

Corporate governance declaration and corporate governance report

For DEUTZ, a responsible approach to management that meets the standards of good **corporate governance** forms the basis for enhancing shareholder value over the long term. This is one of the main reasons why we attach great importance to the implementation of the **German Corporate Governance Code** (DCGK) and ensure quality and transparency in all key decisions and processes in our Company.

CORPORATE GOVERNANCE DECLARATION PURSUANT TO SECTION 289f AND SECTION 315d HGB

Declaration of conformity with just one deviation

In 2024, the Board of Management and the Supervisory Board once again carefully considered to what extent it was proper and consistent with the Company's objectives for DEUTZ to apply all principles, recommendations, and suggestions of the DCGK. As a result of the updates to the Board of Management's remuneration system, which was approved by the 2024 Annual General Meeting, DEUTZ AG complies with all but one of the recommendations in the DCGK in the version dated April 28, 2022. In departure from article G.11 sentence 1 DCGK, the Supervisory Board no longer has the option under the new Board of Management remuneration system to grant special remuneration to an adequate extent in order to take account of exceptional developments. In view of best practice in the market, the Company no longer considers granting special remuneration to be appropriate. The declaration of conformity pursuant to section 161 AktG, issued by the Board of Management and the Supervisory Board on December 10, 2024, confirmed that DEUTZ AG would continue to comply with the recommendations of the Code (in the version dated April 28, 2022) with this one exception.

The latest version of the declaration of conformity, dated December 10, 2024, can be found in the Investor Relations / Corporate Governance section of the Company's website at www.deutz.com. The previous declarations of conformity can also be viewed and downloaded there.

Operating procedures and composition of the Board of Management and Supervisory Board; composition and operating procedures of Supervisory Board committees

The Company's Board of Management consisted of four people at the end of the reporting period: Dr. Sebastian C. Schulte (Chairman, responsible for regions, for technical and head-office functions and for sustainability), Dr. Ing. Petra Mayer (responsible for production, supply chain and purchasing), Dr. Ing. Markus Müller (responsible for research and development, sales, and

service), and Mr. Oliver Neu (responsible for finance, human resources, and information services).

At the Supervisory Board meeting on September 26, 2024, following preparatory work by the Human Resources Committee, the Supervisory Board appointed Mr. Oliver Neu as a member of the Board of Management for the period from October 1, 2024 to September 30, 2027. He took over responsibility for finance, human resources, and information services and the role of Labor Director from Mr. Timo Krutoff with effect from October 1, 2024. Mr. Timo Krutoff left the Company at the end of November 30, 2024 by amicable and mutual agreement. The Supervisory Board would like to thank Mr. Krutoff once again for his invaluable work and dedication and wishes him every success for the future.

At the Supervisory Board meeting on December 16, 2024, following preparatory work by the Human Resources Committee, the Supervisory Board agreed to Dr. Ing. Markus Müller's request to resign from the Board of Management by mutual agreement with effect from January 31, 2025. The Supervisory Board would also like to thank Dr. Ing. Müller for his invaluable work and dedication and wishes him every success for the future.

Finally, at the Supervisory Board meeting on January 29, 2025, following preparatory work by the Human Resources Committee, the Supervisory Board extended the term of appointment of Dr. Ing. Petra Mayer as a member of the Board of Management to December 31, 2026. At the same meeting, the Supervisory Board changed the schedule of responsibilities for the Board of Management, reassigning the mandates for research and development, sales, and service, from Dr. Ing. Markus Müller to Dr. Sebastian Schulte with effect from February 1, 2025. Also from February 1, 2025, Dr. Sebastian Schulte will take over the human resources mandate from Mr. Oliver Neu, who in turn will be taking over the mandate for procurement from Dr. Ing. Petra Mayer.

Reference is made to the rules of procedure for the Board of Management, which can be downloaded from the Investor Relations section of the Company's website.

In accordance with the provisions of the German Codetermination Act (MitbestG), the Supervisory Board of DEUTZ AG comprises twelve members, six members being the representatives of the shareholders and six members being the representatives of the employees. The shareholder representatives are elected by the Annual General Meeting of DEUTZ AG in individual elections. The employee representatives are elected by the workforce in accordance with the provisions of the German Codetermination Act.

There were no changes to the composition of the Supervisory Board in the reporting year.

In 2024, the composition of the Supervisory Board's committees changed as follows:

At its meeting on December 10, 2024, the Supervisory Board elected Ms. Katja Olligschläger as a member of the Audit Committee with effect from December 10, 2024. Ms. Olligschläger succeeded Dr. Dietrich, who stepped down as a member of the Audit Committee for personal reasons with effect from December 10, 2024. The Supervisory Board would like to thank Dr. Dietrich once again for his work on the Audit Committee.

The Supervisory Board has created four committees to enable it to perform its duties effectively. These committees prepare various topics and resolutions for the full Supervisory Board. Details of all members of the Supervisory Board and its committees, as well as other directorships held by its members, are shown separately from page 16 onward of this annual report.

Reference is made to the rules of procedure for the Supervisory Board, which can be downloaded from the Investor Relations section of the Company's website.

Human Resources Committee At the time this annual report was published, the members of the Human Resources Committee were Dr. Dietmar Voggenreiter (chairman), Ms. Sabine Beutert, and Dr. Ing. Rudolf Maier. The Human Resources Committee makes preparations for all Supervisory Board decisions concerning the appointment of members of the Board of Management and their contracts of employment, including the remuneration specified therein, and all issues arising in this connection. It particularly focuses on long-term succession planning, which involves identifying suitable candidates at an early stage. In this task, it is supported by external consultants. The Human Resources Committee held [six] meetings in 2024, all of which were attended in person by all members of the committee. Among the main matters addressed were Mr. Krutoff's departure from the Board of Management by mutual agreement, the appointment of his successor in the role of CFO, the achievement of the Board of Management's targets for 2023, and the setting of the Board of Management's targets for 2024.

Audit Committee At the time this annual report was published, the members of the Audit Committee were Ms. Patricia Geibel-Conrad (chairwoman), Ms. Sabine Beutert (deputy chairwoman), Dr. Dietmar Voggenreiter, and Ms. Katja Olligschläger. Due to her professional background as an auditor and former tax consultant, Ms. Geibel-Conrad has expertise in the areas of accounting and auditing within the meaning of article D.3 DCGK in the version dated April 28, 2022. Ms. Beutert has a degree in economics and, as a long-standing secretary of the German Metalworkers' Union, has relevant expertise in the field of accounting. Dr. Voggenreiter also has relevant expertise in the field of accounting due to his professional background as Head of Corporate Controlling at Audi AG, Ingolstadt, and as a former Member of the Board of Management (with responsibility for marketing and sales) of Audi AG, Ingolstadt.

The Audit Committee held four scheduled and two extraordinary meetings in 2024, all of which were attended in person by all members of the committee and by the Board of Management. A

resolution was also adopted in writing. The auditor attended four of the meetings. Guests were able to participate virtually, with some of them making use of this option. At times, the committee meetings were held without the Board of Management and/or without the auditor.

The committee's work primarily focused on the preparatory review of the annual and consolidated financial statements, including the combined management report and separate combined non-financial report of DEUTZ AG and the DEUTZ Group. The auditor's reports on its review of the condensed consolidated financial statements and the interim management report for the first half of the year were discussed at length together with the Board of Management. There were also detailed deliberations on the interim management statements for the first and third quarters. In between meetings, the chairwoman of the Audit Committee maintained regular and close contact with the Chief Financial Officer in order to share information and ideas.

The committee examined the monitoring of the accounting process, the appropriateness, effectiveness, and further development of the internal control system, the effectiveness of the risk management system and Corporate Audit, and the compliance management system (CMS). In the committee's meetings, the heads of relevant head-office functions were available to answer questions and give reports on specific topics. The annual activity report presented by the Head of Corporate Audit and the report's findings were discussed, and Corporate Audit's audit plan for the reporting year was approved. The Board of Management regularly reported to the Audit Committee on the course of business in the segments, relevant key performance indicators for the Group, the liquidity and funding situation, material legal disputes, matters relating to Corporate Audit, compliance in the Company, and data security/integrity and data protection.

Other key areas addressed over the course of the year included support for the various acquisition projects, approval for exercising the authorized capital, the working capital situation, the IT systems and IT/data security, financial control of investments, the tax strategy plus the tax CMS and the requirements of Pillar II, current and future regulatory requirements for sustainability reporting and their implementation (primarily the EU taxonomy, the Corporate Sustainability Reporting Directive (CSRD), and the German Supply Chain Due Diligence Act (LkSG)), and other upcoming changes, such as in respect of the Network and Information Systems 2 (NIS 2) Directive. The Board of Management reported on potential transactions with related parties on a quarterly basis. As in previous years, no transactions requiring approval or disclosure were identified in 2024. With regard to the collaboration with the auditor, the committee reviewed the non-audit services performed in the reporting year and received reports on the projects planned for the following year. No issues were identified. In the year under review, the Audit Committee continued to keep up to date with the changes to the regulatory environment and discussed the measures that would need to be taken by DEUTZ AG as a result.

Additional areas of focus for the audit were also defined. In 2023 and extending into 2024, the Audit Committee had determined a review of the implementation and delivery of regulatory requirements for sustainability reporting as a focal point of the audit assignment. As the CSRD had not been transposed into national law by the end of 2024, thereby creating legal uncertainty, this will remain an area of focus for the audit in 2025. The committee defined additional focal points relating to the acquisitions carried out over the course of the year and relating to aspects of corporate governance at DEUTZ AG and in the Group companies. The auditor reported on its findings at the meeting on March 11, 2025.

At the first extraordinary meeting, to which all Supervisory Board members were invited and which all of them attended, a training course was held by the auditor BDO on current and future regulatory requirements for sustainability reporting. During the subsequent committee meeting, which the full Supervisory Board also attended, the relevant departments presented the changes to the sustainability reporting requirements along with information on progress with implementing them in the DEUTZ Group. This was followed by an in-depth discussion. The second extraordinary meeting dealt with the capital increase carried out in the year under review.

The committee's recommendation that the Supervisory Board propose to the 2024 Annual General Meeting that BDO AG Wirtschaftsprüfungsgesellschaft, Hamburg (Germany), (BDO) be appointed as the auditor was based on the public invitation to tender carried out in 2023/2024. The Audit Committee obtained the necessary declaration of independence from the auditor and verified that it was qualified for the role. There were no grounds for suspecting that BDO's opinion might be prejudiced. The Audit Committee dealt with the fee agreements and issued the relevant audit engagements for 2024 to BDO, which had been elected as auditor by the Annual General Meeting. In addition, the audit process and quality assurance were discussed with BDO. The chairwoman of the committee and the auditor also kept each other informed between the meetings. The process for BDO's onboarding as the new auditor ran smoothly.

Finally, the Audit Committee resolved on the planning for 2025.

The chairwoman of the Audit Committee routinely provided detailed updates on the committee's work at each subsequent meeting of the full Supervisory Board.

At its meeting on March 11, 2025, the Audit Committee held discussions with the Board of Management and the auditor on the annual financial statements, consolidated financial statements, and combined management report of DEUTZ AG for the year ended December 31, 2024, the proposal for the appropriation of profit, the Board of Management's report on these documents, and the corresponding audit reports from the auditor. The internal control system relating to the accounting system, the early-warning system for risk, the key audit matters, and the focus of the audit were discussed in detail. During the meeting, the auditor gave a detailed report on the process and key

findings of the audits of the financial statements at DEUTZ AG and at the German and non-German subsidiaries, and provided detailed responses to further questions. No issues were raised in the audit findings. No material weaknesses in the internal control system were identified. The auditor also established that the Board of Management had set up an appropriate information and monitoring system that is capable, at an early stage, of identifying any risks to the Company's continued existence as a going concern.

The committee's preparatory review also encompassed the Group sustainability statement of DEUTZ AG and the DEUTZ Group, which was based on the CSRD, and the remuneration report. The Supervisory Board had also engaged BDO to conduct a review with limited assurance of the non-financial report and to audit the content of the remuneration report, including a formal audit of the remuneration report. The auditor reported on this audit and review at the committee meeting as well. This was followed by an intensive discussion of the main results. In both cases, an unqualified opinion was issued.

At the meeting of the full Supervisory Board on March 13, 2025, the chairwoman of the committee reported in detail on the aforementioned audit and review and their findings. She also explained the related recommendations for board resolutions. The recommendations prepared for the Supervisory Board for resolutions concerning the financial statements were approved and adopted by the Supervisory Board as submitted in each case, as were the recommendations for board resolutions presented during the year.

Arbitration Committee At the time this annual report was published, the members of the Arbitration Committee were Dr. Dietmar Voggenreiter (chairman), Ms. Sabine Beutert, Ms. Melanie Freytag, and Mr. Gottfried Laengert. The Arbitration Committee set up pursuant to section 27 (3) of the German Codetermination Act (MitbestG) is responsible for the activities described in section 31 (3) MitbestG. It did not need to be convened during the year under review.

Nominations Committee At the time this annual report was published, the members of the Nominations Committee were Dr. Dietmar Voggenreiter (chairman), Ms. Patricia Geibel-Conrad, and Dr. Ing. Rudolf Maier. The Nominations Committee is tasked with proposing to the Supervisory Board suitable candidates as shareholder representatives on the Supervisory Board. It held one meeting in 2024, which was attended in person by all members of the committee. The main matters addressed at the meeting were necessary adjustments to the qualification matrix, taking account of the Supervisory Board's profile of skills and expertise and its diversity plan.

The Supervisory Board approved the recommendations for board resolutions submitted by the committees.

In 2024, the composition of the Supervisory Board's committees changed as follows:

At its meeting on December 10, 2024, the Supervisory Board elected Ms. Katja Olligschläger as a member of the Audit Committee with effect from December 10, 2024. Ms. Olligschläger succeeded Dr. Dietrich, who stepped down as a member of the Audit Committee for personal reasons with effect from December 10, 2024. The Supervisory Board would like to thank Dr. Dietrich once again for his work on the Audit Committee.

The current members of the Supervisory Board are all considered independent within the meaning of article C.6 sentence 2 DCGK in the version dated April 28, 2022. The names of the independent members are Dr. Dietmar Voggenreiter, Ms. Sabine Beutert, Dr. Fabian Dietrich, Mr. Helmut Ernst, Ms. Melanie Freytag, Ms. Patricia Geibel-Conrad, Mr. Ismail-Hilmi Kocer, Mr. Gottfried Laengert, Dr. Ing.

Rudolf Maier, Mr. Bernd Maierhofer, Ms. Katja Olligschläger, and Mr. Hans-Jörg Schaller. [See also](#) p. 16 onward for further information on the composition of the Supervisory Board and its committees, and on the further mandates held by its members.

In the reporting year, the Supervisory Board's self-assessment conducted with support from an external consultancy in 2023 (in accordance with article D.12 DCGK in the version dated April 28, 2022) was further analyzed and a related action plan was drawn up. The shareholder representatives and the employee representatives each regularly meet for separate preparatory talks ahead of the meetings of the Supervisory Board.

Targets and timeframes in accordance with sections 76 (4), 111 (5) AktG

On December 19, 2022, the Board of Management of DEUTZ AG set certain targets and timeframes in accordance with section 76 (4) AktG. The proportion of women employed by DEUTZ AG at the top level of senior management below the Board of Management is to be increased to 20% by June 30, 2027. The proportion of women at the second level of senior management below the Board of Management is to be increased to 12% over the same period. The top level of senior management below the Board of Management encompasses all managers in Germany who report directly to a member of the Board of Management. The second level of senior management below the Board of Management comprises all managers in Germany who report directly to a manager in the top level of senior management.

To ensure that women are taken into consideration for vacant managerial positions, DEUTZ AG has adopted a staff development program. When positions in the top and second levels of senior management below the Board of Management become available, the Board of Management and the HR department strive to ensure that at least one woman is always shortlisted for the post (article A.2. DCGK, version dated April 28, 2022). This means that external recruitment must focus on female managers.

As at the end of the reporting year, the proportion of women was 31% in the top level of senior management below the Board of

Management and 7% in the second level of senior management below the Board of Management. DEUTZ AG thus attained the target set for the top level of senior management.

At its meeting on June 9, 2022, the Supervisory Board of DEUTZ AG set the following target in accordance with section 111 (5) AktG: On December 31, 2023, the Board of Management of DEUTZ AG should have at least one female member. This target was also attained.

Disclosures regarding compliance with the statutory quotas for women and men on the Supervisory Board

In accordance with the German Act on the Equal Participation of Women and Men in Leadership Positions in the Private and Public Sectors (FührposGleichberG), the Supervisory Board of DEUTZ AG had to have at least four female members and four male members following the election of the Supervisory Board at the Annual General Meeting on April 26, 2018, if not before.

The Supervisory Board of DEUTZ AG has been in compliance with these statutory quotas since the Supervisory Board election held in 2018.

Description of the diversity plan for the composition of the Board of Management

The Supervisory Board, with the support of the Human Resources Committee and the involvement of the Board of Management, carries out long-term planning for appointments to the Board of Management. At its meeting on September 27, 2018, the Supervisory Board agreed the following diversity plan for the composition of the Board of Management, incorporating the recommendations of the **German Corporate Governance Code** in the version dated February 7, 2017 and also complying with the German Corporate Governance Code in the versions dated December 16, 2019 and April 28, 2022:

1. Description of the diversity plan

The Supervisory Board has developed the following diversity plan for the composition of the Board of Management in accordance with section 289f (2) no. 6 HGB: In addition to basic suitability criteria such as good character, integrity, outstanding leadership qualities, professional expertise needed for the member's specific remit, proven track record, knowledge of the Company, and the ability to adapt business models and processes to the needs of a changing world, the Supervisory Board also considers **diversity** when selecting candidates for a position on the Board of Management. The Supervisory Board primarily regards diversity as

- appropriate gender representation;
- an adequate mix of ages among the members of the Board of Management;
- a range of educational backgrounds and occupations.

2. Objectives of the diversity plan

The objective of the diversity plan for the Board of Management is to consciously harness diversity as a means of driving the Company forward. After all, taking account of different perspectives, skills, backgrounds, and experience will be key to maintaining our competitiveness and success over the long term. Diversity within the Board of Management will, in particular, help us to better understand new business models and the wide-ranging expectations of our customers from around the world.

3. Manner of implementation

The Supervisory Board takes particular account of the following aspects with regard to the composition of the Board of Management:

- Members of the Board of Management should have several years of managerial experience.
- Members of the Board of Management should bring experience from a wide range of occupations and professional backgrounds.
- The Board of Management collectively should have technical expertise, particularly knowledge and experience of manufacturing and sales of all types of engines and of other technical products.
- The Board of Management collectively should have many years' experience in the areas of research and development, production, sales, finance, and human resources.
- The Board of Management collectively should have international experience.
- The Supervisory Board has formally agreed a target quota in accordance with FührungsGleichberG. The resolution stipulates that there should be at least one woman on the Board of Management of DEUTZ AG on June 30, 2022.
- An age limit of 65 (standard retirement age) applies in principle to the members of the Board of Management.

The Supervisory Board determines which candidate should be offered a specific position on the Board of Management. Its decision is based on the best interests of the Company, taking all the circumstances of the individual case into account.

4. Current composition

As well as many years of experience within the Group, the members of the Board of Management also have extensive knowledge and experience – some international – from various activities outside DEUTZ AG. In its current composition, the four-person Board of Management meets all the specified targets. The age range on the Board of Management as at the end of 2024 was 43 to 58 years; the average age was 48.

OBJECTIVES FOR THE COMPOSITION OF THE SUPERVISORY BOARD, PROFILE OF THE SKILLS AND EXPERTISE REQUIRED OF ITS MEMBERS, AND DESCRIPTION OF THE DIVERSITY PLAN

The diversity plan for the Supervisory Board was adopted by the Supervisory Board at its meeting on September 27, 2018 together with the objectives for the Supervisory Board's composition and profile of skills and expertise, and was last updated as follows at the meeting on December 10, 2024:

The Supervisory Board of DEUTZ AG has defined specific targets for its composition and has drawn up a profile of skills and expertise for the Supervisory Board as a whole in accordance with article C.1 DCGK.

The composition of the Supervisory Board has to ensure that its members have the knowledge, skills, and professional experience required to properly perform all duties within an international group of companies. This does not mean that each individual member of the Supervisory Board must have all the knowledge and experience required, but that for each key area of the Supervisory Board's activities, at least one member has competence in that area so that collectively – including the employee representatives and taking account of the special features of the right of codetermination – the Supervisory Board covers the required knowledge and experience.

1. Description of the areas of expertise required for the Supervisory Board

The Supervisory Board of DEUTZ AG should be composed of individuals who collectively provide a range of skills and expertise that ensures the Supervisory Board can comprehensively and effectively advise and supervise the Board of Management on every aspect of DEUTZ AG's business activity. The Supervisory Board regards the following as key elements of this skill set:

- Experience in managing and supervising international companies
- Competence in the key areas of corporate activity, the associated markets and value chains
- Competence in the areas of strategic and sustainable development of the company, technology and markets
- Knowledge of codetermination law
- Knowledge of finance, accounting and auditing
- Knowledge of law, corporate governance and risk management
- Experience in the areas of supply chain, research and development and manufacturing
- Experience in sales, service or marketing

- Knowledge of sustainability issues and ESG topics that are relevant to the company
- Knowledge in the areas of IT, digitalization, Industry 4.0 and artificial intelligence (AI)
- Knowledge of capital and financial markets
- Personal independence and integrity

3. Objectives for the composition of the Supervisory Board as a whole

3.1 Diversity

In terms of the diversity of its composition, the Supervisory Board strives to ensure the appropriate participation of both genders, a range of professional and international experience and the inclusion of members with many years of relevant experience. As DEUTZ AG is a publicly listed company that is subject to the German Codetermination Act, the Supervisory Board must comprise at least 30 per cent women and at least 30 per cent men in accordance with the principles laid down in section 96 (2) AktG.

3.2 International expertise

As DEUTZ is an international group of companies, care must be taken to ensure that the Supervisory Board has a sufficient number of members with many years of international experience. Supervisory Board members can satisfy this requirement in a variety of ways, e.g. by currently or previously holding a senior management role in an international company or by currently or previously living and working in another country.

3.3 Independence and potential conflicts of interest

More than half of the Supervisory Board members representing the shareholders should be independent within the meaning of article C.6 para 2 and article C.7 of the German Corporate Governance Code. Supervisory Board members representing the shareholders must not hold directorships or similar positions or advisory functions for major competitors of the DEUTZ Group or have a personal relationship with them and shall generally, and in any case in the majority, be assessed as independent of the Company, the Executive Board and/or a controlling shareholder. Conflicts of interest that are substantial and not merely temporary relating to the personal circumstances of a Supervisory Board member shall result in the termination of the mandate.

In addition, in accordance with the requirements of section 100 (5) of the German Stock Corporation Act (AktG), at least one member of the Supervisory Board and the Audit Committee must have expertise in the areas of accounting and at least one member of the Supervisory Board and the Audit Committee must have expertise in the areas of auditing (financial experts). The expertise in the field of accounting shall consist of special knowledge and experience in the application of accounting principles and internal control and risk management systems, and the expertise in the field of auditing shall consist of special knowledge and experience in the auditing of financial statements. Accounting and auditing also include sustainability reporting and its audit and assurance. The chairman of the audit committee shall have appropriate expertise in at least one of the two areas. The members of the Supervisory Board must, collectively, be familiar with the engine manufacturing, drive systems or associated machinery sectors.

2. Minimum requirements for professional expertise and personal capabilities

The individual members of the Supervisory Board should have certain minimum competencies that are necessary for the proper performance of their role:

- The ability to understand and critically scrutinise the business model
- Fundamental knowledge of the relevant legal provisions
- Fundamental knowledge of **compliance**
- Fundamental financial expertise, particularly in accounting and annual financial statements
- Ability to examine the annual financial statements, if necessary with the assistance of the independent auditors
- The ability to understand, critically scrutinise and draw conclusions from the reports of the Board of Management and of the Supervisory Board committees
- The ability to assess the propriety, commercial viability, appropriateness and legality of business decisions and to check their plausibility
- Willingness and ability to devote the time and effort required
- Willingness to undertake ongoing professional development in the form of both inhouse and external training activities

3.4 Time required to perform Supervisory Board duties

The Supervisory Board believes it is important that both its current members and future candidates for Supervisory Board seats are able to devote sufficient time to preparing for and following up the regular Supervisory Board meetings, taking part in such meetings and reading the regular reports. Additional time is required if members are elected to committees, particularly if they chair such committees. Based on these criteria, the time demanded of Supervisory Board members and candidates in respect of seats on other supervisory or advisory bodies, their active professional activity or other duties must be taken into account.

3.5 Regular review/evaluation

(1) In the process for selecting shareholder representatives, the Nominating Committee proposes candidates to the Supervisory Board, taking account of the above criteria, and the Supervisory Board then proposes these candidates for election by the Annual General Meeting. The representatives to be elected to the Supervisory Board by the employees must also fulfil the key criteria of this profile of skills and expertise.

(2) In addition, evaluations must be carried out at regular intervals to establish the extent to which the members of the Supervisory Board and the composition of the Supervisory Board remain compliant with the objectives specified in point (1) and the Supervisory Board and its committees in its existing composition is able to carry out its duties effectively.

possible. It is therefore important to take due account of diversity in its composition and, when preparing election nominations, to make sure that the profiles of the candidates complement those of the existing members.

In accordance with statutory provisions, the Supervisory Board includes at least 30% women and at least 30 per cent men.

A further target for the composition of the Supervisory Board is that members do not remain in post beyond the end of the Annual General Meeting following the member's 74th birthday (standard retirement age), unless special circumstances apply. Nor should members of the Supervisory Board serve any more than three full terms, unless special circumstances apply.

d) Results of the diversity concept achieved in the past year

The current composition of the Supervisory Board reflects the stated objectives and matches the agreed profile of skills and expertise.

The following qualification matrix in accordance with article C.1 DCGK (in the version dated April 28, 2022) illustrates the implementation status:

4. Diversity concept

a) Description of the diversity concept

The Supervisory Board has also resolved to strive for a diverse composition, particularly with regard to age, gender, educational background and occupation.

b) Objective of the diversity concept

The objective of the diversity concept for the Supervisory Board is to ensure that it has a broad understanding of the social and business requirements placed upon DEUTZ AG. In particular, diversity should help the Supervisory Board to judge the business decisions taken by the Board of Management from different perspectives and on the basis of a wide range of experience.

c) Manner in which the diversity concept is to be implemented

The Supervisory Board must be able to draw on as wide a range of expertise, capabilities and experience as

Qualification matrix for the composition of the Supervisory Board of DEUTZ AG

	Dr. Dietmar Voggenreiter	Sabine Beutert	Dr. Fabian Dietrich	Helmut Ernst	Melanie Freytag	Patricia Geibel-Conrad	Ismail-Hilmi Kocer	Gottfried Laengert	Dr.-Ing. Rudolf Maier	Bernd Maierhofer	Katja Olligschläger	Hans-Jörg Schaller
General disclosures												
Initial appointment	2019	2013	2018	2023	2023	2018	2023	2023	2020	2023	2023	2023
Independent as defined by DCGK (C.6 onward)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
No overboarding (pursuant to DCGK recommendations C.4 and C.5)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Diversity												
Gender	m	f	m	m	f	f	m	m	m	m	f	m
Year of birth	1969	1959	1978	1960	1975	1962	1982	1967	1957	1960	1966	1960
Nationality	DE	DE	DE	DE	DE	DE	DE	DE	DE	DE	DE	DE
International experience	✓		✓	✓	✓	✓			✓	✓		✓
Areas of expertise												
Experience in managing and supervising international companies	✓			✓	✓	✓			✓	✓		✓
Competence in the Company's areas of activity and in the associated markets and value chains	✓	✓	✓	✓	✓				✓	✓		✓
Competence relating to the strategic and sustainable development of the Company, of technology, and of the markets	✓		✓	✓	✓				✓	✓		
Knowledge of codetermination law	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Knowledge of finance, accounting, and auditing	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
Knowledge of legal matters, corporate governance, and risk management	✓		✓	✓	✓	✓		✓		✓	✓	✓
Experience in the areas of supply chains, R&D, and manufacturing				✓				✓	✓	✓		✓
Experience in marketing, sales, and service	✓			✓				✓	✓		✓	✓
Knowledge of sustainability/ESG topics that are relevant to the Company	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Knowledge of IT, digitalization, Industry 4.0, and AI		✓		✓	✓	✓	✓	✓	✓	✓	✓	
Knowledge of capital and financial markets	✓		✓		✓	✓				✓		✓

Disclosures pursuant to section 289f (2) no. 5a HGB

Pursuant to section 76 (3a) AktG, DEUTZ AG is required to appoint at least one woman and at least one man as members of its Board of Management, provided that the Board of Management comprises more than three members. Any appointment of a member of the Board of Management that is made in breach of this minimum quota requirement is void.

DEUTZ AG complied with this requirement in the reporting period

Disclosures pursuant to section 289f (2) no. 1a HGB

The remuneration report for the last financial year, the auditor's report pursuant to section 162 AktG, the applicable remuneration system pursuant to section 87a (1) and (2) sentence 1 AktG, and the most recent resolution on remuneration pursuant to section 113 (3) AktG can be accessed online at www.deutz.com under Corporate Governance.

Disclosures relevant to corporate management practices: compliance management system, environmental, quality, and energy management

DEUTZ AG has a compliance management system that is firmly anchored in the Company's organizational structure. The system is continually enhanced in order to meet changing requirements. At the time this annual report was published, the Chairman of the Board of Management, Dr. Sebastian C. Schulte, was the member of the Board of Management responsible for **compliance**.

The prime objective of the compliance management system is to prevent violations of applicable laws, rules, regulations, and internal policies. To this end, employees are given help in familiarizing themselves with the relevant laws, regulations, and policies as well as guidance on how to apply them correctly. This is primarily achieved through a structured policy management system in which existing policies are reviewed on an ongoing basis to see if they need updating and new policies are published. The policy management system is based on the code of conduct, which provides a framework for ensuring that behavior toward business partners and employees is fair and in compliance with the law.

In 2024, the code of conduct was again made accessible to all employees via internal communications platforms. Third parties can view the code of conduct on the Company's website. The guidelines set out in the code of conduct are supplemented by and formalized in specific policies, including a compliance policy, a policy on gifts and entertainment, a business partner compliance policy, an information security policy, a policy on engaging external sales service providers, an anti-money laundering policy, a policy on export controls, an emissions compliance policy, a privacy policy, an AI policy, and an insider trading policy. These policies help to ensure that employees are aware of the relevant laws and regulations and are able to apply them correctly. DEUTZ has also established a code of conduct for suppliers.

The Board of Management supports and promotes ethical conduct. It is unreservedly committed to corporate compliance

and declines to be involved in any transactions that are inconsistent with these values. The Board of Management does not tolerate any form of corruption and is fully committed to compliance with competition law and to incorporating sustainability aspects into the Company's activities. In addition, DEUTZ has established a human rights code that documents the human rights principles that are most relevant to the Company. It is based on national and internal laws, on conventions and declarations such as the **UN Guiding Principles on Business and Human Rights**, on the fundamental conventions of the International Labour Organization, and on the **United Nations Global Compact**. DEUTZ believes that professional and business relationships absolutely have to be grounded in compliance with the human rights code and that this will secure the long-term success of the Company. More detailed information on this is provided in the annual **LkSG** declaration of principles, the most recent of which was published in December 2024.

Training is intended to ensure that employees are aware of the relevant laws and corporate policies, and that they comply with them at all times in their day-to-day work. For all administrative employees who work in the central sales, procurement, research & development, production, and administrative functions, or in subsidiaries, and work at a PC, training courses were conducted via a web-based e-learning program. In addition to the fixed modules (basic principles of compliance, anti-corruption, antitrust law, export controls and embargoes, health and safety in the office, prevention of money laundering / financing of terrorism, and information security), the training program includes further modules that change on an annual basis. These cover subjects such as data protection for employees, the German General Equal Treatment Act (AGG) and non-discrimination, and how to handle trade secrets and prevent insider trading. In 2023, a new module for dealing with conflicts of interest was rolled out.

DEUTZ Group: Proportion of workforce to have completed compliance training

%	2024	2023	2022	2021	2020
Proportion of workforce to have completed compliance training	97.7	97.4	99.1	97.3	98.1

During the reporting year, a total of 3,933 administrative employees successfully completed all modules of the e-learning program that had been assigned to them. This equates to a compliance training completion ratio of 97.7%. In the production plants, compliance training takes place in conjunction with the regular safety training in a manner that is tailored to the particular area of work.

A Chief Compliance Officer appointed by the Board of Management coordinates compliance activities at DEUTZ. The individual business units and subsidiaries have their own compliance coordinators, who are responsible for compliance in their organizations and submit regular structured reports in writing to the Chief Compliance Officer, who in turn reports to the Board of Management and the Supervisory Board's Audit

Committee. The basic principles of the compliance organization are described in the compliance organizational policy. The duties of the relevant employees are set out in job descriptions.

Employees can supply information or direct questions to line managers, compliance coordinators, the Equality Officer, the Chief Compliance Officer, or the managers responsible for the legal affairs or internal audit units. Furthermore, the Company's website incorporates a whistleblowing system that can also be accessed by non-employees. The compliance web page is available in German, English, Spanish, French, Italian, and Chinese. The established whistleblowing system has been expanded to include the LkSG complaints procedure, while the related procedural rules have been made available on the web page. Notices can also be submitted anonymously and any information supplied is rigorously followed up. Any necessary investigations are carried out by the Chief Compliance Officer, with external support if required.

Regular meetings are held to develop, discuss, and coordinate compliance initiatives. The compliance activities focus on preventing corruption, tackling money laundering, and complying with export regulations (including export controls). They also ensure safety in the workplace, IT and data security, corporate security, and product safety. A further aim is to prevent breaches of environmental, antitrust, and insider trading laws.

As and when needed, the Board of Management and the Chief Compliance Officer take legal advice on establishing and continuously improving the compliance management system. The internal audit department reviews the activities, and the Audit Committee monitors them on behalf of the Supervisory Board.

Another essential element of corporate management is rigorous environmental, quality, energy, and workplace safety management. In the year under review, DEUTZ AG continued to satisfy the quality management requirements in accordance with ISO 9001, the environmental management requirements in accordance with ISO 14001, and the energy management requirements in accordance with ISO 50001, and applied a system ensuring health and safety in the workplace in accordance with ISO 45001. The relevant certificates from TÜV Rheinland are published on the DEUTZ AG website.

All standards set by the Deutsches Institut für Normung e.V., Berlin (DIN) can be inspected free of charge at DIN standards repositories.

CORPORATE GOVERNANCE REPORT

Basic principles and objectives of the composition of the Supervisory Board; particularly, conflicts of interest / independence of Supervisory Board members and the consideration of women

At its meeting held on December 13, 2022, the Supervisory Board adopted the profile of skills and expertise required for its members together with the objectives regarding its composition in accordance with article C.1 DCGK in the version dated April 28, 2022. The most recent update was adopted at the meeting held on December 10, 2024. [See p. 23 onward.](#)

The Supervisory Board has met the applicable objectives, such as the international experience available on the Supervisory Board and the number of independent members. The current members of the Supervisory Board are all considered independent within the meaning of article C.6 sentence 2 DCGK in the version dated April 28, 2022. No conflicts of interest between members of the Supervisory Board and DEUTZ AG arose in the year under review.

Consideration of women when making appointments to the Board of Management

As at the end of the reporting period, the Board of Management of DEUTZ AG consisted of four members, one of whom was female. This equates to a ratio of 25%.

Responsible risk management

A forward-looking, prudent, and responsible approach to corporate risk is a core aspect of good **corporate governance** and forms the basis for the risk management system at DEUTZ. The Board of Management regularly notifies the Supervisory Board of any existing or anticipated risks. [See also 'Risk report', p. 74 onward.](#)

Comprehensive transparency and active investor relations

Regular, open, and proactive dialogue with the Company's stakeholders forms the basis of good corporate governance and ensures trust in the Company and its value creation process. This is a key reason why DEUTZ undertakes to comply with the transparency guidelines in the DCGK. It is therefore of utmost importance to us that all target groups receive the same information simultaneously and in a timely manner. We achieve this objective by using various communication formats and media. DEUTZ AG reports on the performance and development of its business and on significant changes and events four times a year in its annual report, its half-year report, and its quarterly statements. The quarterly statements and the half-year report are published within 45 days of the end of a reporting period; the annual report is published within 90 days of the end of the financial year. Conference calls, and sometimes other events, are held on the publication dates of the annual report, half-year report, and quarterly statements, at which senior management is available to answer questions from investors, analysts, etc. On October 8, 2024, a Capital Markets Day was held for analysts, bankers, and institutional investors at the headquarters in Cologne, at which the Board of Management presented the updated Dual+ strategy and new medium-term targets. At a

Shareholders Day that was also held in Cologne the next day, the Board of Management also discussed these topics with interested retail investors. [See also](#) 'DEUTZ in the capital markets', p. 29 onward.

No direct talks between the chairman of the Supervisory Board and DEUTZ investors or other stakeholders took place in the reporting period, although the chairman of the Supervisory Board is always available for such talks. The most recent such talks were held in 2023, when he discussed the proposed new remuneration system for the Board of Management with relevant proxy advisory firms.

The Annual General Meeting, at which our shareholders have the opportunity to exercise their voting rights, is usually held in the first five months of each year; shareholders who do not attend the AGM in person can instruct proxies to vote on their behalf.

The Company's website also offers comprehensive information on DEUTZ: Annual reports, half-year reports, quarterly statements, press releases, ad hoc announcements, voting right notifications, analyst recommendations, presentations, the Company's Statutes, and the remuneration systems for the Supervisory Board and Board of Management can all be found at www.deutz.com. In addition, the online financial calendar provides information on upcoming events in the Company's financial year.

The aforementioned content is generally published in both German and English to ensure that important company news and information is as accessible as possible, including to an international audience.

Apart from the regularly published information, DEUTZ also issues ad hoc announcements regarding circumstances that are not in the public domain but that could have a significant impact on DEUTZ's share price were they to become known. The Company's reporting policy therefore complies both with legal requirements and the guidelines in the DCGK in the version dated April 28, 2022.

Accounting and auditing

DEUTZ AG's consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). The consolidated financial statements are prepared by the Board of Management and audited by the auditor.

The auditor has agreed to inform the chairperson of the Supervisory Board or the chairperson of the Audit Committee of any findings or incidents relevant to their role of which it becomes aware during the audit.

The auditor has also agreed to inform the Supervisory Board or the Audit Committee if it identifies any facts while performing the audit that show that the declaration of conformity with the DCGK submitted by the Board of Management and Supervisory Board contains misrepresentations. The auditor will also note this in the audit report.

The Audit Committee discussed the assessment of audit risk, the audit strategy, the audit plan, and the findings of the audit with the auditor. The chairperson of the Audit Committee regularly discussed the progress of the audit with the auditor and reported on the discussion to the committee. The Audit Committee also regularly met the auditor without the Board of Management.

The auditor informs the chairperson of the Supervisory Board without delay of any findings or incidents relevant to the role of the Supervisory Board that arise during the audit of the financial statements.

Conflicts of interest and consultancy agreements

Information about conflicts of interests in relation to Supervisory Board members can be found under »Basic principles and objectives of the composition of the Supervisory Board« at the start of this corporate governance report.

The Company does not have any consultancy agreements with members of the Supervisory Board.

The members of the Board of Management must disclose any conflicts of interest to the Supervisory Board. The Supervisory Board then reports these cases, along with any conflicts of interest relating to its own members, to the Annual General Meeting.

Remuneration report

The remuneration of the Board of Management complies with the German Act on the Appropriateness of Management Board Remuneration (VorstAG) and the recommendations in the DCGK. From 2021, the remuneration also complies with the German Act Implementing the Second Shareholder Rights' Directive (ARUG II).

[See also](#) 'Remuneration report', p. 144 onward, for further information on the remuneration systems for the Board of Management and Supervisory Board and the remuneration granted to individual board members.

Dealings subject to reporting requirements

Article 19 of the Market Abuse Regulation (MAR) states that persons with executive functions or persons with whom they are closely associated must notify both the company and the German Federal Financial Supervisory Authority (BaFin) of their own dealings in shares of the company or in financial instruments of the company based on such shares.

In 2024 and up to the time that this annual report was published, Dr. Schulte, Dr. Ing. Mayer, Dr. Ing. Müller, Mr. Oliver Neu and Mr. Krutloff disclosed the purchase of DEUTZ shares in accordance with article 19 MAR. The disclosed transactions are published in the Investor Relations section of the DEUTZ AG website.