

# REPORT OF THE SUPERVISORY BOARD

The Supervisory Board performed the tasks required of it by law and the Articles of Association in the 2022 financial year. It held one constituent meeting on March 24, 2022 and four ordinary meetings on February 23, June 13, September 27 and December 13, 2022, as well as one extraordinary meeting on August 24, 2022, in each case with the participation of the Executive Board. In addition, the Executive Board provided the Supervisory Board with regular written and verbal reports on the course of business and the situation of the company and the group companies. The Chairman of the Supervisory Board was in regular contact with the Executive Board – also outside the Supervisory Board meetings – and discussed the company's strategy, business development and risk situation with it.

In addition to current development and planning, in the 2022 financial year the Supervisory Board dealt with the effects of the challenging economic conditions connected with Covid-19, the Ukraine crisis and the difficult situation on the procurement markets, major investment decisions as well as acquisition, integration, restructuring and expansion projects, the strategy in the individual segments, the sustainability strategy and reporting, the developments in group-wide risk management and the associated economic, ecological and social risks.

Furthermore, three Audit Committee meetings were held in 2022, at which the Audit Committee focused on the 2022 annual financial statements, the internal control system, risk management, IFRS and accounting issues, internal auditing, and cooperation with the auditor.

In two meetings in 2022, the Nomination Committee primarily discussed the following topics: the cooperation and working methods of the Executive Board; the extension of Mr. Strohbichler's Management Board mandate beyond December 31, 2022, the extension of Mr. Klauser's Management Board mandate beyond May 31 2023; and the preparation of a proposal for filling a vacant supervisory board mandate in the course of the 2022 Annual General Meeting.

The Compensation Committee held three meetings in 2022, focusing on the compensation of the Executive Board members, the development of a new long-term incentive program for the Executive Board, and the preparation of the compensation report for the 2022 Annual General Meeting.

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 and held two meetings in 2022.

The Digital Committee deals in depth with digital technologies and the preparation of related reporting and resolution items for the Supervisory Board and held two meetings in 2022.

In September 2022, Ms. Cai resigned from the Supervisory Board. She had not attended any of the meetings of the Supervisory Board up to that point. However, this in no way impaired the functioning of the Supervisory Board. Ms. Cai did not receive any supervisory board remuneration.

For further details of the composition and working methods of the Supervisory Board and its committees, please refer to the Corporate Governance Report 2022.

The annual financial statements of PALFINGER AG as of December 31, 2022 and the management report for 2022, including the non-financial statement in accordance with Section 267a of the Austrian Commercial Code (UGB), were audited by PwC Wirtschaftsprüfung GmbH, including the bookkeeping. The audit showed that the bookkeeping, the annual financial statements and the management report of PALFINGER AG comply with the statutory provisions and that the provisions of the Articles of Association have been observed. According to its final results, the audit gave no cause for objection, so that an unqualified audit opinion was issued by the auditing company for 2022. This also applies to the consolidated financial statements for 2022. The consolidated financial statements prepared in accordance with IFRS (as adopted by the EU) were supplemented by the group management report and further notes in accordance with Section 245a of the Austrian Commercial Code.

The Supervisory Board approved the annual financial statements prepared as of December 31, 2022, including the management report and corporate governance report for the 2022 financial year. The 2022 annual financial statements of

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PALFINGER AG have thus been adopted in accordance with section 96 (4) of the Austrian Stock Corporation Act. The Supervisory Board declared its agreement with the consolidated financial statements and group management report 2022 prepared in accordance with Section 244 et seq. of the Austrian Commercial Code. The Executive Board's proposal for the distribution of profits for the 2022 financial year was examined and approved by the Supervisory Board.

The evaluation of the company's compliance with the rules of the Austrian Corporate Governance Code (ÖCGK) in fiscal year 2022 was carried out by PwC Wirtschaftsprüfung GmbH. It was confirmed that the declaration made by PALFINGER AG on compliance with the Corporate Governance Code reflects the actual circumstances. Compliance with Rules 77 to 83, insofar as they are C-Rules, was evaluated by Schönherr Rechtsanwälte GmbH.

The Supervisory Board would like to express its gratitude and appreciation to the members of the Executive Board and to all PALFINGER employees for their great commitment and outstanding performance in the 2022 financial year.

Bergheim, February 23, 2023

Hubert Palfinger