

Declaration on corporate governance

Corporate governance takes high priority at the Wacker Neuson Group. Our Executive and Supervisory Boards see it as their responsibility to comply with principles ensuring responsible, professional and transparent company management, as stipulated in the German Corporate Governance Code. Our activities are geared toward securing our company's long-term success and increasing its value. Embedded throughout the company, our mission statement is an integral part of all of our business practices.

Declaration on corporate governance

In the following statement, the Executive Board reports on the company's corporate governance policies and practices – also for the Supervisory Board. It therefore complies with Sections 289f in conjunction with Section 315d of the German Commercial Code (HGB) as well as Standard 22 of the German Corporate Governance Code (DCGK).

1. Declaration of compliance pursuant to Section 161 of the German Stock Corporation Act (AktG)

The Executive Board and the Supervisory Board of Wacker Neuson SE consider the German Corporate Governance Code as an important body of regulations. Both bodies feel compelled to comply with its principles of responsible, professional and transparent corporate governance. They have therefore thoroughly examined the recommendations of the German Corporate Governance Code and issued the following declaration of compliance as most recently amended on December 9, 2021:

Declaration of compliance with the German Corporate Governance Code in accordance with Section 161 AktG

The German Corporate Governance Code contains recommendations and suggestions for managing and monitoring German listed companies in relation to shareholders and the Annual General Meeting (AGM), the Executive Board and the Supervisory Board, transparency, accounting and auditing. German Stock Corporation legislation requires the Executive Board and the Supervisory Board of listed companies to disclose each year the recommendations of the German Corporate Governance Code which the company has not followed or is not following, and to explain the reasons for non-compliance ("comply or explain").

The Executive Board and the Supervisory Board identify with the duty as outlined in the German Corporate Governance Code to uphold the principles of a social market economy and maintain the substance of the company as a going concern and its ability to generate value in a sustainable fashion (company interest) and to further promote responsible and transparent management and governance of the company.

In accordance with Section 161 AktG, the Executive Board and the Supervisory Board of Wacker Neuson SE hereby declare that:

Since it last submitted a declaration of compliance on December 22, 2020, Wacker Neuson SE has complied with the recommendations of the Government Commission on the German Corporate Governance Code as amended on December 16, 2019 and published by the German Federal Ministry of Justice (BMJ) in the official section of the Federal Gazette on March 20, 2020, and will continue to comply with these in the future with the exceptions listed below:

Recommendation C.1: When submitting its election proposals to the Annual General Meeting regarding the election of the shareholder representatives, the Supervisory Board takes into account the statutory requirements and recommendations of the German Corporate Governance Code in relation to the suitability requirements to be met by Supervisory Board members.

Here the focus is placed – irrespective of nationality and gender – on the specialist and personal skills of potential candidates in relation in particular to the company's specific situation, and not on rounding out a given competency profile or pursuing a diversity concept. Within the scope of evaluating competence, the Supervisory Board also places appropriate emphasis on the company's international engagement, potential conflicts of interest, the number of independent members of the Supervisory Board, the age limit stipulated for members of the Supervisory Board and the principle of diversity and, for elected employee representatives, the special regulations set down in Germany's co-determination acts (Mitbestimmungsgesetze).

In the Supervisory Board's view, it is not otherwise necessary to specify concrete targets for its composition or to develop a specific diversity-based competency profile for the governing body as a whole. Consequently, the declaration on corporate governance does not outline such profiles or concepts or the manner or extent to which they have been implemented – with the exception of statements relating to compliance with legal requirements arising in particular from the German law governing Equal Participation of Women and Men in Leadership Positions ("women's quota").

Given the disclosures relating to the independence of Supervisory Board members made in the declaration on corporate governance, the Supervisory Board further refrains from again providing explicit information about what it considers to be an appropriate number of members and their names in the declaration on corporate governance.

Recommendation C.14: The Supervisory Board is of the view that the information made available to the Annual General Meeting and published on the company's website as standard practice to date is sufficient and thus continues to refrain from drafting, publishing and updating more detailed résumés for proposed and current members of the Supervisory Board.

Recommendation D.1: In March 2021, the rules of procedure for the Supervisory Board were revised, re-approved and published for the first time.

Recommendation D.5: The Supervisory Board has not formed a nomination committee. The size of the Supervisory Board (four shareholder representatives) does not warrant a dedicated committee for proposing the shareholders' Supervisory Board candidates.

Section G.I.: Since its amendment on March 20, 2020, the German Corporate Governance Code contains recommendations regarding remuneration for the Executive Board in section G.I. To the extent that the old remuneration system for the company's Executive Board, under which the employment contracts of the Executive Board members were concluded prior to October 1, 2020, is not yet in compliance with these recommendations, a declaration of non-conformance is not necessary since the German Corporate Governance Code and the transitional provisions of the German Stock Corporation Act on the amendments resulting from the law governing implementation of the second shareholders' rights directive (ARUG II) do not require the amendment of existing employment contracts in the interests of continuity.

In the interests of maximum transparency and completeness, it should be noted that this old remuneration system for the company's Executive Board, which still applies to the current employment contract of Mr. Alexander Greschner, does not or does not fully implement the following recommendations: G.3 (vertical comparison), G.4 (horizontal comparison), G.6 (long-term targets exceeding short-term targets), G.7 (determining variable remuneration components), G.10 (share-based remuneration) and G.11 sent. 2 (option to retain or reclaim variable remuneration).

Recommendations G.6, G.7 and G.10: Mr. Kurt Helletzgruber was seconded from the Supervisory Board to the Executive Board on an interim basis from December 1, 2020 up to and including May 31, 2021. As such, the Supervisory Board opted for a different remuneration structure that reflects this special situation.

Recommendation G.18: The previous remuneration system for the Supervisory Board contains a short-term remuneration component based on the company's success. This model shall be retained as it is not intended to be a management incentive or bonus for the Supervisory Board linked to the company's long-term development but rather as a mechanism that relieves remunerative pressure in less successful years.

Munich, December 9, 2021

Wacker Neuson SE

Executive Board and Supervisory Board

Dr. Karl Tragl

Chairman of the Executive Board,
Chief Executive Officer
(CEO)

Hans Neunteufel

Chairman of the Supervisory Board

The above declaration has been made permanently available to shareholders on the Wacker Neuson SE company website → www.wackerneusongroup.com under Investor Relations / Corporate Governance. It is updated as required but once a year at least. Previous declarations of compliance, as well as declarations on corporate governance as part of the respective annual reports, remain available on the Wacker Neuson website for a period of at least five years. Further details on our corporate governance policies and practices are presented in the following section of this declaration on corporate governance.

2. Corporate governance

This section outlines the mode of operation of the Executive Board and the Supervisory Board as well as the composition plus mode of operation of the Supervisory Board committees.

Wacker Neuson SE is a listed European company (*Societas Europaea*) incorporated under German law with its headquarters in Munich. It is registered in the German Register of Companies (*Handelsregister*) of the Munich Magistrate's Court under HRB 177839. Upon foundation of the company, shareholders chose the dual management system common under German Stock Corporation legislation, comprising two executive bodies, the Executive Board and the Supervisory Board, each vested with different spheres of competence. The two bodies work closely together on a basis of mutual trust and are committed to increasing the company's long-term value.

Executive Board

The Executive Board represents the company vis-à-vis third parties and manages its business in accordance with legal regulations, the Articles of Incorporation and the rules of procedure for the Executive Board. In the reporting year up to May 2021, the Executive Board consisted of three members. It currently consists of four members and this will remain the case until further notice. The Executive Board is responsible for managing the company and represents it both legally and otherwise. It functions on the basis of joint accountability. All members of the Board are jointly responsible for all areas of company management.

The Executive Board plans the company's strategic direction, aligns it with the Supervisory Board and ensures it is appropriately executed. It is also responsible for establishing the company's and Group's business plans for the coming year and beyond as well as preparing legally required reports such as Annual Financial Statements, Consolidated Financial Statements and interim reports. In addition, the Executive Board also ensures that a suitable risk management and control system is in place and that regular, prompt and extensive reports are presented to the Supervisory Board regarding all issues relating to strategy, company planning, business developments, the risk situation, risk management and compliance activities that are relevant to the company and the Group.

Responsibilities and cooperation within the Executive Board are governed by the rules of procedure for the Executive Board. These focus not only on the lines of responsibility vested in individual Executive Board members, but also the issues entrusted to the Executive Board as a whole, resolutions (quorum requirements in particular) and the rights and obligations of the chairperson of the Executive Board. Executive Board meetings are held regularly and are convened by the chairperson of the Executive Board – also at the request of an Executive Board member. The Executive Board generally reaches decisions based on a simple majority of votes cast unless other legal provisions apply. If an equal number of votes are cast, the chairperson has the casting vote.

The chairperson of the Executive Board steers and coordinates the entire Executive Board and represents the company and Group vis-à-vis the public, in particular when dealing with the authorities, trade associations and publishing houses.

Mr. Kurt Helletzgruber was chairperson of the Executive Board of Wacker Neuson SE, the parent company of the Group, in the reporting year up to May 2021, having been seconded to this position from the Supervisory Board since December 2020 onwards. Dr. Karl Tragl has held the position of chairperson of the Executive Board since June 1,

2021 and will continue to do so until further notice. A deputy chairperson of the Executive Board was not appointed in either case. Further details on individual members of the Executive Board, in particular their areas of responsibility within the Executive Board, are disclosed in the Notes to the Consolidated Financial Statements in item 34 "Executive bodies" (Wacker Neuson Group Annual Report 2021).

Measures and transactions of fundamental importance must be approved by the Supervisory Board as set down in the rules of procedure for the Executive Board and/or the Articles of Incorporation. They are also communicated to shareholders and the capital market in a timely manner, thus ensuring that decision-making processes remain transparent – also throughout the year – and capital market players are kept appropriately up to date.

Supervisory Board

The Supervisory Board advises the Executive Board in key decisions, monitors its activities, appoints Executive Board members and relieves them of their duties. It has set an age limit of 62 years for members of the Executive Board.

Drawing on support from the Presiding Committee and in consultation with the Executive Board, the Supervisory Board develops long-term succession plans for Executive Board positions. Succession planning is discussed internally within the Supervisory Board, in particular by the Presiding Committee, which continually monitors the capabilities of the Executive Board and identifies any need for additional competencies at an early stage. When making any decisions regarding the composition of the Executive Board, the Supervisory Board considers the terms of office of the current members of the Executive Board and any extension options as well as the areas of responsibility that will likely need to be filled and the company's strategic plans.

With regard to the need for new Executive Board members moving forward, the Supervisory Board aligns with the Executive Board to focus on identifying and professionally developing individuals from the next management levels within the company. To this end, regular talks are held with different managers in the Group to determine, in collaboration with the Executive Board, whether these individuals are suited for higher-level executive positions and, where necessary, to ensure suitable candidates have access to targeted development measures.

As such, the Supervisory Board and the Executive Board consult regularly about specific potential successor candidates. Based on Supervisory Board and Executive Board consultations and one-on-one discussions, the Supervisory Board and/or the Presiding Committee draw up profiles for upcoming vacancies outlining the key qualities/skills and qualifications required of potential candidates. The chairperson of the Executive Board is also included in this process, unless his/her position is being profiled. Where necessary, external consultants are brought in to provide the Supervisory Board and/or the Presiding Committee with support in drawing up the requirements profiles and/or choosing suitable individuals. If a position on the Executive Board has to be filled at short notice, internal and external candidates are considered in parallel and selected in an appropriate process tailored to the specific situation.

The Supervisory Board has six members. In accordance with the agreement on employee representation in the Wacker Neuson SE Supervisory Board and the German One-Third Participation Act (*Drittelbeteiligungsgesetz*), four of these are shareholder representatives and two are employee representatives. Taking the company-specific ownership structure into consideration, the composition of the Supervisory Board reflects the company's international focus, the need to avoid conflicts of interest, the need for an appropriate number

of Supervisory Board members considered independent by the Supervisory Board, the age limit of 75 for Supervisory Board members as defined by the Supervisory Board, and the principle of diversity.

The following situation is noted, which is also described in the Group Management Report: A pool agreement is in place between some of the shareholders of the Wacker and Neunteufel families. The parties to this pool agreement collectively hold about 58 percent of the shares of Wacker Neuson SE and can thus jointly (but not individually, i.e., individual members of the pool agreement acting in isolation) control the company. In accordance with the provisions of the pool agreement, each party to the pool agreement must exercise its right to vote and submit proposals at the Annual General Meeting such that two Supervisory Board members nominated as shareholder representatives by the Wacker family and two by the Neunteufel family are always elected. The shareholder representatives thus elected are, however, not bound in any way to the directions of individual, several or all of the parties to the pool agreement, and any and all decisions they make within the Supervisory Board are made exclusively in the company's interests.

Even though these shareholder representatives always enjoy the special trust of the parties to the pool agreement appointing them, they are not, in the Supervisory Board's view, in any personal or business relationship with a controlling shareholder which could lead to a fundamental conflict of interest.

To this extent, the Supervisory Board regards the definition of the term "independence" as outlined in DCGK 2020 as well as the indicators and/or criteria framing a lack (or alleged lack) of independence as defined therein to be factually incorrect. Since, as previously stated, all shareholder representatives gear all of their decisions as members of the Supervisory Board exclusively toward the interests of the company, the Supervisory Board deems them to be generally independent of the company, the Executive Board and the controlling shareholders – also in view of and especially with regard to the terms and understandings as outlined above.

The terms of office of all Supervisory Board members, who were all most recently reelected or, in the case of employee representatives, reappointed during the period under review, run until the close of the AGM that tables a resolution to formally approve the actions taken by the company in fiscal 2024, but no longer than for six years. The members of the Supervisory Board have been in office for the following periods: Hans Neunteufel since October 2007, Kurt Helletzgruber since October 2007 (mandate suspended on secondment to the Executive Board from December 2020 to June 2021), Christian Kekelj (employee representative) since June 2017, Prof. Dr. Matthias Schüppen since May 2014, Elvis Schwarzmaier (employee representative) since August 2002, and Ralph Wacker since May 2014. Further details on individual members of the Supervisory Board are disclosed in the Notes to the Consolidated Financial Statements, item 34 "Executive bodies" (Wacker Neuson Group Annual Report 2021).

The principles of cooperation within the Supervisory Board are governed by the rules of procedure for the Supervisory Board. These rules reflect the recommendations of the German Corporate Governance Code and – as an integral part of the supervisory and control process – provide for clear and transparent procedures and structures. The rules of procedure were updated in March of the year under review and have been publicly available on the company's website since then. The Supervisory Board regularly assesses the effectiveness of its own work and the work of its committees. An assessment to this effect was again carried out at the start of the reporting period. To this end, all members of the Supervisory Board complete a detailed survey

to rate the different aspects of the committees' work and to also compare it with the previous year. Any areas that have markedly deteriorated since the previous year or which are rated as unsatisfactory in general are discussed in detail in plenary meetings and improvement measures are defined.

The Supervisory Board reaches decisions based on a simple majority of votes cast unless other legal provisions apply. In the event of a tie, the resolution or nomination proposal shall be deemed rejected; the chairperson shall not have the casting vote. The chairperson of the Supervisory Board convenes and steers Supervisory Board meetings and generally coordinates the activities of the Supervisory Board and its committees.

The Supervisory Board defines the Executive Board's information and reporting duties in detail. The core areas of collaboration between the Executive Board and the Supervisory Board as well as specific details on the Supervisory Board's activities and its committees are disclosed in the → [report by the Supervisory Board, Wacker Neuson Group Annual Report 2021, p. 8 ff.](#)

Composition and mode of operation of committees

In contrast to the Executive Board, the Supervisory Board forms two committees: the Presiding Committee and the Audit Committee.

The responsibilities of the Presiding Committee include in particular submitting proposals for Executive Board member appointments, terminations and mandate extensions, for Executive Board remuneration and the remuneration system, and for preparing measures to conclude, amend or terminate contracts with Executive Board members. The Presiding Committee members are Mr. Hans Neunteufel, Prof. Dr. Matthias Schüppen and Ralph Wacker. Mr. Neunteufel is Chairman of the Presiding Committee.

The Audit Committee maintains close contact with the auditor. It appoints the auditor to review the Annual and Consolidated Financial Statements, identifies the focal points of the audit and receives the reports. Furthermore, the Audit Committee negotiates the fee with the auditor, assesses their independence and additional services they provide, and submits a proposal to the Supervisory Board for the auditor appointment to be approved by the AGM. It prepares the Supervisory Board discussions and resolutions required to approve the Annual and Consolidated Financial Statements, and to review the Executive Board's report on related third-party disclosures, to review the non-financial Group report and – in future – the remuneration report. It supports and monitors the Executive Board in particular in relation to questions about the accounting process, the internal control system, the risk management system, the internal auditing system, and compliance. The Audit Committee members are Mr. Kurt Helletzgruber (from July 1, 2021; mandate previously suspended due to his secondment to the Executive Board), Prof. Dr. Matthias Schüppen, Ralph Wacker and Elvis Schwarzmaier. The chairperson is Prof. Dr. Matthias Schüppen, who as a financial expert fulfills the requirements set out in Sections 100 (5) and 107 (4) of the AktG.

The committee chairpersons provide the Supervisory Board with regular and timely information about the committees' activities. The committees also reach decisions with a simple majority of votes cast. In the event of a tie, the resolution or nomination proposal shall be deemed rejected; the respective chairpersons shall not have the casting vote.

Further details on the activities of the Supervisory Board and its committees can be found in the current Supervisory Board report, which also reports on the participation of individual Supervisory Board and

committee members in their sessions, as well as on any training or further education measures undertaken by members of the Supervisory Board. → [Wacker Neuson Group Annual Report 2021, p. 8 ff.](#)

Shareholders and the AGM

Shareholders exercise their rights, including voting rights, at the AGM. All shares in Wacker Neuson SE provide shareholders with full voting rights and are registered by name. Each share entitles its holder to one vote. The AGM agenda plus the reports and documents required for the AGM are published in good time – also on the company's website, where they can be easily viewed by shareholders.

This year's AGM is planned for June 3, 2022. Due to the COVID-19 pandemic, the 2022 AGM will again be held in virtual format (as was the case in 2021). The Executive Board makes it easier for shareholders to exercise their voting rights at the AGM by offering the opportunity to issue binding voting instructions to proxies named by the company. Shareholders can also do this during the virtual AGM via a password-protected online service. Information on how to vote by proxy before the AGM takes place will additionally be included in the invitation to the AGM meeting. It is also possible to submit a postal vote via the password-protected online service. These proxies named by the company are also available during the AGM to shareholders registered with or using the password-protected online service. Furthermore, it is also possible to delegate voting rights to financial institutions, shareholder associations and other third parties.

Accounting and auditing

The Consolidated Financial Statements of Wacker Neuson SE are prepared in line with the International Financial Reporting Standards (IFRS). The Annual Financial Statements and the Combined Management Report of Wacker Neuson SE and its Group are prepared in accordance with the German Commercial Code (HGB).

The Supervisory Board proposes the auditor for appointment at the AGM, based on a recommendation from the Audit Committee. Prior to making its proposal, the Supervisory Board obtains a certificate of independence from the auditor in question.

The Chairman of the Audit Committee has asked the auditor to immediately report to the Audit Committee all significant findings or events material to their duties that were identified during the audit. Furthermore, the auditor must report and record in the auditor's report any facts uncovered during the audit that could indicate that the information disclosed in the declaration of compliance with the German Corporate Governance Code issued by the Executive Board and Supervisory Board may be inaccurate.

Risk management

Responsible handling of business risks facing the Group and the company is, as always, a crucial part of sound corporate governance. The Executive Board and the Supervisory Board therefore continually monitor the Wacker Neuson Group's internal control and risk management system along with the accompanying reporting mechanisms.

Specific details on risk management within the Wacker Neuson Group are disclosed in the Risk Report in the Combined Management Report (Wacker Neuson Group Annual Report 2021).

Transparency

Regular, active dialog with our shareholders and other stakeholders is one of the cornerstones of our corporate governance policy. We provide shareholders, financial analysts, shareholder associations and the media with information about business developments and significant changes within the company promptly, regularly and with the

greatest possible transparency. We are fully committed to a policy of active and honest communication.

As stipulated by the German Securities Trading Act (WpHG) and the German Corporate Governance Code, we provide information on our company's business development and financial situation four times a year. This takes the form of one Annual Report, one half-year report and two quarterly reports. The Supervisory Board and/or the Audit Committee discuss these reports with the Executive Board prior to their publication. In addition, the Executive Board answers shareholders' questions at the AGM. We also use our Internet platform as a way of keeping our stakeholders up to date. The most recent press and ad-hoc releases, financial reports and financial calendar detailing important events throughout the year are permanently available on → www.wackerneusongroup.com under Investor Relations. Interested parties can join our distribution list to receive regular updates.

Managers' transactions and major holdings of voting rights

Wacker Neuson SE publishes reports on managers' transactions pursuant to Art. 19 of EU Regulation No 596/2014 on market abuse. We use these reports to provide immediate information about securities transactions with regard to Wacker Neuson shares made by members of the Executive or Supervisory Boards as well as by individuals and legal entities closely related to members of these bodies. This information is also disclosed on the company's website → www.wackerneusongroup.com under Investor Relations / Corporate Governance. Also under Investor Relations / IR News, we immediately publish information from shareholders regarding the purchase or sale of major voting rights in line with Section 33 WpHG and the holding of financial and other instruments in line with Sections 38 and 39 WpHG.

Remuneration report

After refraining from publishing remuneration details for individual Executive and Supervisory Board members in previous years – based on a resolution approved by the AGM – in the interests of their privacy, the company will draw up a remuneration report for the Executive Board and the Supervisory Board as required by law for the first time for fiscal 2021 and publish it on the company website → www.wackerneusongroup.com under Investor Relations / Corporate Governance.

The overall remuneration payable to the Executive Board and the Supervisory Board is disclosed at the above-mentioned link and in the Notes to the Consolidated Financial Statements in item 35 "Related party disclosures" → [Wacker Neuson Group Annual Report 2021](#).

Diversity – Declaration regarding fixed targets for the proportion of women at management level

When appointing members to the Executive Board and the Supervisory Board, the company focuses on the qualifications and personal skills of potential women and men candidates particularly in relation to the company's specific situation. In the process of evaluating competency profiles, the Supervisory Board also places particular emphasis on the international nature of the company's business operations and the principle of diversity, also in relation to the age, gender, educational background and professional experience of women and men candidates. In this regard, the company does not pursue an explicit diversity concept as set out in the CSR Directive Implementation Act (CSR-Richtlinie-Umsetzungsgesetz). For further information on this and to avoid repetition here, refer to the information in Section C.1 of the German Corporate Governance Code in the above declaration of compliance.

Wacker Neuson SE is required, as a listed company (albeit not one subject to equal codetermination as set out in Section 96 (2) AktG), to

declare fixed targets for the proportion of women on the Supervisory Board, the Executive Board, and on the two management levels below the Executive Board. The Executive Board and the Supervisory Board have already examined this issue several times.

When selecting and appointing members of the Executive Board, the Supervisory Board focuses on the qualifications and personal skills of potential women and men candidates, paying special attention to the company-specific situation. In this context, gender does not play a major role in the decision-making process. There are currently no women on the Wacker Neuson SE Executive Board (current percentage: 0 percent). The majority of the active members of the Executive Board were appointed for an initial three-year term of office this year, whereby the Supervisory Board generally prefers longer terms of office for Executive Board members. Therefore, in the interests of continuity at executive level and confidence in the appointments to the Executive Board as well as in view of the above-mentioned prioritization of qualifications, the Supervisory Board does not wish to tie itself in advance to a gender quota in its personnel-related decisions over the next five years.

In addition to this, as a manufacturer of light and compact equipment, the Wacker Neuson Group operates at the interface between mechanical engineering and the construction industry, two sectors with very low representation of women overall. As such and relatively speaking, the Supervisory Board has found it more difficult to win suitably highly qualified women for managerial positions and in particular for the Executive Board.

The Supervisory Board therefore refrained, in a corresponding resolution adopted in 2021, from setting a target percentage for the representation of women on the Executive Board that would see the number of women rise from the present level by December 31, 2026 (i.e. target percentage remains 0 percent).

Similarly, the Supervisory Board is focused on the qualifications and personal skills of potential men and women candidates when selecting and appointing members to the Supervisory Board, paying special attention to the company-specific situation (petition rights and voting obligations of key shareholder groups governed by a pool agreement). In this context also, gender is not the main priority in the decision-making process. There are currently no women on the Wacker Neuson SE Supervisory Board, which was only appointed in the previous reporting period for a term ending at the close of the 2025 AGM (current percentage: 0 percent). In light of the above-mentioned emphasis on qualifications and the company-specific situation, the Supervisory Board does not wish to generally tie its composition in advance to a specific gender balance. In a corresponding 2021 resolution, the Supervisory Board thus refrained from setting a target percentage for the representation of women on the Supervisory Board that would see the number of women rise from the present level by December 31, 2026 (i.e. target percentage remains 0 percent).

In 2017, the Executive Board approved targets for the proportion of women appointed to managerial positions at Wacker Neuson SE, with a target achievement date of December 31, 2021. The target percentage for line one below the Executive Board was set at 27 percent, and the target for line two below the Executive Board was set at 20 percent. Both figures referred to staff who are directly employed by the company Wacker Neuson SE.

As a rule, when making appointments to managerial positions, the Executive Board focuses – despite the target percentages that have been set – on the qualifications and personal skills as well as the experience of potential women and men candidates. In the process of

evaluating competency profiles, however, particular emphasis is also placed on the principle of diversity, also in relation to the gender, age, educational background and professional experience of women and men candidates. A few newly created positions and new vacancies have been filled by women candidates in the time since the target percentages were defined. It has not been possible, however, to identify or hire sufficient ideal women candidates from inside or outside the company to achieve the targets for line one below the Executive Board. As of December 31, 2021, the proportion of women managers in line one below the Executive Board was, at 16.7 percent, therefore below the target figure. In line two below the Executive Board, on the other hand, the figure was well above target, at 41.7 percent.

The Executive Board approved the following targets for the proportion of women appointed to managerial positions at Wacker Neuson SE over the next five years, which it intends to achieve by December 31, 2026. These targets refer as before to staff who are directly employed by the company Wacker Neuson SE. The target percentage for line one below the Executive Board is 22.3 percent (currently 16.7 percent) and the target for line two below the Executive Board is 25.0 percent (currently 41.7 percent).

3. Corporate governance best practices

Compliance – principles of sound business and financial governance

Looking beyond the guidelines and recommendations of the German Corporate Governance Code, the Wacker Neuson SE Executive Board is committed to conducting its business worldwide in a lawful manner, along socially and ethically responsible lines. Which is why we have developed a Group-wide strategic mission statement that informs the conduct of each and every individual in the Group – from the Executive Board members through managers to employees. This mission frames the way we do business for shareholders, customers, business partners, the general public and our employees alike.

Values such as integrity, openness, honesty and respect for other people and our surroundings inspire every one of us to succeed, excel and embrace sustainable business practices. More information can be found online at → www.wackerneusongroup.com under The Group / Sustainability.

Wacker Neuson has a Chief Compliance Officer. Together with the Compliance Office, this person serves as a contact point and advisor for compliance issues and is responsible for implementing a compliance management system geared towards the specific requirements of the Wacker Neuson Group. In this context, we defined the “Principles of our company ethics” – a mission statement outlining our commitment to integrity and to systematic compliance with statutory and regulatory requirements. These principles are explained in greater detail in the Code of Conduct for our employees. Both of these documents are available to the public at → www.wackerneusongroup.com under The Group / Compliance.

Compliance with these principles is also an essential foundation for trusted, long-term business relationships along our entire value chain. Our commitment in this area is set down in our code of conduct for suppliers, which can be found at → www.wackerneusongroup.com under The Group / Compliance.

Corporate Social Responsibility (CSR) – Responsibility for environment and society

The Wacker Neuson Group assesses the effects of its value-adding processes on the environment and takes appropriate action to con-

serve resources as effectively as possible. As a matter of key importance, efforts here also focus on reducing costs associated with energy consumption and obtaining certification for production sites in line with ISO 50001 and ISO 14001 within the EU.

The Wacker Neuson Group aims to continue developing innovative, value-adding products and services to the same high levels of quality and reliability, while implementing sustainable and environmentally sound production and work processes.

For 2021, we have prepared a separate non-financial Group report, which will be published at the same time as this annual report and is available on the company website (in line with Section 315b HGB; CSR Directive Implementation Act).

Munich, March 24, 2022

Wacker Neuson SE

The Executive Board

Dr. Karl Tragl

Chairman of the Executive Board
Chief Executive Officer (CEO)

Felix Bietenbeck

Chief Operations Officer (COO)
Chief Technology Officer (CTO)

Christoph Burkhard

Chief Financial Officer (CFO)

Alexander Greschner

Chief Sales Officer (CSO)