

## Report of the Supervisory Board

### Dear Shareholders,

The Wacker Neuson Group continued to develop very successfully in 2022. Despite an adverse environment in many respects, our Group was once again able to grow significantly and further increase Group revenue. At the same time, the general supply chain issues, a significant increase in inflation and, not least, the Ukraine conflict presented us with considerable challenges. Against the background of significantly higher costs - above all for energy and personnel - we can therefore also be thoroughly satisfied with our earnings performance in the past fiscal year. On behalf of the Supervisory Board, I would therefore like to take this opportunity to thank our employees, who once again showed great commitment in 2022, and also the Company's management for their efforts.

### Cooperation between the Supervisory Board and the Executive Board

In the year under review, the Supervisory Board performed the duties incumbent upon it by law and under the Articles of Association and monitored the lawfulness, expediency and regularity of the management of the Company by the Executive Board. It regularly advised the Executive Board on the management of the Company and continuously reviewed and monitored the management of the Company. The Supervisory Board continuously exchanged views with the Executive Board on business developments and the strategic direction of the Company and was involved in all decisions of fundamental importance to the Company.

In good time for and at its meetings, the Supervisory Board was informed by the Executive Board in writing and orally about the course of business, the development of the earnings, financial and asset situation, fundamental issues of corporate planning, corporate strategy, internal control and risk management and compliance, as well as significant measures.

The reports to the Supervisory Board were discussed in detail at the Supervisory Board meetings both among the members of the Supervisory Board and with the Executive Board.



**Hans Neunteufel**  
Chairman of the Supervisory Board

The members of the Executive Board attended the meetings of the Supervisory Board on a regular basis; where necessary or where required by law, the Supervisory Board and the committees also met without the Executive Board, in particular when the auditors attended meetings as experts, and on Supervisory Board matters and Executive Board personnel matters.

Attendance at the meetings of the Supervisory Board and its committees was 100% in each case. The following table discloses the attendance in individualized form:

	Supervisory Board plenary meeting attendance	As a %	Presiding Committee attendance	As a %	Audit Committee attendance	As a %
Hans Neunteufel (Chairman)	8/8	100	n/a			
Ralph Wacker (Deputy Chairman)	8/8	100	n/a		4/4	100
Kurt Helletzgruber	8/8	100			4/4	100
Christian Kekelj	8/8	100				
Prof. Dr. Matthias Schüppen	8/8	100	n/a		4/4	100
Elvis Schwarzmaier	8/8	100			4/4	100

In addition, the Executive Board also informed the Supervisory Board regularly, comprehensively and promptly between meetings - by means of written reports, but also in individual discussions - about current business developments and about special and urgent projects, in particular also about deviations of the actual development from previously reported targets as well as the course of business from the planning, to which the Supervisory Board paid particular attention in view of the economically challenging situation in many respects.

The Supervisory Board discussed and examined in detail with the Executive Board measures requiring its approval and gave its approval to individual business transactions where this was required for the Executive Board by law, the Articles of Association or the Rules of Procedure. The Supervisory Board passed resolutions in this regard at scheduled meetings and by written procedure.

The Executive Board also submitted monthly reports to the Supervisory Board on the key financial indicators. In addition, the Executive Board, in particular the Chairman of the Executive Board, was in regular contact with the Chairman of the Supervisory Board to provide information on the current business and financial situation of the Company and its investees and on significant business transactions.

The work of the Supervisory Board and the committees in the reporting year was also characterized by the implementation of new statutory requirements, such as the first-time preparation of a remuneration report for the members of the Executive Board and Supervisory Board.

The members of the Supervisory Board also undertook the training and development measures required for their duties on their own responsibility and were supported in this by the Company.

#### **Main topics of the Supervisory Board meetings in fiscal 2022**

The full Supervisory Board held eight meetings (including one by conference call) and the Audit Committee four meetings (including one by conference call) in the 2022 financial year; the General Committee did not meet in the reporting year. In six cases, the Supervisory Board passed resolutions outside meetings, e.g. by circular resolution or by telephone. All members of the Supervisory Board also took part in the resolutions adopted outside meetings.

The Supervisory Board regularly reviewed the current course of business at the Wacker Neuson Group and planning by the Executive Board. In particular, global economic developments were discussed in depth, especially in light of the COVID 19 pandemic and the Ukraine conflict, the energy crisis, related supply chain problems and their impact on business development and the organizational structures of the Company and the Group. Revenue, costs, earnings and the financial situation were analyzed and discussed in detail. The Executive Board provided comprehensive answers to questions from Supervisory Board members arising from the written reports submitted regularly and the oral explanations given at the meetings. Executive Board matters were also regularly on the agenda.

In addition to these ongoing reports, the deliberations and reviews of the Supervisory Board at its meetings and resolutions related primarily to the following topics:

In the circulation procedure of February 4, 2022, a resolution was passed on the scope of the audit of the compensation report by the auditor.

In a further circular on February 16, 2022, a resolution was passed on the extension of the appointment of a member of the Executive Board.

In an extraordinary Supervisory Board meeting (held by telephone) on March 9, 2022, the Supervisory Board approved the acquisition of the Enarco Group of companies (Spain).

At the Supervisory Board meeting on March 24, 2022, the focus was on the audit of the Annual Financial Statements, the Consolidated Financial Statements and the combined Management Report for Wacker Neuson SE and the Group, the non-financial Group report and the dependent company report for fiscal 2021, including the Supervisory Board report and corporate governance reporting, following preparations by the Audit Committee. In preparation, the Audit Committee had discussed these documents in detail with the Executive Board at its previous meeting and posed questions to the auditor, who was present in person, and discussed these in detail with him. This was done in addition to the Supervisory Board's original auditing activities as part of its own preparations for the Supervisory Board meeting on the financial statements. On this basis, the annual financial statements and consolidated financial statements together with the combined management report were approved. The meeting also approved the Executive Board's proposal for the appropriation of net income, the recommendation to the Supervisory Board on the election of the auditor, the agenda for the Annual General Meeting and the report of the Supervisory Board, and the non-financial Group report. Topics relating to the Compensation Report 2021 were also discussed in advance. The aforementioned documents were distributed by the Executive Board to the Supervisory Board in good time in advance. Another focus of this meeting was the Supervisory Board's approval of the financing concept 2022 ff. and the associated borrowing.

Other topics discussed at this meeting included the implementation of the virtual Annual General Meeting, the updating of the Rules of Procedure for the Supervisory Board, the evaluation of the results of the efficiency review in the Supervisory Board, and a possible strategic cooperation with the John Deere Group focusing on North America.

By circular resolution dated April 14, 2022, the Supervisory Board approved the compensation report for the 2022 Annual General Meeting, the content of which had previously been reviewed by the auditor in addition to the statutory requirements.

At the extraordinary meeting on April 26, 2022, the Supervisory Board approved the key points of the strategic cooperation with the John Deere Group in the form of a resolution in principle.

On May 5, 2022, the Supervisory Board dealt intensively with the upcoming quarterly statement. In addition, the current status of the business in North America was discussed, as was the possible marketing and sale of a logistics property.

In a circular resolution on June 3, 2022, the Supervisory Board adopted a resolution on the amendment of the Articles of Association due to the expiry of the authorized capital.

At an extraordinary meeting on June 14, 2022, the Supervisory Board approved the implementation of the strategic cooperation with the John Deere Group and the conclusion of the corresponding agreements.

At the meeting on August 4, 2022, the agenda included the Company's business in China, topics relating to the sales structure, the Supervisory Board's approval of the expansion of the existing ABS program in North America, and preparations for the 2023 budget. In addition,

the Executive Board provided information on the upcoming half-year report.

In a resolution passed by telephone on November 8, 2022, the sale of a logistics property no longer required for operations was approved.

On November 14 and 15, 2022, the Supervisory Board discussed the further development of the corporate strategy up to 2025 with the Executive Board at the annual strategy meeting. Regional, product and location strategies in particular were on the agenda for discussion, but also the zero emissions program, digitization, possible strategic cooperations and the Group's M&A activities.

In a further circulation procedure on November 25, 2022, a resolution was passed on Executive Board matters.

Finally, at its meeting on December 13, 2022, the Supervisory Board focused its review activities on the Executive Board's corporate planning for fiscal 2023 and the medium-term and financial planning. The Supervisory Board reviewed the planning and discussed the opportunities and risks contained therein in detail with the Executive Board - also in view of the global economic environment, which remains difficult to assess. In addition, resolutions were adopted on the approval of the plant expansion at a foreign production site, the issuance of the Declaration of Conformity with the German Corporate Governance Code in accordance with § 161 of the German Stock Corporation Act (AktG), the updating of the Supervisory Board's Rules of Procedure to reflect new provisions in the law and the Corporate Governance Code, and various Executive Board matters.

The Supervisory Board also reviewed the respective monthly reports of the Executive Board on an ongoing basis.

#### **Deliberations in the committees of the Supervisory Board in fiscal 2022**

The work of the two committees formed within the Supervisory Board, the Executive Committee and the Audit Committee, was continued in the past fiscal year, effectively supporting the Supervisory Board as a whole by preparing Supervisory Board resolutions and other issues to be dealt with by the full Supervisory Board. The members of the Executive Committee were in constant contact with each other, but did not hold any meetings in the reporting year. All other Supervisory Board members also regularly attended the meetings of the Audit Committee as guests. The corporate governance statement shows the composition of the two committees and their chairmen. At the Supervisory Board meetings, the committee chairmen reported to the full Supervisory Board on the work of the committees where necessary and appropriate. In addition, the Chairman of the Audit Committee maintained a regular exchange of information with the Chief Financial Officer and the auditors between meetings, particularly in view of the change of auditor for the reporting year 2022.

At its meeting on March 23, 2022, the Audit Committee discussed the Annual Financial Statements, the Consolidated Financial Statements and the combined Management Report for Wacker Neuson SE and the Group as of December 31, 2021 with the Executive Board and the auditor, and dealt with the dependent company report and the non-financial Group report. The Audit Committee focused in particular on the key audit matters described in the auditor's report, including the audit procedures performed, and discussed the auditor's reports on the Annual and Consolidated Financial Statements, the combined Management Report and the Dependent Company Report in the absence of the Executive Board and in the presence of the auditor. The Audit Committee then approved the Company's report on the selection

process for the new auditor carried out under the supervision of the Committee in the course of the legally required re-tendering of the audit mandate for the reporting year 2022 and resolved to propose two candidates to the Supervisory Board, with a justified preference for Mazars GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, for election. Finally, the Audit Committee dealt with the appropriateness and effectiveness of the risk management and internal control systems and their effectiveness, as well as internal auditing issues. In addition, the provision of certain non-audit services by the auditor of the 2021 financial statements was discussed.

At its meeting on May 5, 2022, the Audit Committee dealt mainly with the quarterly statement due for publication.

At the meeting on August 4, 2022, the committee dealt with the upcoming half-year report and the review of the non-financial Group report 2022. In addition, the current risk report, the half-year report on the work of the internal audit department, and the review of the future compensation report were discussed.

In the (telephone) meeting on November 8, 2022, the agenda included the upcoming quarterly statement, information on the preparation of the 2023 budget, and the so-called EMIR mandatory audit pursuant to section 32 of the German Securities Trading Act (WpHG).

#### **Personnel changes in the executive bodies**

At the end of the Audit Committee meeting on March 23, 2022, Prof. Dr. Matthias Schüppen handed over the office of Chairman of the Audit Committee, which he had held on an interim basis since December 1, 2020, back to Kurt Helletzgruber. The latter had previously suspended the office due to his secondment from the Supervisory Board to the Executive Board, which lasted from December 1, 2020 to June 30, 2021, in order to avoid possible conflicts of interest with regard to the preparation and audit of the financial reports for the reporting year 2021.

#### **Risk assessment and compliance**

The Supervisory Board has satisfied itself that the Company's internal control system and risk management comply with the requirements of Section 91 (2) of the German Stock Corporation Act (AktG), that insurable risks are adequately insured, and that operational, financial and contractual risks are subject to sufficient control within approval procedures and organizational processes. A detailed risk reporting system has been installed throughout the Group and is continuously maintained and developed. The internal control and risk management systems were also reviewed by the elected auditors. The auditors confirmed that the Executive Board has taken the measures required under Art. 91 par. 2 of the German Stock Corporation Act (AktG) and set up a monitoring system capable of identifying at an early stage any developments that might jeopardize the continued existence of the Company. At the Supervisory Board meetings and in individual discussions, the Executive Board informed the Supervisory Board about the current risk situation. All risk areas identifiable from the point of view of the Supervisory Board and the Executive Board were discussed. The Supervisory Board and the Audit Committee also dealt with compliance issues.

#### **Corporate Governance**

The Supervisory Board and the Executive Board are aware that good corporate governance in the interests of the shareholders is an important basis for the success of the Company. The Supervisory Board has continuously monitored the further development of the German

Corporate Governance Code and dealt with the framework conditions under capital market and company law. At the meeting on December 13, 2022, the Executive Board and Supervisory Board issued a declaration of conformity with the German Corporate Governance Code for the 2022 reporting period in accordance with Section 161 of the German Stock Corporation Act (AktG). The full text of the declaration of conformity is permanently available on the Company's website under Investor Relations in the Corporate Governance section and is also made available on the internet as part of the corporate governance statement pursuant to Section 289 f HGB in conjunction with Section 315 d HGB and printed in the annual report.

There were no conflicts of interest involving members of the Executive Board or Supervisory Board that should have been disclosed to the Supervisory Board pursuant to letter E, Principle 19 of the German Corporate Governance Code. Prof. Dr. Matthias Schüppen, who had assumed the chairmanship of the Audit Committee for the period during which Mr. Kurt Helletzgruber was seconded, continued to hold this office until the adoption of the annual financial statements for 2021. Mr. Helletzgruber did not participate in any resolutions of the Supervisory Board or the Audit Committee relating to matters or financial reports that fell within the period of his activity as a delegated member of the Executive Board, and did not resume the chairmanship of the Audit Committee until after the adoption of the annual financial statements for 2021.

#### **Annual and consolidated financial statements 2022**

At the Annual General Meeting on June 3, 2022, Mazars GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Munich ("Mazars") was elected for the first time as auditor for the Company and the Group for the fiscal year 2022. The Supervisory Board's proposal to the Annual General Meeting was preceded by a selection process in accordance with statutory requirements, as a result of which the Audit Committee recommended two audit firms to the Supervisory Board and informed the Supervisory Board of its preference for Mazars. The Chairman of the Audit Committee received written confirmation from the audit firm that there were no circumstances that could impair its independence as auditors or give rise to doubts about its independence. The audit firm was commissioned in writing by the Chairman of the Audit Committee to audit the financial statements.

The annual financial statements of the Company prepared by the Executive Board in accordance with the German Commercial Code (HGB) and the consolidated financial statements of the Company prepared by the Executive Board in accordance with the International Financial Reporting Standards (IFRS) applicable in the European Union and the additional requirements of German commercial law pursuant to Section 315 e HGB, both as of December 31, 2022, were audited by Mazars, including the accounting records. The audit did not lead to any reservations, so that an unqualified audit opinion was issued for both the annual financial statements and the consolidated financial statements. The auditors also found that the Executive Board has set up an appropriate information and monitoring system, the design and operation of which are suitable for identifying at an early stage developments that could jeopardize the continued existence of the Company.

After each member of the Supervisory Board had received the audit documents in good time for review, the Audit Committee and the full Supervisory Board examined the separate and consolidated financial statements, the combined management report for the Company and the Group, and the dependent company report, taking into account the audit reports, and critically reviewed all documents. The documents were discussed in detail with the Executive Board and the auditors at

the meetings of the Audit Committee and the full Supervisory Board on March 22 and 23, 2023 respectively. The auditor took part in the Audit Committee's discussions, reported on the main findings of the audit, answered supplementary questions and was available to provide information to the members of the Supervisory Board. Following its own detailed examination of the documents, the Supervisory Board raised no objections and concurs with the results of the audit by the auditors. The Supervisory Board also agrees with the combined (Group) management report and in particular with the assessment of the further development of the Company.

Based on the final results of its own examination, the Supervisory Board had no objections to raise. On March 23, 2023, the Supervisory Board approved the annual financial statements prepared by the Executive Board and on March 27, 2023, the consolidated financial statements, in each case together with the combined management report for the Company and the Group, as of December 31, 2022. The annual financial statements for 2022 are thus adopted. The Supervisory Board also examined the Executive Board's proposal for the appropriation of net income for fiscal year 2022, in particular from the point of view of dividend policy, the impact on the Group's liquidity, and shareholder interests, and raised no objections to this. The Supervisory Board endorsed the proposal of the Executive Board.

As part of its review, the Supervisory Board also examined the non-financial Group report 2022 in accordance with Section 315 b HGB. Previously, Mazars was commissioned to conduct an audit of the non-financial consolidated report to obtain limited assurance in accordance with ISAE 3000, whereupon Mazars prepared a corresponding report and presented it to the Supervisory Board. The Supervisory Board took note of the result of the limited assurance review by Mazars and, following its own in-depth review, came to the conclusion that the non-financial Group report meets the existing requirements and that no objections are to be raised.

The Remuneration Report 2022 for presentation to the Annual General Meeting was also separately audited by the auditor in accordance with the statutory requirements of Section 162 (1) and (2) AktG. The compensation report will be part of the notice convening the Annual General Meeting 2023 and will also be published on the Company's website under Investor Relations/Corporate Governance.

**Review of the report of the Executive Board on relations with affiliated companies (dependency report)**

The Executive Board has prepared a report on relationships with affiliated companies ("dependency report"), which was only required to be prepared for the period from January 1 to April 30, 2022 due to changes in the shareholder structure. In this report, the Executive Board states in particular that, according to the circumstances known to the Executive Board at the time the legal transactions were conducted, Wacker Neuson SE received appropriate consideration for each legal transaction listed in the dependency report. As the elected auditor, Mazars audited the dependency report and issued the following audit opinion:

" Following our statutory audit and assessment, we confirm that.

1. the actual disclosures made in the report are correct,
2. in the legal transactions listed in the report, the performance of Wacker Neuson SE was not unreasonably high."

The Audit Committee and the full Supervisory Board took note of the report of the Executive Board on relations with affiliated companies - which was submitted in good time - and the result of the audit of this report by the auditors, examined both reports and discussed both results with the Executive Board and the auditors. The Supervisory Board concurs with the result of the audit of the dependent company report by the auditors. Following the final outcome of the discussions and the Supervisory Board's own review of the dependent company report, the Supervisory Board is of the opinion that the findings of the Executive Board are accurate and that there are therefore no objections to the Executive Board's final declaration.

During the year under review, management and all Wacker Neuson Group employees made a significant personal contribution to the positive development of the Group. The Supervisory Board would like to expressly thank all employees and members of the Executive Board for their commitment and dedication in challenging times.

Munich, March 27, 2023

On behalf of the Supervisory Board

**Hans Neunteufel**  
**Chairman of the Supervisory Board**