

# Report of the Supervisory Board

*Dear shareholders,*

Following my predecessor Prof. Dr. Klaus Mangold's retirement from the Supervisory Board at the end of last year's Annual General Meeting, it is now my responsibility to report to you about the work performed by the Supervisory Board over the last fiscal year. First, however, I wish to take this opportunity to thank my predecessor for his commitment to Knorr-Bremse and for including me in essential decision-making early on. Prof. Dr. Mangold chaired the Supervisory Board since 2018 and influenced not only the work it performed, but also Knorr-Bremse's development after the company's IPO. Both the Covid-19 pandemic as well as the start of Russia's invasion of Ukraine happened during his time as Chairman. Very importantly, Prof. Dr. Mangold also led the Supervisory Board with a high level of personal dedication after the sudden death of majority shareholder Heinz Hermann Thiele, a time when such leadership was critical.

As Chairman of the Supervisory Board, I would like to take a look with you at the preceding 2022 fiscal year, which was marked by the direct and indirect impacts of the Covid-19 pandemic. Like the preceding year, business was negatively influenced by disrupted supply chains, with these disruptions manifesting in the form of extraordinary shortages of certain raw materials and intermediate products as well as price rises. Russia's invasion of Ukraine and the subsequent economic sanctions imposed on Russia resulted in additional, significant increases in procurement and energy costs and, alongside the persistently difficult situation in China, represented an additional negative impact on KB's business. Both topics were the subject of regular discussions by the Supervisory Board.

At the Annual General Meeting on May 24, 2022, Dr. Sigrid Nikutta, Board Member for Freight Transport at Deutsche Bahn AG, was elected to succeed Dr. Thomas Enders as a member of the Supervisory Board. Dr. Nikutta is a proven industry expert with long-standing, extensive knowledge of the international rail and logistics industries. I am delighted that she can contribute her experience to the work performed by the Supervisory Board. The company supports the newly elected members of the Supervisory Board in familiarizing themselves with their roles via a structured onboarding program to provide them with a comprehensive overview of the company and the global position of the Group, its operations and the products of the two divisions. The current members of the Supervisory Board are personally responsible for pursuing the training and professional development that they need for their duties. They are given the company's full support for this. This was particularly relevant recently for the members of the Audit Committee, given the increased requirements for financial experts.

The Supervisory Board regularly assesses how effectively it is fulfilling its duties as a whole as well as through its committees (so-called efficiency review under section D.12 of the German Corporate Governance Code). The Supervisory Board last performed such an efficiency review in 2021, drawing on external support and including the members of the Executive



**Dr. Reinhard Ploss,**  
Chairman of the Supervisory Board

Board. In light of the latest changes on the Executive Board, especially the commencement of the new Chief Executive Officer just several months ago, as well as the changes on the Supervisory Board, the Supervisory Board will perform its next corresponding efficiency review in 2023.

#### **Collaboration of the Supervisory Board and Executive Board**

In the reporting period, the Supervisory Board continued to fulfill its duties pursuant to the law, the Articles of Association and the rules of procedure with great care. The Supervisory Board was directly involved in all decisions of fundamental importance to the company. The relevant recommendations found in the German Corporate Governance Code (GCGC) were considered. The compliance declaration published on December 8, 2022, contained only one deviation from the GCGC, namely, from recommendation G.11 in relation to clawback/withholding provisions in the contracts of Executive Board members.

Furthermore, the Supervisory Board advised the Executive Board on the company's leadership, on acquisitions (e.g., closing the purchase of a majority stake in Cojali) and on divestment (especially the preparation of a sale of the Kiepe Group) as well as on further strategic initiatives. At the same time, the Supervisory Board monitored the senior management of the Executive Board on the basis of regular reports with which the Supervisory Board remained informed regarding business development, planning and risks. A recent example of this was the Russian business of the Knorr-Bremse Group in light of the economic sanctions. The Supervisory Board is constantly guided by the principles of responsible and sound corporate governance. They include a regular examination of the Supervisory Board's understanding of corporate governance and of the legal framework for the Supervisory Board's work and developments in relation to it (including Germany's new FISG, ARUG II and LkSG laws and the revision of the GCGC). The focus of its monitoring and advisory activities is on the legality and propriety, expediency and efficiency of senior management and Group management. The Supervisory Board's individual advisory and monitoring duties are governed by the rules of procedure of the Supervisory Board, Audit Committee and Executive

Board, which were partially revised and added to when Mr. Llistosella started as Chief Executive Officer. They stipulate, for example, that the Supervisory Board be closely involved in corporate planning and discussions of strategic projects. Furthermore, a catalog of approval requirements applies to certain Executive Board decisions, some of which necessitate comprehensive preliminary review and consideration of complex matters from a supervisory and advisory perspective. The Supervisory Board and its committees take care to always have an appropriate information base and make decisions at their own discretion, though in the interests of the company.

A number of transactions were presented to the Supervisory Board for approval during the 2022 fiscal year, such as Knorr-Bremse's acquisition of the 20% minority interests held by Robert Bosch in the European and Japanese truck subsidiaries and the acquisition of a majority interest in Cojali, a Spanish remote diagnostics manufacturer. The Supervisory Board also gave the approval that was required for the issue of an up to € 700 million sustainability-linked bond.

The Executive Board regularly, immediately and comprehensively reported to the Supervisory Board by means of written and oral reports, both in and outside of meetings. The reports contained all relevant information on the strategic development, planning, business development within the year and position of the company, risk situation and risk management, compliance, competitors of the Commercial Vehicle Systems and Rail Vehicle Systems divisions (peers), situation in the capital market including expectations of analysts and investors; and current events. We jointly discussed the business transactions important for the company as well as its further development together with the Executive Board. The Supervisory Board was included in a timely manner in all decisions of fundamental importance for the company. The Executive Board also informed the Supervisory Board about urgent matters between the regular meetings. Additionally, as the Chairman of the Supervisory Board, I also received reports from the Executive Board on the current business situation and on significant business transactions of the company as part of regular business reviews. I held regular discussions with important investors on key topics and questions of the Supervisory Board after I commenced my position.

In fiscal year 2022, we maintained a consistently high attendance rate in our meetings. The average attendance at full-board meetings was over 93%. All members of the Supervisory Board – except for Dr. Enders, whose inability to attend several meetings was excused – each attended more than 75% of meetings. The meetings during the reporting period were held almost exclusively in person, although there was an option of taking part virtually. Two of the total of nine full-board meetings during the reporting period were fully virtual, while three of the Executive Committee's altogether eleven meetings were fully virtual. The meetings of the Audit, Nomination and Strategy Committees were all held in person.

The attendance presented below is evidence of the high degree of commitment that the members of the Supervisory Board have. Supervisory Board and committee members took part in the resolutions by sending voting messages if they were prevented from attending individual meetings. Documents for meetings were distributed in advance at an early stage for the attendees' preparation; handouts were only used for late-notice developments and changes.

### 1.01 MEETING ATTENDANCE OF THE SUPERVISORY BOARD MEMBERS IN FISCAL 2022

Name	Supervisory Board (full board)	Executive Committee	Audit Committee	Nomination Committee	Strategy Committee
<b>Dr. Reinhard Ploss (Chairman as of May 24, 2022)</b>	4 (4)	4 (4)	3 (3)	1 (1)	2 (2)
<b>Prof. Klaus Mangold (Chairman until May 24, 2022)</b>	7 (7)	12 (12)	6 (7)	3 (3)	6 (6)
<b>Kathrin Dahnke</b>	9 (9)		7 (7)	2 (2)	
<b>Dr. Thomas Enders (until May 24, 2022)</b>	3 (5)				0 (2)
<b>Dr. Sigrid Nikutta (as of May 24, 2022)</b>	4 (4)				
<b>Dr. Stefan Sommer</b>	9 (9)				4 (4)
<b>Julia Thiele-Schürhoff</b>	9 (9)			2 (2)	2 (2)
<b>Dr. Theodor Weimer</b>	8 (9)	11 (11)			
<b>Franz-Josef Birkeneder (Deputy Chairman)</b>	9 (9)	11 (11)	7 (7)		4 (4)
<b>Michael Jell</b>	9 (9)	11 (11)			
<b>Werner Ratzisberger</b>	9 (9)		6 (7)		
<b>Annemarie Sedlmair</b>	9 (9)				
<b>Erich Starkl</b>	7 (9)				
<b>Sylvia Walter</b>	7 (9)				
<b>Meeting attendance in %</b>	<b>93.18%</b>	<b>100%</b>	<b>97.14%</b>	<b>100%</b>	<b>83.33%</b>

(in parentheses: number of meetings held during the term of the respective Supervisory Board or committee member)

#### Discussions of the Supervisory Board and Its Committees

The meetings and decisions of the Supervisory Board as a whole are usually prepared by the Executive Committee and, based on the topic, the Audit and Strategy Committees. The Supervisory Board established a Mediation Committee, whose services were not needed during the reporting period. The Nomination Committee convened for a total of two meetings during the reporting period (see below). Ms. Dahnke, Dr. Sommer and I myself, as committee chairs, provided regular reports to the Supervisory Board on the work done in the committees. The significant topics of discussions are detailed in the following.

The shareholder representatives (the owners' panel) and employee representatives regularly held separate advance meetings prior to the Supervisory Board meetings. Members of the Executive Board also took part in these meetings on an ad hoc basis. Internal discussions were regularly held at the end of Supervisory Board meetings without the presence of the Executive Board members.

### Significant Topics of Supervisory Board Work

A total of nine Supervisory Board meetings took place during the reporting period, including the strategy meeting, and these meetings were largely held in person in Munich or Altdersbach, as explained above. In two cases, the Supervisory Board made a decision through a written circulation procedure, although in both cases they built on a prior discussion held at a meeting. The following presents a chronological overview of the substantive focuses for the meetings of the full Supervisory Board, which – as explained above – were chaired by my predecessor until May 24, 2022:

1. On February 11, 2022, the Supervisory Board dealt with the preliminary figures for the preceding 2021 fiscal year and with the full-year guidance. It also concerned itself with the search for a successor for the Truck division (since Dr. Peter Laier had departed from the Executive Board on December 31, 2021, as communicated) and with replacements for Prof. Mangold and Dr. Enders with effect from the Annual General Meeting.

2. In light of Russia's invasion of Ukraine, the Supervisory Board on March 4, 2022, deliberated over the company's general positioning, over the impact on Knorr-Bremse's business had by the conflict and the economic sanctions on Russia; and over the (initial) measures in relation to this. The conflict remained the subject of regular deliberations by the Supervisory Board as the year progressed, too.

3. On March 11, 2022, the Supervisory Board made decisions regarding a number of changes in the Executive Board's membership. Dr. Jan Mrosik resigned from his position as an Executive Board member and Chief Executive Officer with immediate effect and left the company at the end of April. Taking over his duties were Frank Weber on an interim basis (including the role of Executive Board Spokesman) and Dr. Claudia Mayfeld, who initially took on responsibility for Human Resources on an interim basis and now leads it in a permanent capacity. Dr. Wilder took over Digitalization and Business Services temporarily alongside his responsibility for Rail. The Supervisory Board also made a decision regarding the appointment of Bernd Spies as a member of the Executive Board responsible for the truck division. Mr. Spies had been a member and Chairman of the Board of Management of Knorr-Bremse Systeme für Nutzfahrzeuge GmbH, which meant that he was able to discharge his duties fully in a very short space of time. Lastly, the Supervisory Board made the decision, ahead of time, to extend the appointment of Frank Weber as Chief Financial Officer and member of the Executive Board by five years. The items on the agenda included personnel-related issues as well as compensation-related ones, specifically the setting of the STI payout amounts and the (first-time) preparation of a compensation report in accordance with section 162 of the German Stock Corporation Act (AktG).

4. At its balance sheeting meeting on March 30, 2022, the Supervisory Board discussed with the auditor the annual and consolidated financial statements and the outcomes of the audit, and – based on the preceding deliberations of the Audit Committee – gave the necessary approval. Furthermore, the Supervisory Board approved the nominations of Dr. Sigrid Nikutta and myself as Supervisory Board candidates for the election at the Annual General Meeting on May 24, 2022. The Supervisory Board gave the necessary approvals unanimously for the Executive Board's proposal for appropriating net profit (distributing a dividend of € 1.85 per share), for the further proposed resolutions and for holding the Annual General Meeting in a virtual format.

5. At the Supervisory Board meeting on May 23, 2022, the Executive Board reported on the current business situation and explained the content and agenda for the Annual General Meeting on the following day as well as the key shareholder questions that had been submitted in advance. After the Annual General Meeting on the following day, the Supervisory Board elected me as its new Chairman and confirmed the positions of Franz-Josef Birkeneder and Dr. Theodor Weimer, my deputies. Moreover, the Supervisory Board elected Julia Thiele-Schürhoff to succeed Dr. Enders as a member of the Strategy Committee. In addition to these topics, which were more of a formal nature, the Supervisory Board dealt with the renewal of the debt issuance program, under which Knorr-Bremse can issue public bonds of up to € 3 billion in the capital market.

6. The discussions at the two-day strategy meeting on July 7 and 8, 2022, focused on the strategic direction of the Truck and Rail divisions at the Knorr-Bremse Group, strategic financial planning and the central innovation projects in the CVS and RVS divisions. Furthermore, the Supervisory Board gave the necessary approval for the issue of a € 700 million sustainability-linked bond under the aforementioned debt issuance program.

7. At its meeting on October 13, 2022, the Supervisory Board appointed Marc Llistosella as a member of the Executive Board and new Chief Executive Officer with effect from January 1, 2023. The appointment was preceded by a selection process that had been overseen intensively by the Executive Committee based on a predefined job profile. Mr. Llistosella has an international background in the capital goods industry and extensive experience in top-level management, primarily in Asia. He has held responsibility for Corporate Strategy, Communications, Internal Audit and Knorr Excellence at Knorr-Bremse since January 1, 2023. As Chief Digital Officer and Chief Information Officer, he is also responsible for Digitalization, Corporate Information Technology and Business Services. Finally, the rules of procedure make him responsible for the coordination of the company's active strategic direction and further development, for internal and external communication on crossfunctional issues and for the development and dissemination of a consistent leadership culture. On behalf of the Supervisory Board and myself, I wish to take this opportunity to thank Mr. Weber, who led the Executive Board on an interim basis from March until the commencement of Mr. Llistosella.

8. On December 8, 2022, the Supervisory Board dealt with the Group's and both divisions' annual planning for 2023 and medium-term planning, which was shortened to two years (2023-2024), and approved this planning after in-depth discussion. Furthermore, the meeting also covered certain changes in the corporate governance documentation in light of the revisions to the German Financial Market Integrity Strengthening Act (FISG) and GCGC as well as a readjustment of the collaboration within the Executive Board in conjunction with the commencement of the new Chief Executive Officer. In the context of the FISG, separate rules of procedure were also adopted for the Audit Committee for the first time.

## Executive Committee

The Executive Committee coordinates the work of the Supervisory Board, prepares the Supervisory Board meetings and monitors the execution of the resolutions adopted by the Supervisory Board. Further, it is in charge of resolutions regarding transactions with members of the Executive Board, the approval of contracts with Supervisory Board members and long-term succession planning for the Executive Board. In matters relating to the Supervisory Board, the Executive Committee also makes decisions about delaying the public disclosure of inside information in accordance with Market Abuse Regulation Article 17 (4), as in the reporting period in connection with the departure of Dr. Mrosik and the appointment of Mr. Llistosella.

A total of eleven Executive Committee meetings took place during the reporting period (four ordinary and seven extraordinary), three of which were purely virtual and eight in person. The purpose of the meetings was to prepare for specific issues such as the change of personnel on the Executive Board in 2022 and the implementation of relevant decisions by the Supervisory Board. If the Supervisory Board was due to vote on a resolution, the Executive Committee would usually conclude its deliberations by issuing to the Supervisory Board a recommendation for the resolution. As the Chairman of the Executive Committee, I regularly reported to the Supervisory Board about the work done by the Executive Committee.

The Executive Committee dealt with general compensation issues and also focused on personnel-related issues concerning the Executive Board, specifically the appointment of a successor for Commercial Vehicle Systems and the search for a successor to Dr. Mrosik as Chief Executive Officer. In this context, the Executive Committee also dealt with general questions regarding the Executive Board's allocation of responsibilities and roles. The core considerations from these deliberations were added to the revision of the Executive Board's rules of procedure in December 2022.

### Members of the Executive Committee:

- Dr. Reinhard Ploss (Chairman as of May 24, 2022)
- Prof. Dr. Klaus Mangold (Chairman until May 24, 2022)
- Franz-Josef Birkeneder
- Dr. Theodor Weimer
- Michael Jell

## Audit Committee

The Audit Committee gives the Supervisory Board recommendations about auditor appointments. It prepares Supervisory Board resolutions regarding the approval of financial statements and proposals for appropriating net profit. It takes the place of the Supervisory Board to engage auditors for specific audits. The composition, duties and competencies of the Audit Committee comply with the new specifications of the FISG. In particular, the Chairwoman of the Audit Committee, Kathrin Dahnke, enjoys a direct right to obtain information from the heads of Internal Audit, Controlling, Risk Management and Compliance, which are the relevant central departments. Moreover, she maintains regular and partly bilateral communication with the auditor. The information provided in the Corporate Governance Statement explains the composition of the Audit Committee (in relation to "financial experts"). Ms. Dahnke regularly reports to the Supervisory Board about the Audit Committee's work.

The Audit Committee convened for a total of seven meetings during the fiscal year, six of which were in a hybrid format and one purely in person. The Audit Committee worked on matters such as the preliminary figures for the 2021 fiscal year and the quarterly and half-yearly financial reporting. The Audit Committee examines the risk management system, internal control system, compliance management system, reports from Internal Audit and the status of significant litigation at regular intervals. A key component of the committee's work is its involvement in the annual and consolidated financial statements, beginning with the definition of audit focus topics; as well as in approving the proposed fee for the auditor, in the relevant audit reports from the auditor KPMG, in the dependency report, in the combined non-financial report (sustainability report) and in the Executive Board's proposal for appropriating net profit.

**Members of the Audit Committee:**

- Kathrin Dahnke (Chairwoman)
- Franz-Josef Birkeneder
- Dr. Reinhard Ploss (as of May 24, 2022)
- Prof. Dr. Klaus Mangold (until May 24, 2022)
- Werner Ratzisberger

## Strategy Committee

The Strategy Committee advises the Supervisory Board and Executive Board on core issues relating to the Group's strategy, including the Group's business policy and commercial direction. A key focus is the analysis and ongoing development of the Truck and Rail divisions, new business ideas and potential development prospects, which also requires alternative methods and evaluation perspectives. The committee's duties further include providing strategy advice for divestments, mergers and acquisitions, including monitoring performance after transactions have closed. Moreover, it is also responsible for performing strategic evaluations of the Knorr-Bremse Group's global footprint with its sites and subsidiaries and discussing potential improvement with the Executive Board. The Strategy Committee also supports the Executive Board with the development and evaluation of proposals for managing the company's innovation. Following the revision of the Supervisory Board's rules of procedure, the Strategy Committee also has a special role in the topic of sustainability. Specifically, it advises the Executive Board on the systematic identification of the company's risks and opportunities that are associated with social and environmental factors, and on the appropriate consideration of environmental and social objectives alongside commercial ones.

The Strategy Committee convened for a total of four meetings held in person during the reporting period. The committee dealt with matters including the strategic direction of the Knorr-Bremse Group, key M&A opportunities and transactions, the Knorr-Bremse Group's China strategy, its business in Russia and central options for growth.

**Members of the Strategy Committee:**

- Dr. Stefan Sommer (Chairman)
- Franz-Josef Birkeneder
- Julia Thiele-Schürhoff (as of May 24, 2022)
- Dr. Reinhard Ploss (as of May 24, 2022)
- Dr. Thomas Enders (until May 24, 2022)
- Prof. Klaus Mangold (until May 24, 2022)



## Nomination Committee

If necessary, the Nomination Committee proposes appropriate candidates to the Supervisory Board that the latter may propose for election as new Supervisory Board members at Annual General Meetings.

The Nomination Committee convened for a total of two meetings during the reporting period. It dealt with succession and appointment issues and gave specific recommendations for elections of new shareholder representatives in light of the departure of Dr. Enders and Prof. Mangold from the Supervisory Board.

### Members of the Nomination Committee:

- Dr. Reinhard Ploss (Chairman as of May 24, 2022)
- Prof. Klaus Mangold (Chairman until May 24, 2022)
- Kathrin Dahnke
- Julia Thiele-Schürhoff

## Mediation Committee

The Mediation Committee did not convene during the reporting period.

### Members of the Mediation Committee:

- Dr. Reinhard Ploss (as of May 24, 2022)
- Prof. Klaus Mangold (until May 24, 2022)
- Franz-Josef Birkeneder
- Kathrin Dahnke
- Michael Jell

## Corporate Governance

The Supervisory Board attaches a great level of importance to ensuring satisfactory corporate governance. It examined its own understanding of corporate governance and compliance separately and intensively during the reporting period. The framework for this consists of the corporate governance requirements for listed German companies, in particular the ones under the German Stock Corporation Act (AktG), German Codetermination Act (MitbestG) and German Corporate Governance Code as amended. The Supervisory Board made a declaration of compliance pursuant to section 161 AktG for the reporting period in conjunction with the Executive Board on December 8, 2022. This declaration of compliance was made available on the company's website and is also printed in the Corporate Governance Statement. Knorr-Bremse AG fulfilled all recommendations of the German Corporate Governance Code in fiscal 2022 except for recommendation G.11 of the 2022 GCGC (which pertains to withholding and clawback provisions in the service agreements of Executive Board members). The reasoning for this exception is explained in detail in the declaration of compliance.

### Conflicts of Interest

The Supervisory Board conducts continuous monitoring to see if there are potential conflicts of interest in its decision making. The outcome of this monitoring was that there were no conflicts of interest relevant to the Supervisory Board's decision-making during the 2022 fiscal year or the current fiscal year.

### Audit of Annual and Consolidated Financial Statements

The Supervisory Board and the Audit Committee in particular performed relevant audit procedures to ensure that the annual and consolidated financial statements and further financial statements for the 2022 fiscal year met the applicable requirements.

The annual financial statements of Knorr-Bremse AG as compiled by the Executive Board in accordance with Germany's generally accepted accounting principles (HGB), the combined management report of Knorr-Bremse AG and the Knorr-Bremse Group and the consolidated financial statements for the 2022 fiscal year based on International Financial Reporting Standards (IFRS) were audited by KPMG AG Wirtschaftsprüfungsgesellschaft, Munich and each awarded an unqualified opinion. KPMG was elected as the auditor of the financial statements for the 2022 fiscal year at the Annual General Meeting on May 24, 2022. KPMG has been the auditor of the Knorr-Bremse Group since its IPO in 2018. KPMG had also previously been engaged as the auditor for annual and consolidated financial statements prior to the IPO. Johannes Hanshen was the main auditor overseeing the audit for the purposes of section 319a (1) sentence 4 HGB. Klaus Becker is a further audit partner with responsibility for the audit.

Furthermore, the auditor discussed the half-yearly financial report in detail with the Audit Committee prior to its publication and reported on the status of the audit of the annual and consolidated financial statements when the preliminary figures were published. The auditor audited the report on relations with affiliated companies (section 312 AktG) that was compiled by the Executive Board. The auditor issued the following opinion in regard to the report: "After our professional audit and evaluation, we confirm that 1. the actual disclosures in the report are accurate, 2. the consideration provided by the company for the transactions listed in the report was not inappropriately large or the disadvantages from these transactions were offset, and 3. there are no circumstances that call for an evaluation of the measures listed in the report that differs significantly to the one performed by the Executive Board."

The aforementioned reports, the Executive Board's proposal for the appropriation of net profit and the auditor's reports were provided to all members of the Supervisory Board in a timely fashion or were displayed for their perusal at the Supervisory Board meeting on March 17, 2023. The Audit Committee conducted a preliminary audit of all documents at its meetings on February 22, 2023 (preliminary figures), and March 13, 2023, with Audit Committee Chairwoman Kathrin Dahnke reporting to the Supervisory Board about this at the Supervisory Board meeting on March 17, 2023. The financial statements and reports were presented to the Supervisory Board by the Executive Board and discussed in detail. The auditors present at the meetings reported on the results of their audits. In particular, the Audit Committee had previously set the following focus points for these audits in the reporting period: the process for preparing the consolidated and annual financial statements, realization of revenues in project-based business under IFRS 15, fraud risks when recognizing

revenues at cut-off dates, continuous reporting on the system conversion accompanying a project ("IFRS Goes ERP") and impairment of specific interests in affiliated companies, of specific accounts receivable from affiliated companies and of inventories.

The Audit Committee did not find any vulnerabilities in the risk management system, internal control system, internal audit system or compliance management system. After our own audit of the annual financial statements, consolidated financial statements and combined management report, we did not have any cause to raise objections, for which reason we agreed with the Executive Board's assessment of the position of Knorr-Bremse AG and the Knorr-Bremse Group. The Supervisory Board approved the financial statements for the 2022 fiscal year in line with the recommendation of the Audit Committee, which means that the annual financial statements of Knorr-Bremse AG are hereby adopted. We discussed the proposal for appropriating the net profit in detail with the Executive Board and agree with the Executive Board's proposal that a dividend of € 1.45 per share with dividend rights be distributed for the 2022 fiscal year. We are therefore proposing a distribution within the range of 40% to 50% of net income that was announced at the time of the IPO. A resolution will be made about this distribution at this year's virtual Annual General Meeting on May 5, 2023. The Compensation Report will also be subject to a resolution at the Annual General Meeting. The Supervisory Board made its decision about the compilation of this report on March 13, 2023, in accordance with section 162 (1) AktG as amended.

#### **Membership Changes to Supervisory Board and Executive Board**

The composition of the Executive Board and Supervisory Board as at December 31, 2022, is illustrated in the overviews on page 24 for the Supervisory Board and page 11 for the Executive Board.

## **Supervisory Board**

As explained above, Prof. Dr. Klaus Mangold and Dr. Thomas Enders stepped down from the Supervisory Board at the end of last year's Annual General Meeting on May 24, 2022 (the former as Chairman). Dr. Reinhard Ploss and Dr. Sigrid Nikutta were elected to the Supervisory Board as their successors at the Annual General Meeting, representing the shareholders. Following the Annual General Meeting, the Supervisory Board elected me as Chairman and confirmed the positions of Mr. Birkeneder and Dr. Weimer as Deputy Chairmen.

## Executive Board

Also as explained above, Dr. Jan Mrosik resigned as a member of the Executive Board and as the Chief Executive Officer on March 11, 2022, by mutual agreement. The Supervisory Board appointed Marc Llistosella as his successor with effect from January 1, 2023. Bernd Spies was also appointed as a member of the Executive Board on March 11, 2022, overseeing Commercial Vehicle Systems and succeeding Dr. Peter Laier, who left the company on December 31, 2021. Mr. Spies had already been the Chairman of the Board of Management of Knorr-Bremse Systeme für Nutzfahrzeuge GmbH, the truck subsidiary, since 2014 and was therefore highly familiar with the division.

I would like to offer my thanks once more to the Executive Board members, and Mr. Weber in particular, who took on additional responsibility on an interim basis following the departure of Dr. Mrosik.

### Acknowledgment

The year 2022 was especially influenced by high inflation and disrupted supply chains, and overshadowed by Russia's invasion of Ukraine and the ongoing Covid-19 lockdowns in China. It was a year with major challenges for Knorr-Bremse, its managers and its people. The Supervisory Board thanks the members of the Executive Board and all employees of the Group who have guided and are continuing to guide the company through numerous crises with success and security. The Supervisory Board will continue to provide its constructive support for this in the future, too.

Munich, March 17, 2023

*best regards and all the best  
yours Reinhard Ploss*

**Dr. Reinhard Ploss**  
Chairman of the Supervisory Board