

Corporate Governance Statement

The corporate governance statement pursuant to sections 289 f (1) sentence 2 and 315 d of the German Commercial Code (HGB) is the central instrument of corporate governance reporting (Principle 22 of the German Corporate Governance Code as amended on 28 April 2022 (Code 2022)). The Executive Board and the Supervisory Board jointly issue the corporate governance statement and are each responsible for the parts of the report that concern them. At R. STAHL, corporate governance stands for responsible company management and supervision geared towards long-term value creation. Good corporate governance encompasses all areas of the R. STAHL corporate group.

Declaration of Compliance pursuant to § 161 Aktiengesetz ("German Stock Corporation Act")

In December 2022, R. STAHL AG has complied with the recommendations of the "Government Commission on the German Corporate Governance Code" in the version of 28 April 2022 ("Code 2022") published by the Federal Ministry of Justice and Consumer Protection in the official section of the Federal Gazette on 27 June 2022 and will continue to comply with them in the future, with the following exceptions:

B. 5

An age limit shall be specified for members of the Management Board and disclosed in the Corporate Governance Statement.

An age limit for members of the Executive Board was not and is not specified. When filling executive positions, R. STAHL focuses on the qualifications, professional expertise and experience of the respective Executive Board members.

C.1 sentence 1 - 5

The Supervisory Board shall determine concrete objectives regarding its composition, and shall prepare a profile of skills and expertise for the entire Board. In doing so, the Supervisory Board shall observe diversity. The competence profile of the Supervisory Board shall also include expertise on sustainability issues that are important for the company. Proposals by the Supervisory Board to the General Meeting shall take these objectives into account, while simultaneously aiming at fulfilling the overall profile of required skills and expertise of the Supervisory Board. The status of implementation is to be disclosed in the form of a qualification matrix in the corporate governance statement.

The Supervisory Board does not consider it useful to give itself an abstract competence profile for the entire body, so it is not possible to report on the status of implementation. Rather, criteria such as internationality, expertise on sustainability issues important to the company, potential

conflicts of interest, the number of independent Supervisory Board members and diversity - after determining and weighting the desired competencies in each individual case - are taken into account in the intensive and deliberative search for suitable candidates.

C.2

An age limit shall be specified for members of the Supervisory Board and disclosed in the Corporate Governance Statement.

As regards proposals for Supervisory Board members, an age limit has not been and is not considered. Competence and health are more crucial factors to consider than age. Furthermore, the Supervisory Board does not consider appropriate to define a regular limit of length of membership in the Supervisory Board, as it will take care of a generational change in time, as already shown in the past.

D.4

The Supervisory Board shall form a Nomination Committee, composed exclusively of shareholder representatives, which proposes suitable candidates to the Supervisory Board for its recommendations to the General Meeting.

R. STAHL does not have a nomination committee in the sense stated above. We are of the opinion that the size of our Supervisory Board (six shareholder representatives) does not justify a committee dedicated to the proposal of Supervisory Board nominees. According to the Rules of Procedure of the Supervisory Board (accessible [here](#)), the shareholder representatives on the Administrative Committee recommend proposals for suitable candidates to the full Board.

D.9

The Supervisory Board, or the Audit Committee, shall arrange for the external auditors to inform it and note in the audit report if, during the performance of the audit, the external auditors identify any facts that indicate an inaccuracy in the Declaration of Compliance regarding the recommendations of the Code issued by the Management Board and Supervisory Board.

The auditor shall verify whether the Declaration has been made and whether it has been made available. In addition, the auditor examines the Declaration to see if there is anything significant that would contradict his findings from the audit. In view of the size of the company and the structures at R. STAHL, the Executive Board and the Supervisory Board do not consider a detailed examination beyond this to be necessary.

F.2

The consolidated financial statements and the group management report shall be made publicly accessible within 90 days from the end of the financial year, while mandatory interim financial information shall be made publicly accessible within 45 days from the end of the reporting period.

Consolidated financial statements and management reports are published within four months of the end of the financial year in accordance with the statutory deadlines. We publish the key financial data for a fiscal year in advance within 90 days of the end of the fiscal year, in line with the time frame of the recommendation formulated in the GCGC.

Mandatory financial information during the year is published within the time frame of the recommendations formulated by the GCGC, unless otherwise stipulated by legal deadlines.

F. 5

The company shall keep previous Corporate Governance Statements and Declarations of Compliance regarding the recommendations of the Code available on its website for a period of at least five years.

In the past, previous Declarations of Compliance have already been kept accessible on the website for at least five years on the basis of former recommendations. For the entire corporate governance statement, this (new) recommendation will be complied with starting with the version for 2019.

G.10

Taking the respective tax burden into consideration, Management Board members' variable remuneration shall be predominantly invested in company shares by the respective Management Board member or shall be granted predominantly as share-based remuneration. Granted long-term variable remuneration components shall be accessible to Management Board members only after a period of four years.

The Supervisory Board is of the opinion that the recommendation according to sentence 1 is not practicable for a company of R. STAHL's size. As already described in the remuneration report for the 2019 financial year, the update of the Executive Board contracts in spring 2019 increased the weighting of the long-term incentive (LTI with a three-year period) and linked it to a mandatory personal investment in R. STAHL shares during the term of the contract. At the time of payment, the Executive Board member must prove to hold shares in the company amounting to at least 50% of an annual basic salary (gross). These shall be held in his ownership at least until the maturity of the last long-term variable remuneration to which he is entitled under the service contract. The LTI becomes due at the Annual General Meeting of the company that has resolved on the appropriation of profits for the last financial year of the three-year period.

G.18 sentence 2

If members of the Supervisory Board are granted performance-related remuneration, it shall be geared to the long-term development of the company.

The variable remuneration of the Supervisory Board members up to and including August 2022 was based on the amount of the dividend paid insofar as it exceeded 20% of the share capital per share. It was limited to twice the amount of fixed annual remuneration of the Supervisory Board members. Thus, the variable remuneration applicable until August 2022 did not fulfil the criterion of "sustainability" within the meaning of this recommendation.

On 13 July 2022, the Annual General Meeting approved a new remuneration system for the Supervisory Board that no longer provides for variable remuneration of the Supervisory Board members and resolved to amend the remuneration regulation in the Articles of Association accordingly. The version of the Articles of Association adopted on 13 July 2022 was entered in the Commercial Register on 16 August 2022. The new remuneration for the members of the

Supervisory Board has therefore been in effect since September 2022 in accordance with § 14 para. 6 of the Articles of Association. It is fully in line with the recommendations of the Code 2022.

Remuneration of the Executive Board and Supervisory Board

The remuneration report and the auditor's report in accordance with § 162 German Stock Corporation Act (AktG) are published on our website (available [here](#)). The current remuneration system of the Executive Board and the Supervisory Board is publicly available on our website under the page [Remuneration of the Executive Board and the Supervisory Board](#). There, reference is made to the last resolution on the remuneration system for the Executive Board at the Annual General Meeting of 15 July 2021 and the resolution on the remuneration system for the Supervisory Board at the Annual General Meeting of 13 July 2022.

Information on significant corporate governance practices

The company implements all corporate governance practices required by law. In addition, special reference is to be made to the Code of Conduct in the current version from 2016, which - as our self-perception - states the basic requirements for conduct, dealing with business partners and third parties, avoiding conflicts of interest, dealing with company facilities, dealing with information, environment, safety and health as well as complaints and notices (available [here](#)). This Code of Conduct applies throughout the Group, and its contents have been and are being trained worldwide. The last time all employees in the Group were committed to complying with the Code was in 2021 through an e-learning tool. For the entire workforce, the next repeat commitment to the Code of Conduct will take place in 2022 via the e-learning tool "Cornerstone".

In addition, all managers and all other relevant employees in the Group are trained once a year using an e-learning tool and are obliged to neither participate in nor tolerate acts of corruption. Furthermore, this training is connected with an obligation to act in accordance with the rules of competition law.

Lastly, there are numerous standards, pertaining to Finance and IT in particular, that regulate organisational procedures within the Group.

Composition and working methods of Executive Board and Supervisory Board

R. STAHL AG is subject to the provisions of the German Stock Corporation and Co-Determination Act and the capital market regulations as well as the provisions of the Articles of Association and the Rules of Procedure for the Executive Board and the Supervisory Board. In Germany, the dual management system is prescribed by law for stock corporations. The members of the Executive Board are jointly responsible for the management of the company. The Supervisory Board acts as a monitoring and advisory body. The two bodies work closely together in the interests of the

company, with the aim of ensuring its continued existence and sustainable value creation. They are committed to the interests of the shareholders and the welfare of the company.

Executive Board

The Executive Board manages the company on its own responsibility and conducts the business. It defines the strategic direction of the company, agrees it with the Supervisory Board and implements it in a targeted manner. In doing so, the Executive Board includes the interests of the shareholders, its employees and other stakeholders in its decisions.

The Supervisory Board has issued a catalogue of transactions requiring approval for the Executive Board (in addition to § 7 para. 1 of the Articles of Association). Insofar as certain transactions require the approval of the Supervisory Board, such approval shall be obtained.

The Executive Board of R. STAHL AG consists of Dr Mathias Hallmann.

The Executive Board informs the Supervisory Board regularly and promptly about current business developments, the asset, financial and earnings situation as well as the risk situation and compliance in the Group. In addition, the Executive Board reports comprehensively to the Supervisory Board on fundamental aspects of strategy and corporate planning.

The Chairman of the Supervisory Board decides whether the Executive Board shall attend the meetings of the Supervisory Board. If the auditor is invited to attend the meetings as an expert, the Supervisory Board shall decide on this. Each meeting of the Supervisory Board provides for a part in which topics are discussed without the presence of the Executive Board. In 2022, the Executive Board in its respective composition attended five regular meetings and one extraordinary meeting of the Supervisory Board. The Executive Board reported in writing and by word of mouth on the individual agenda items and draft resolutions and answered questions from the Supervisory Board members.

Supervisory Board

R. STAHL AG's Supervisory Board is formed in accordance with Germany's One-Third Participation Act (DrittelbG) and consists of nine members: Three members are employee representatives, and the other six are shareholder representatives. Three of the six members of the capital side are from the founding families. In the opinion of the Supervisory Board, more than half of these members should be independent within the meaning of the recommendations under Chapter C. of the German Corporate Governance Code as amended on 28 April 2022, i.e. at least four members. According to the recommendations in C. 6 and C. 7 (independence from the company and its Management Board), the indicators listed there as well as the recommendations in C. 9 and the explanatory statement of the Code on C. 6 (independence from a controlling shareholder), all shareholder representatives are currently independent in the opinion of the Supervisory Board. It is true that in 2021, the Chairman of the Supervisory Board, Mr Peter Leischner, and the Deputy Chairperson of the Supervisory Board, Ms Heike Dannenbauer, have been members of the Board for more than 12 years, so that one of the indicators of the Code against independence of the Executive Board and the company is present. The Supervisory

Board nevertheless considers Mr Leischner and Ms Dannenbauer to be independent and justifies this as follows in accordance with recommendation C.8 of the Code: Both have only a relatively minor shareholding in the company, they have never been employees or members of the Executive Board and do not have any significant business relationship with R. STAHL AG. Above all, according to the assessment of the other shareholder representatives, the contributions and expressed positions of Mr Leischner and Ms Dannenbauer in the course of their entire Supervisory Board activity demonstrate their independent position towards the company. R. STAHL's international customer orientation is also reflected in the Supervisory Board, which includes several members with experience abroad. The proportion of women is 33.33 %.

There are no conflicts of interest among the current members of the Supervisory Board; in the case of new candidates, careful checks are carried out in advance to establish whether there are any conflicts of interest. On December 31, 2022, members of the Supervisory Board held 2.68 % of the voting capital. Regarding the remuneration of the Supervisory Board, reference is made to the system of remuneration of the Supervisory Board approved by the 29th Annual General Meeting on 13 July 2022 with a majority of 82.98 % (available [here](#)). The actual remuneration is broken down and presented individually in the remuneration report.

The Supervisory Board of R. STAHL AG has the task of appointing the Executive Board of the company, supervising it in the management of the business and assisting it in an advisory capacity.

The Supervisory Board meets at least five times a year to discuss the issues under discussion and to pass the necessary resolutions, usually on the basis of reports submitted by the Executive Board and documents received in advance to prepare for the meeting. If necessary, the Supervisory Board convenes for additional or extraordinary meetings. In 2022, the Board met for five regular meetings and one extraordinary meeting. The possibility of adopting resolutions by written circular is used relatively rarely and only in cases that are particularly urgent. Minutes of the meetings are prepared and distributed to all members of the Supervisory Board as well as to the Executive Board of the company (only insofar as it participated). Resolutions passed by circular letter are documented in the form of minutes of the adoption of the resolutions. In addition, there are information meetings without a formal session character, if required.

In addition to the constant discussion of strategic issues, the Supervisory Board decides on the adoption of the annual financial statements and examines the planning for the next three years submitted to it by the Executive Board. Furthermore, the Supervisory Board deals with the analysis of the operational development of the R. STAHL Group as well as with questions of risk management and compliance.

In personal meetings as well as through verbal or written statements, the Executive Board regularly informs the Chairman of the Supervisory Board about the development of the company and discusses current issues with him. Where necessary, the Chairman of the Supervisory Board reports on the topics discussed between the Executive Board and him at the meetings of the Board.

Each year, the Chairman of the Supervisory Board describes the activities of the Supervisory Board and its committees in his report to the shareholders, which is printed in the Annual Report. It is also available at the Annual General Meeting and will be read out on request.

In the 2022 reporting year, the Supervisory Board again followed the recommendations of the GCGC and complied with them to the extent that seems appropriate for a company of the size of R. STAHL AG in terms of good corporate governance. The updated Declaration of Conformity issued in December 2022 is available to shareholders on R. STAHL AG's website and in the Annual Report.

The Supervisory Board conducts an annual self-assessment (formerly "efficiency review") with the help of a continuously developed questionnaire. The questionnaire covers all areas of the Board's work, such as the supply of information, the culture of discussion and the cooperation among each other. The evaluation is anonymous. The results are submitted to the Chairman of the Supervisory Board who presents them in detail to the entire Board for discussion at the following meeting. Jointly gained insights are implemented.

Committees of the Supervisory Board

The Supervisory Board has formed two committees: the Audit Committee and the Administration Committee.

Since the 2018 Annual General Meeting, the Audit Committee has consisted of the Chairwoman Dr Renate Neumann-Schäfer, her Deputy Peter Leischner as well as Andreas Müller and Nikolaus Simeonidis (since July 30, 2020). Dr Renate Neumann-Schäfer has special knowledge and experience in the application of accounting principles and internal control and risk management systems, including sustainability reporting and its audit. Peter Leischner has particular expertise in risk management and treasury, coupled with experience in auditing financial statements, sustainability reporting and its audit. Andreas Müller has special knowledge in controlling and auditing financial statements, including sustainability reporting and its audit. Nikolaus Simeonidis has special knowledge in sustainability reporting including its audit and has experience in auditing financial statements. According to the Rules of Procedure, the Audit Committee is mandated and authorised to deal in particular with issues of accounting, risk management and compliance, the tendering of the audit mandate, the required independence of the auditor, the issuing of the audit mandate to the auditor, the determination of audit focal points and the fee agreement. It prepares decisions of the Supervisory Board in this regard and makes recommendations for the resolutions. It discusses half-yearly and any quarterly reports with the Executive Board prior to their publication. The committee regularly deals with the quality of the audit of the financial statements and is ultimately responsible, on behalf of the entire Board, for approving the commissioning of consultancy services of the auditor elected by the Annual General Meeting (Executive Board transaction requiring approval). The meetings of the Audit Committee are chaired by the Chairwoman. In the event of a tie vote, the Chairwoman has an additional vote. The Audit Committee held three meetings in 2022.

Since the 2018 Annual General Meeting, the Administrative Committee has consisted of the Chairman Peter Leischner, his Deputy Heike Dannenbauer as well as Klaus Erker and Harald

Rönn (since 15 July 2021). In accordance with the Rules of Procedure, the Administrative Committee makes recommendations to the full Supervisory Board on the appointment, reappointment and dismissal of members of the Executive Board and the CEO, taking into account diversity. Furthermore, the committee prepares decisions of the Supervisory Board on the remuneration system for the Executive Board and submits corresponding resolution proposals also for an appropriate total remuneration of the individual Executive Board members. The committee negotiates and decides on the service contract and other contractual matters of the Executive Board, taking into account the decisions of the full Supervisory Board, and concludes contracts with the Executive Board members on behalf of the Supervisory Board. At least once a year, the committee discusses long-term succession planning together with the Executive Board and submits a proposal to the Supervisory Board for the relevant wording in the corporate governance statement. Finally, the Administrative Committee is responsible on behalf of the entire body for approving the conclusion of transactions with members of the Executive Board and Supervisory Board as well as with their related parties, insofar as the value exceeds € 5,000.00 in an individual case (transaction of the Executive Board requiring approval). The meetings of the Administrative Committee are chaired by its Chairman. In the event of a tie vote, the Chairman has an additional vote. The Administrative Committee held two meetings in 2022 and also met several times outside of meetings or discussed matters by telephone in the course of dealing with Executive Board matters.

On the target figures of the gender quota

Targets within the context of the statutory gender quota

In June 2022, the Supervisory Board of R. STAHL AG has made the following determination:

Supervisory Board: On the capital side, the Supervisory Board currently has two female members. This corresponds to a quota of 33.33 % for this part of the Board. On the employee side, the Supervisory Board currently has one female member. This also corresponds to a quota of 33.33 % for this part of the body. The proportion of women for the entire Board is thus also 33.33 %. The current term of office expires at the end of the Annual General Meeting in 2023. Until then, changes in the composition are not to be anticipated.

The target for the overall Board by 30 June 2027 is 33.33 %. This corresponds to the actual conditions at the time of the determination.

The target ratio for the Supervisory Board as at 30 June 2022 was 22.22 % and was not only achieved but exceeded at 33.33 %.

Executive Board: The electrical engineering sector is still strongly represented by men. As there are very few suitable female candidates available, the target for the Board in terms of current and future Board membership remains at 0 % by 30 June 2027. The current status was thus recorded. The Supervisory Board does not consider a change in the composition of the Executive Board

solely for the purpose of increasing the quota of women to be reasonable. A possible increase in the number of Board members to ensure a quota of women is also not up for discussion.

The target ratio for the Executive Board as at 30 June 2022 was 0 % and was achieved at 0 %.

The Executive Board of R. STAHL AG also made the following determinations for the two management levels below the Executive Board in June 2022:

The proportion of women in the first level below the Executive Board is to be 0 % by 30 June 2027, and 33.33 % in the second level. This corresponds to the actual conditions at the time of the determination.

On the concept of diversity

The Supervisory Board does not pursue an (abstract) diversity concept with regard to the composition of the Executive Board and the Supervisory Board. The Declaration of Compliance of the Executive Board and the Supervisory Board states with regard to Code recommendation C 1 sentences 1 and 2 that the Supervisory Board, in addition to other objectives, also considers the objective of diversity important in itself and also takes this into account in concrete appointment decisions. However, the Supervisory Board does not consider it expedient and effective to set abstract objectives for its composition and an abstract competence profile for a controlling body of a company of the size of the technology-oriented R. STAHL AG from the outset. This also applies to diversity. Here, when preparing proposals to the Annual General Meeting, the competence and the concrete need in the respective staffing situation must be decisive. In the opinion of the Supervisory Board, the same applies to the composition of the Executive Board.

Annual General Meeting (AGM)

Every R. STAHL AG share has one vote. Shareholders who are listed in the share register and have registered in accordance with the conditions for participation as stipulated by law and in the company's articles of association are entitled to participate in the AGM.

The 29th Annual General Meeting was held on 13 July 2022 in virtual form due to Covid 19. A total of about 80 % of the voting capital was present. All agenda items put to the vote were passed with a large majority. The detailed results have been published on the R. STAHL website in the Investor Relations section, and here under [Annual General Meeting](#).

Accounting and auditor

The consolidated financial statements of R. STAHL AG are prepared in accordance with the International Financial Reporting Standards (IFRS), the annual financial statements of R. STAHL AG in accordance with the accounting regulations of the German Commercial Code.

On 13 July 2022, the Annual General Meeting appointed BDO AG, Wirtschaftsprüfungsgesellschaft, Hamburg, as auditors for the financial year ending 31 December 2022. BDO AG has acted as the company's auditor throughout since the audit of the annual financial statements for the 2017 financial year.

Succession planning/leadership development

The success of R. STAHL depends to a large extent on the dedication, skills and commitment of our employees. Worldwide, more than 1,650 people contribute to this success every day. With their professional skills, commitment and creativity, they are important sources of impetus for improvements and innovations in their respective areas of responsibility.

One basis for R. STAHL's long-term sustainable human resources work shall be the worldwide systematic and structured management development and succession planning. The employees as a decisive factor for the sustainable success of the company are to be methodically identified and promoted worldwide. All personnel decisions are made on the basis of R. STAHL's management principles, corporate culture and leadership culture. These unite our employees across all hierarchies, functions and countries.

R. STAHL focuses on promoting a working environment in which employees are optimally deployed and continuously developed according to their skills and potential. The executives at R. STAHL are supposed to motivate their employees to give their best. Accordingly, we take care to establish excellent leadership skills in the management. This increases employee loyalty and enhances our attractiveness as an employer.

This system is intended to provide the Supervisory Board and the Executive Board with a joint decision-making basis for long-term succession planning. The Supervisory Board evaluates the candidates for a position on the Executive Board on the basis of their professional qualifications, relevant leadership qualities and achievements and successes.