasonable consideration to the aspect of the diversity Supervisory Board in terms of the representation of both genders and the age structure and internationalism of the members.

The Annual General Meeting is bound by the nominations in the elections in the following manner. Nominations for the election of Supervisory Board members, together with the declarations for each nominee in accordance with Sec. 87 para. 2 of the Stock Corporation Act, must be available on the company's website no later than March 30, 2021. Otherwise, the respective person may not be included in the voting. This also applies to election proposals by shareholders in accordance with Sec. 110 of the Stock Corporation Act, which must be received by the Company in text form no later than **March 26, 2021**.

7. Resolution on the remuneration report

The Management Board and the Supervisory Board of a listed company shall prepare a clear and comprehensible remuneration report for the remuneration of the members of the Management Board and the members of the Supervisory Board in accordance with Sec. 78c in conjunction with Sec. 98a of the Stock Corporation Act.

This remuneration report is to provide a comprehensive overview of the remuneration paid in the course of the past financial year to current and former members of the Executive Board and Supervisory Board in accordance with the remuneration policy (Sec. 78a in conjunction with Sec. 98a of the Stock Corporation Act), including all benefits in any form.

The remuneration report for the past fiscal year must be submitted to the Annual General Meeting for approval. The vote has the nature of a recommendation. The resolution cannot be contested (Sec. 78d para. 1 of the Stock Corporation Act).

The Executive Board and the Supervisory Board must make a proposal to adopt a resolution on the remuneration report in accordance with Sec. 108 para. 1 of the Stock Corporation Act.

In accordance with Sec. 108 para. 4 no. 4 of the Stock Corporation Act, the proposed resolution of the Executive Board and the Supervisory Board concerning the remuneration report and the remuneration report itself must be made available on the website recorded in the commercial register from the 21st day before the Annual General Meeting.

At their meeting on February 25, 2021, the Executive Board and the Supervisory Board of PALFINGER AG adopted a remuneration report in accordance with Sec. 78c in conjunction with Sec. 98a of the Stock Corporation Act and proposed a resolution pursuant to Sec. 108 para. 1 of the Stock Corporation Act.

The remuneration report will be made available on the PALFINGER AG website recorded in the commercial register, www.palfinger.ag, no later than March 17, 2021 (the 21st day before the AGM).

The Executive Board and Supervisory Board propose that the remuneration report for fiscal year 2020 available on the website recorded in the commercial register be adopted.

The remuneration report is attached to this proposed resolution as *Annex /1*.

8. Resolution on the authorization of the Executive Board

- a) to acquire treasury shares in accordance with Sec. 65 para. 1 (8) and para. 1a and para. 1b of the Stock Corporation Act, both on and off the stock exchange, in an amount of up to 10% of the share capital, also excluding the right to sell on a quota basis, which may be associated with such an acquisition (reverse exclusion of subscription rights),**
- b) to provide in accordance with Sec. 65 para. 1b of the Stock Corporation Act, for the sale or use of treasury shares other than selling them on the stock exchange or by public offer, while applying the provisions relating to the exclusion of shareholders' subscription rights,**
- c) to reduce the share capital by retiring these treasury shares without any further resolution by the Annual General Meeting.**

The Executive Board and the Supervisory Board propose that the Annual General Meeting resolve the following with regard to the 8th item on the agenda on April 7, 2021:

- a) In accordance with Sec. 65 para. 1 sentence 8 as well as para. 1a and 1b of the Austrian Stock Corporation Act, the Executive Board is authorized to acquire no-par value shares of the Company representing up to 10% of the share capital of the Company for a period of 30 months starting September 20, 2021, i.e. until March 19, 2024, both on and off the stock exchange, including from individual shareholders or a single shareholder, for a minimum consideration of EUR 10 (ten euros) per share and a maximum consideration of EUR 100 (one hundred euros) per share. Trading in treasury shares is excluded as a purpose for acquiring shares. The authorization may be exercised in whole or in part or in several installments and in pursuit of one or more purposes by the

Company, by a subsidiary (Sec. 189a sentence 7 of the Business Code) or by third parties for the account of the Company.

- b) The Executive Board of PALFINGER AG may decide to acquire shares on the stock exchange, but the Supervisory Board must be informed of this decision after it has been taken. Off-market acquisition of shares is subject to the prior approval of the Supervisory Board. In the case of an off-market acquisition of shares, this can also be executed with the exclusion of the right to sell on a pro rata basis (reverse exclusion of subscription rights).
- c) The Executive Board is authorized for a period of five years from the date of the resolution in accordance with Sec. 65 para. 1b of the Stock Corporation Act, with the consent of the Supervisory Board, to provide for the sale or use of treasury shares other than selling them on the stock exchange or by public offer, while applying the provisions relating to the exclusion of shareholders' subscription rights, The authorization may be exercised in whole or in part or in several installments and in pursuit of one or more purposes by the Company, by a subsidiary (Sec. 189a sentence 7 of the Business Code) or by third parties for the account of the Company.
- d) The Executive Board is also authorized, with the consent of the Supervisory Board, to reduce the share capital, if necessary, by retiring these treasury shares without a further resolution by the Annual General Meeting in accordance with Sec. 65 para. 1 line 8 last sentence in conjunction with Sec. 122 of the Stock Corporation Act. The Supervisory Board is authorized to adopt amendments to the Articles of Association resulting from the retirement of shares.

Regarding this agenda item reference is also made to the report of the Executive Board in accordance with Sec. 65 para. 1b of the Stock Corporation Act in conjunction with Sec. 170 para. 2 and Sec. 153 para. 4 sentence 2 of the Stock Corporation Act.

9. Resolution on remuneration for members of the Supervisory Board

The Executive Board and the Supervisory Board propose the following adjustments to the remuneration of the members of the Supervisory Board elected by the Annual General Meeting (the “shareholder representatives”), which was adopted at the Annual General Meeting of March 18, 2020, to compensate them for assuming the mandate and participating in the meetings of the Supervisory Board and its committees during the fiscal year 2021 and thereafter:

The following basic remuneration is established (in EUR):

- for the Chair of the Supervisory Board	60,000.--
- for the Vice-Chair(s)	30,000.--
- for each member of the Supervisory Board	18,000.--
- for the Chair of a permanent committee (with the exception of the Nomination and Remuneration Committee) per chair mandate	20,000.--
- for each committee member per committee mandate	2,500.--

To the extent that members of the Supervisory Board or a committee have not been members of that governing body for the entire fiscal year, the remuneration shall be calculated pro rata (on a monthly basis).

The per-meeting attendance fee for attending meetings is as follows:

- for meetings of the Supervisory Board, EUR 3,000 (for in-person participation in the meeting) or EUR 1,000 (for remote participation in the meeting – by telephone or by Internet or video conferencing);
- for committee meetings, EUR 1,500 per meeting (for in-person participation in the meeting) or EUR 500 (for remote participation in the meeting – by telephone or by Internet or video conferencing).

Should members of the Supervisory Board - outside of meetings - travel or perform representative functions on behalf of the Company in exercising their Supervisory Board function, a daily rate of EUR 1,750 shall be set for these special activities. These activities shall be invoiced on a pro rata basis in half days.

The amounts mentioned above for the attendance fee, basic remuneration and the daily rate for special activities shall be value indexed commencing with the fiscal year 2022 (base figure January 2021) in accordance with the 2020 consumer price index published by Statistik Austria (and, if this is not disclosed, in accordance with any applicable index published after that). The basic remuneration and the attendance fee shall be adjusted for the relevant fiscal year based on the monthly index figure published for January of the fiscal year by Statistik Austria and the base figure for January 2021 or the latest index figure that affected value adjustment.

Annex. /1 Remuneration report

Bergheim bei Salzburg, on February 25, 2021

The Executive Board

[signed]

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Andreas Klauser
Chair

[signed]

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Martin Zehnder

[signed]

.....
Felix Strohbichler

Chair of the Supervisory Board

[signed]

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Hubert Palfinger