



**KNORR-BREMSE**

# Corporate Governance Statement for the 2023 Fiscal Year

The Corporate Governance Statement pursuant to sections 289f, 315d of the German Commercial Code ("HGB") is the key instrument of corporate governance reporting (principle 23 of the German Corporate Governance Code as amended on April 28, 2022, "GCGC"). The Executive Board and Supervisory Board issue the statement jointly and are responsible for the parts of the report that relate to them.

Pursuant to section 317 (2) sentence 6 HGB, the audit of the information provided in accordance with sections 289f (2), 315d HGB by the auditor is to be restricted to establishing whether this information has been provided.

## Declaration of Compliance of the Executive Board and Supervisory Board of Knorr-Bremse AG

The Executive Board and Supervisory Board of Knorr-Bremse AG adopted the following declaration of compliance with the German Corporate Governance Code pursuant to section 161 of the German Stock Corporation Act ("AktG") on December 15, 2023:

"The Executive Board and Supervisory Board of Knorr-Bremse AG Aktiengesellschaft (the "**Company**") declare as follows pursuant to section 161 (1) AktG:

The Executive Board and Supervisory Board of the Company last issued a declaration of compliance on December 8, 2022. Since that date the Company has complied with all recommendations of the German Corporate Governance Code as amended on April 28, 2022 ("GCGC 2022") with the following exception:

According to recommendation G.11 GCGC 2020, the Supervisory Board shall be permitted to retain or reclaim variable compensation of the Executive Board if justified. In the 2023 fiscal year the Company deviated from this recommendation and it will also partly deviate from it in 2024. Nevertheless, the Supervisory Board intends to include the customary clawback and malus provisions in the contracts with Executive Board members from the 2024 fiscal year onward. The necessary changes to the compensation system for the Executive Board will be submitted to the Annual General Meeting on April 30, 2024 for approval and gradually implemented contractually as part of contract extensions or new contracts.

Independently of this, the Supervisory Board believes that the Long-Term Incentive and Share Ownership Guidelines encourage the Executive Board members to act carefully, with a view to the long term and sustainably in the Company's interest. Furthermore, if Executive

Board members culpably act in dereliction of their duties the Supervisory Board shall be at liberty to claim damages pursuant to section 93 AktG.

Munich, December 15, 2023

Knorr-Bremse Aktiengesellschaft

The Executive Board      The Supervisory Board"

## Relevant Details of Corporate Governance Practice

### Corporate Values and Internal Rules

In addition to the statutory regulations and the GCGC, responsible conduct in all areas of the Group is of key importance for Knorr-Bremse AG.

Our principles of action are summarized in a Code of Conduct, which is binding on all employees; it can be viewed on our website by following this link: [knorr-bremse.com/en/company/compliance/](https://knorr-bremse.com/en/company/compliance/). The Code of Conduct offers all employees of the entire Knorr-Bremse Group a guideline for a responsible approach to colleagues, business partners and authorities. As part of our compliance with capital markets legislation we also keep insider lists pursuant to Article 18 of the Market Abuse Regulation ("MAR") on an ad-hoc basis. All persons included in an insider list are instructed about the associated statutory duties and sanctions that apply to insider dealing and the unlawful disclosure of inside information.

Diversity also forms part of Knorr-Bremse's corporate culture beyond the statutory regulations. Knorr-Bremse does not tolerate any form of discrimination on account of gender, age, religion, illness, origin, skin color, sexual orientation or for any other reason. We pay attention to diversity and equal opportunity when filling positions. We aim to take women appropriately into account. Flexible working hour models that take individual needs into consideration promote equal opportunity. In view of the international nature of our business, intercultural diversity and tolerance are important values at Knorr-Bremse. The Knorr-Bremse Code of Conduct sets out measures in the fields of occupational safety, human rights and inclusion. Our employees receive separate training on these issues via an e-learning tool. They are able to engage with a variety of positions in talks and workshops on sociopolitical topics. Further details on diversity can be found in the next section, *Diversity on the Executive Board and Supervisory Board*.

Additional information on how we exercise our social responsibility and promote sustainable growth, and on our further sociopolitical engagement are also set out in our *non-financial statement* (pursuant to section 315b HGB) that you can find on page 42 ff. of the annual report. You can also find further information on the website in the Responsibility section.

### Compliance Management System

The following aspects are also important to us: At Knorr-Bremse we do not tolerate any criminal acts such as corruption or anti-competitive practices. For us, sustainable growth goes hand in hand with integrity in conduct. We comply with the laws in force and maintain a Group-wide compliance organisation. Anyone who uncovers indications of criminal activity or serious regulatory or statutory breaches within the Knorr-Bremse Group can report them anonymously and, if desired, in a protected manner via our externally operated whistleblower system or our ombudsperson; Every report received here will be investigated. Furthermore, we have no tolerance for retaliation. Whistleblowers who submit reports in good faith should not suffer

any disadvantages, provided that the Knorr-Bremse Group can influence this in accordance with applicable law.

The key areas of the compliance organization led by the Chief Compliance Officer (CCO) include preventing and combating corruption, ensuring fair competition and avoiding conflicts of interest. This is designed to avoid breaches of our guidelines, primarily our binding Code of Conduct. Preventive measures such as employee training, focused communication with employees and executives on compliance-related topics, instructions of suppliers and an accompanying management of risks are intended to help in this regard. The CCO, who is responsible for compliance with the defined Knorr-Bremse guidelines, reports regularly to the Compliance Committee, which is headed by the Executive Board member for Integrity and Legal, and the Audit Committee of the Supervisory Board. The global locations form an important part of our compliance strategy and organization. Compliance officers with regional responsibility for Asia/Australia, Europe/Africa and the Americas are involved in the regional implementation of compliance management; they are also supported by local compliance officers in the Asia/Australia and Europe/Africa regions.

Further information on the tasks and work of the compliance organisation at Knorr-Bremse can be found in the chapter Sustainability and non-financial statement, Compliance and anti-corruption, in the combined management report 2023.

## Remuneration of Executive Board and Supervisory Board members

The applicable compensation system pursuant to section 87a (1) and (2) sentence 1 AktG for the members of the Executive Board and the resolution adopted at the 2020 Annual General Meeting pursuant to section 113 (3) AktG on the compensation and compensation system for the members of the Supervisory Board in addition to the most recent adjustments resolved at the 2022 Annual General Meeting are publicly available on our website by following this link: [ir.knorr-bremse.com/websites/knorrbremse\\_ir/English/7000/corporate-governance.html](https://ir.knorr-bremse.com/websites/knorrbremse_ir/English/7000/corporate-governance.html). The *Compensation Report* for the past fiscal year pursuant to section 162 AktG was prepared in accordance with statutory requirements and audited by the auditor; it can also be retrieved from our website (including the auditor's opinion) as of the adoption of the corresponding resolution at the Annual General Meeting on April 30, 2024. Moreover, it is also available as part of the annual report. The Compensation Report includes further details of the Executive Board compensation, including variable compensation components, and of the Supervisory Board compensation.

## Share Ownership on the Executive Board and Supervisory Board

We publish reportable securities transactions of members of the Executive Board and Supervisory Board of Knorr-Bremse AG pursuant to Article 19 MAR (referred to as directors' dealings) immediately following receipt of the notification. You will find an overview of the transaction under the Investor Relations tab of our website in "Investor News."

As of December 31, 2023, the members of the Executive Board held a total of around 0.0168% of shares in Knorr-Bremse AG. Among the members of the Supervisory Board, to our knowledge Franz-Josef Berkeneder, Kathrin Dahnke, Michael Jell, Werner Ratzisberger and Sylvia Walter all held small direct interests in Knorr-Bremse AG as of December 31, 2023.

## Corporate Communications and Transparency

Our corporate communications provide comprehensive and prompt information. Details and explanations of our business performance can be found in the annual report and in our quarterly reports, financial reporting, press releases and ad-hoc reports. All publications are available on our website. We hold press conferences and conference calls at important events.

The Articles of Association, the rules of procedure of the Supervisory Board, the reports of the Supervisory Board from the 2018 fiscal year onward, declarations of compliance from the 2018 fiscal year onward and the corporate governance reports for fiscal years 2018 to 2019 and corporate governance statements from the 2018 fiscal year onward can be found at: [ir.knorr-bremse.com/websites/KnorrBremse\\_ir/English/7000/corporate-governance.html](https://ir.knorr-bremse.com/websites/KnorrBremse_ir/English/7000/corporate-governance.html).

## Shareholders and Annual General Meeting

Knorr-Bremse AG shareholders exercise their rights at the Annual General Meeting. The Annual General Meeting decides on matters including the appropriation of retained net earnings, the discharge to be granted to members of the Executive Board and Supervisory Board, the approval of the Compensation Report that must be prepared annually and the election of the shareholder representatives to the Supervisory Board. In addition, the compensation system for the Executive Board and the compensation of the members of the Supervisory Board must be submitted to the Annual General Meeting for approval at least every four years. Amendments to the Articles of Association and specific capital measures are also resolved by the Annual General Meeting and implemented by the Executive Board, where necessary with the approval of the Supervisory Board.

Shareholders can exercise their voting rights at the Annual General Meeting either in person or through a representative of their choice, an authorized proxy of the Company who is bound by the shareholder's instructions, or by mailing in their response. The Executive Board makes it easier for shareholders to take part in the Annual General Meeting by using electronic means of communication, in particular the Internet; the authorized proxies can be contacted even while the Annual General Meeting is ongoing.

The Chair of the Supervisory Board chairs the Annual General Meeting and reports on the Supervisory Board's work and that of its committees during the past fiscal year. The Executive Board explains the annual financial statements, the consolidated financial statements, the combined management report, the dependent company report, the remuneration report, the non-financial statement and the proposals for appropriating net profit agreed with the Supervisory Board, as well as any other motions put forward for a resolution.

In particular, shareholders can put forward motions on resolutions proposed by the Executive Board and Supervisory Board and subsequently challenge resolutions by the Annual General Meeting.

On the basis of the new statutory regime the 2023 Annual General Meeting of Knorr-Bremse AG on May 5, 2023 was held as a virtual Annual General Meeting without the physical presence of shareholders or their representatives. In the course of this meeting a resolution was passed to add a provision to the Company's Articles of Association enabling the Executive Board to provide for the Annual General Meeting to be held in virtual format for an authorization period limited to 2 years. The Executive Board made use of this authorization for the 2024 Annual General Meeting, which will be held on April 30, 2024, in consultation with the Supervisory Board. The reports, documentation and information required for the Annual

General Meeting pursuant to the German Stock Corporation Act can be retrieved from our website from March 21, 2024, onward, in addition to the agenda for the Annual General Meeting and any counter motions or nominations by shareholders that are to be made available. Shareholders will be able to cast their vote in accordance with the provisions that apply for the implementation of virtual Annual General Meetings.

## Description of the Operations of the Executive Board and Supervisory Board and the Composition and Operations of the Supervisory Board Committees

### Composition and Operations of the Executive Board

#### COMPOSITION OF THE EXECUTIVE BOARD

As stipulated by the Articles of Association, the Executive Board of Knorr-Bremse AG consists of at least two members. As of December 31, 2023, the Executive Board had five members:

- Marc Llistosella was elected as a member of the Executive Board of Knorr-Bremse AG and its Chair with effect from January 1, 2023. As Chief Executive Officer (CEO) he is responsible in particular for Strategy, Communication, IT, Information Security, Corporate Security, Internal Audit and Digitalization.
- Dr. Nicolas Lange was appointed as successor of Dr. Jürgen Wilder on the Executive Board of Knorr-Bremse AG with effect from October 1, 2023, with global responsibility for the Rail Vehicle Systems division. Dr. Wilder resigned from the Executive Board with effect from the end of September 30, 2023, and left the Company.
- Bernd Spies has been a member of the Executive Board of Knorr-Bremse AG since March 12, 2022, with global responsibility for the Commercial Vehicle Systems division.
- Dr. Claudia Mayfeld has been a member of the Executive Board of Knorr-Bremse AG since May 1, 2021. She is responsible in particular for Integrity, Legal and Human Resources.
- Frank Markus Weber has been a member of the Executive Board of Knorr-Bremse AG since July 1, 2020. As Chief Financial Officer (CFO) he is responsible in particular for Finance, Controlling, M&A, Sustainability and Investor Relations.

The following table gives an overview of the current responsibilities of the Executive Board of Knorr-Bremse AG since October 1, 2023:

Chief Executive Officer (CEO) <b>(Llistosella)</b>	Chief Financial Officer (CFO) <b>(Weber)</b>	Member of the Executive Board responsible for Truck <b>(Spies)</b>	Member of the Executive Board responsible for Rail <b>(Dr. Lange)</b>	Member of the Executive Board responsible for Integrity & Legal <b>(Dr. Mayfeld)</b>
• Strategy & Portfolio	• Accounting / Taxes	Global Division Truck	Global Division Rail	• Legal for all divisions and all matters
• Communications	• Controlling	• Research / Development	• Research / Development	• Compliance
• Internal Audit	• Risk Management	• Procurement / Supply Chain Management	• Procurement / Supply Chain Management	• Data Protection (process & regulatory issues)
• Security	• Finance & Treasury	• Production / Quality Assurance	• Production / Quality Assurance	• Corporate Office
• Information Technology	• Insurances	• Sales / Marketing / Distribution	• Sales / Marketing / Distribution	• Intellectual Property
• Information Security	• Investor Relations	• Finance / Controlling	• Finance / Controlling	• Human Resources
• Digitalization	• M&A			
• Business Services (Knorr Excellence)	• Corporate Social Responsibility (CSR) & Environmental, Social, and Governance (ESG)			
• KB Global Care e.V. Affairs	• Real Estate Management			

With regard to compliance with statutory requirements for the equal participation of women and men in leadership positions on the Executive Board and the diversity concept for the Executive Board please see the description below.

### **Operations of the Executive Board**

The Executive Board as the management body manages the Company's operations, defines the strategy and implements it in consultation with the Supervisory Board. The members of the Executive Board are committed to the Company's interests and are subject to a comprehensive non-compete clause for the duration of their work for the Company. The members of the Executive Board collectively bear responsibility for the entire management of the Company and decide on fundamental questions of business policy and corporate strategy as well as on the annual and multi-year planning. Irrespective of the Executive Board's overall responsibility, the individual members of the Executive Board manage the responsibilities for their divisions.

The Executive Board ensures that legal provisions, official regulations and internal guidelines are followed within the Company and works to make sure they are observed by Group companies (Compliance). The tasks of the Executive Board also include the establishment of an internal control, risk and compliance management system that is appropriate and effective in view of the volume of the Company's business operations and its risk situation; its principles are set out in the *Group's non-financial statement* (see p. 42 ff. of the Annual Report).

The Executive Board and Supervisory Board collaborate closely for the benefit of the Company. Rules of procedure adopted by the Supervisory Board regulate the allocation of responsibilities on the Executive Board, the modalities of decision-making and further aspects. The rules of procedure and the associated allocation of responsibilities are regularly reviewed by the Supervisory Board to determine whether they need to be updated.

The Executive Board provides the Supervisory Board with regular and comprehensive reporting on business performance, strategy and risks. In addition to the Supervisory Board meetings, which are usually attended by the Executive Board, the chairs of both boards consult on a regular basis on all relevant current issues, including at short notice and on an ad-hoc basis. In addition, the Chair of the Supervisory Board, working in close consultation with the Executive Board, takes part in investor meetings to an appropriate extent where such meetings relate to the work and tasks of the Supervisory Board. The *Report of the Supervisory Board* (starting on page 12 of the Annual Report) contains additional information on the collaboration of the Executive Board and Supervisory Board in the reporting year.

The second management level in the Group includes the responsible heads of division of Knorr-Bremse AG, the managing directors of the European lead companies Knorr-Bremse Systeme für Schienenfahrzeuge GmbH and Knorr-Bremse Systeme für Nutzfahrzeuge GmbH and the managing directors of the North American and Asia-Pacific lead companies. The managing directors are responsible for the results of their subordinated companies and are in close dialogue with the Executive Board. The departments of Knorr-Bremse AG assist the Executive Board.

### **Composition and Operations of the Supervisory Board**

#### **COMPOSITION OF THE SUPERVISORY BOARD AS OF DECEMBER 31, 2023**

In accordance with the German Codetermination Act ("MitbestG"), the Supervisory Board of Knorr-Bremse AG is made up of twelve members with equal representation. The six shareholder representatives are elected by the Annual General Meeting while the six employee representatives are elected by the employees at the German Knorr-Bremse locations.

The Supervisory Board is reelected at least every five years. If a member of the Supervisory Board steps down before the end of their term of office, a successor is appointed by the court or by the Annual General Meeting if an already elected substitute member is not available. Supervisory Board members appointed by the court must stand for election at the next Annual General Meeting (shareholder representatives) or at the next election date (employee representatives). The Supervisory Board members currently in office have been appointed until the Annual General Meeting in 2026.

Following the retirement of Erich Starkl, member of the Supervisory Board elected by the employees, at the end of June 30, 2023, Wolfgang Nirschl was appointed by the court as member of the Supervisory Board and successor to Mr. Starkl on July 3, 2023.

The composition of the Supervisory Board as of December 31, 2023, is thus as follows:

Name & date of birth	Practiced profession	Member since	Appointed until	Memberships of committees	Membership of supervisory committees to be established as required by law or of comparable German or foreign control committees of commercial enterprises (as of Dec. 31, 2023)
<b>Dr. Reinhard Ploss*</b> Born in 1955	Chair of the Supervisory Board	2022	2026	<ul style="list-style-type: none"> <li>▪ Chair of the Executive Committee</li> <li>▪ Member of the Strategy Committee</li> <li>▪ Member of the Audit Committee</li> <li>▪ Chair of the Nomination Committee</li> <li>▪ Chair of the Mediation Committee</li> </ul>	<p><b>German Supervisory Boards:</b></p> <ul style="list-style-type: none"> <li>▪ Member of the Supervisory Board of Deutsche Telekom AG (since April 2023)</li> </ul> <p><b>Comparable Control Committees:</b></p> <ul style="list-style-type: none"> <li>▪ Ordinary member of the TUM University Council</li> <li>▪ Member of the Board of Trustees of Foundation for Demoscopy Allensbach</li> <li>▪ Member of the Quantum Computing Advisory Board of Deutsches Zentrum für Luft- und Raumfahrt e.V. (DLR)</li> <li>▪ Chair of Qutac (Quantum Technology &amp; Application Consortium) Executive Committee</li> <li>▪ Honorary member of Board of Trustees, Stifterverband für die Deutsche Wissenschaft</li> <li>▪ Chair of the Advisory Board of CustomCells Holding GmbH (since September 2023)</li> </ul>
<b>Franz-Josef Birkeneder</b> Born in 1960	Deputy Chair of the Supervisory Board  Support for global projects	2016	2026	<ul style="list-style-type: none"> <li>▪ Member of the Executive Committee</li> <li>▪ Member of the Strategy Committee</li> <li>▪ Member of the Audit Committee</li> <li>▪ Member of the Mediation Committee</li> </ul>	<p><b>German Supervisory Boards:</b></p> <ul style="list-style-type: none"> <li>▪ None</li> </ul> <p><b>Comparable Control Committees:</b></p> <ul style="list-style-type: none"> <li>▪ None</li> </ul> <p>Representative of senior executives</p>
<b>Kathrin Dahnke*</b> Born in 1960	Independent management consultant	2018	2026	<ul style="list-style-type: none"> <li>▪ Chair of the Audit Committee</li> <li>▪ Member of the Nomination Committee</li> <li>▪ Member of the Mediation Committee</li> </ul>	<p><b>German Supervisory Boards:</b></p> <ul style="list-style-type: none"> <li>▪ Member of the Supervisory Board and Chair of the Audit Committee of B. Braun SE</li> <li>▪ Member of the Supervisory Board and Chair of the Audit Committee of Jungheinrich AG</li> <li>▪ Member of the Supervisory Board of Aurubis AG</li> <li>▪ Member of the Supervisory Board of Fraport AG (since May 2023)</li> </ul> <p><b>Comparable Control Committees:</b></p> <ul style="list-style-type: none"> <li>▪ None</li> </ul>
<b>Michael Jell</b> Born in 1963	Full-time member of the Works Council of Knorr-Bremse Systeme für Schienenfahrzeuge GmbH, Knorr-Bremse AG, Knorr-Bremse Services GmbH	2014	2026	<ul style="list-style-type: none"> <li>▪ Member of the Executive Committee</li> <li>▪ Member of the Mediation Committee</li> <li>▪ Member of the Strategy Committee (as of July 07, 2023)</li> </ul>	<p><b>German Supervisory Boards:</b></p> <ul style="list-style-type: none"> <li>▪ None</li> </ul> <p><b>Comparable Control Committees:</b></p> <ul style="list-style-type: none"> <li>▪ None</li> </ul> <p>Employee representative</p>

Name & date of birth	Practiced profession	Member since	Appointed until	Memberships of committees	Membership of supervisory committees to be established as required by law or of comparable German or foreign control committees of commercial enterprises (as of Dec. 31, 2023)
<b>Dr. Sigrid Evelyn Nikutta*</b> Born in 1969	Member of the Executive Board (Goods Traffic) of Deutsche Bahn AG and Chair of the Executive Board of DB Cargo AG	2022	2026	▪ Member of the Strategy Committee (as of May 04, 2023)	<b>German Supervisory Boards:</b> ▪ None <b>Comparable Control Committees:</b> ▪ Chair of the Board of Trustees of Deutsches Institut für Wirtschaftsforschung (DIW) ▪ Member of the University Council of Bielefeld University
<b>Wolfgang Nirschl</b> Born in 1977	Director and 2nd Authorized Representative of IG Metall trade union, Passau office	2023	2026	▪ None	<b>German Supervisory Boards:</b> ▪ None <b>Comparable Control Committees:</b> ▪ None  Employee representative
<b>Werner Ratzisberger</b> Born in 1967	Full-time member of the Works Council of Knorr-Bremse Systeme für Nutzfahrzeuge GmbH	2006	2026	▪ Member of the Audit Committee	<b>German Supervisory Boards:</b> ▪ None <b>Comparable Control Committees:</b> ▪ None  Employee representative
<b>Annemarie Sedlmair</b> Born in 1987	IG Metall district leadership, Bavaria	2019	2026	▪ None	<b>German Supervisory Boards:</b> ▪ Member of the Supervisory Board of Bosch Rexroth AG (as of February 2023) <b>Comparable Control Committees:</b> ▪ Member of the Advisory Board of Fachakademie für Arbeitsrecht der Kritischen Akademie Inzell  Employee representative
<b>Dr. Stefan Sommer*</b> Born in 1963		2021	2026	▪ Chair of the Strategy Committee	<b>German Supervisory Boards:</b> ▪ Chairman of the Supervisory Board of Jost Werke AG <b>Comparable Control Committees:</b> ▪ Member of the Presidential Council of DEKRA e.V. ▪ Member of the Board of Directors of Aeva Inc., California, US (since November 2023) ▪ Chair of the Advisory Board of In-Tech GmbH (until July 2023)
<b>Julia Thiele-Schürhoff</b> Born in 1971	Chair of the Executive Board of Knorr-Bremse Global Care e. V. and Member of the Executive Board of Heinz Hermann Thiele Family Trust (since April 2023)	2016	2026	▪ Member of the Nomination Committee ▪ Member of the Strategy Committee	<b>German Supervisory Boards:</b> ▪ None <b>Comparable Control Committees:</b> ▪ None
<b>Dr. Theodor Weimer*</b> Born in 1959	Chief Executive Officer of Deutsche Börse AG	2020	2026	▪ Deputy Chair of the Supervisory Board	<b>German Supervisory Boards:</b> ▪ Member of the Supervisory Board of Deutsche Bank AG <b>Comparable Control Committees:</b> ▪ None
<b>Sylvia Walter</b> Born in 1965	Accounting employee – accountant, Member of the Works Council of Hasse & Wrede GmbH	2021	2026	▪ None	<b>German Supervisory Boards:</b> ▪ None <b>Comparable Control Committees:</b> ▪ None  Employee representative

\* The Supervisory Board considers the Supervisory Board member to be independent of the company and its executive board and of the controlling shareholder.

All Supervisory Board members comply with the recommendation set out in C.4 and C.5 GCGC to limit the number of supervisory board mandates.

The resumes of the Supervisory Board members listed above are available to retrieve online at: [knorr-bremse.com/en/company/management/](https://knorr-bremse.com/en/company/management/).

The Supervisory Board's composition is such that its members as a whole are familiar with the sector in which the Company operates and have the knowledge, skills and specialist experience to ensure the due and proper performance of its tasks.

With regard to compliance with statutory requirements for the equal participation of women and men in leadership positions on the Supervisory Board, the profile of skills and expertise decided by the Supervisory Board and the diversity concept please see the description below.

The profile of skills and expertise of the Supervisory Board includes stipulations with respect to the independence of the Supervisory Board members that match the recommendations of the GCGC. The Supervisory Board judges that, as of December 31, 2023, five of the six shareholder representatives on the Supervisory Board, namely Dr. Reinhard Ploss, Kathrin Dahnke, Dr. Sigrid Nikutta, Dr. Stefan Sommer and Dr. Theodor Weimer, can be regarded as being independent within the meaning of recommendation C.6 GCGC. By contrast, in the Supervisory Board's assessment Ms. Julia Thiele-Schürhoff is not to be regarded as being independent due to her indirect interests in KB Holding GmbH, Grünwald, which is considered a controlling shareholder within the meaning of the GCGC. This means that, in the Supervisory Board's opinion, the Supervisory Board has a sufficient number of independent members, also taking into account the ownership structure. Recommendation C.9 GCGC is thereby also observed, according to which, if a supervisory board comprises more than six members, at least two shareholder representatives must be independent of the controlling shareholder.

#### **OPERATION OF THE SUPERVISORY BOARD**

The Supervisory Board advises and monitors the Executive Board. It is the responsibility of the Supervisory Board to decide on the appointment of Executive Board members and the rules of procedure and responsibilities of the Executive Board. It examines the annual financial statements, the management report and the recommendation on the appropriation of net profit, the consolidated financial statements and the combined management report and approves the annual financial statements of Knorr-Bremse AG and the consolidated financial statements, taking into account the auditor's audit reports and the findings of the audit by the Audit Committee. The Supervisory Board regularly discusses the planning and strategy together with the quarterly and half-yearly financial reports. Material Executive Board decisions – such as major acquisitions, divestments and financial measures – are subject to its approval.

The rules of procedure that the Supervisory Board has adopted can be viewed on our website at: [ir.knorr-bremse.com/websites/KnorrBremse\\_ir/English/7000/corporate-governance.html](https://ir.knorr-bremse.com/websites/KnorrBremse_ir/English/7000/corporate-governance.html) (German version only). In the event of a tied vote on the Supervisory Board, the Chair has two votes. The Supervisory Board can also make decisions through a written circulation procedure. The Supervisory Board regularly meets without the Executive Board.

The members of the Supervisory Board are personally responsible for pursuing the training and professional development that they need to perform their duties. They are given appropriate support by the Company for this; among other things it fully assumes any costs involved. The Supervisory Board last completed external ESG training on March 19, 2024. In addition, the Supervisory Board assesses the effectiveness and efficiency of its work at regular intervals. The next self-assessment pursuant to recommendation D.12 GCGC will take place in the second quarter of 2024 with the support of an external advisor.

In line with the recommendations of the GCGC, the rules of procedure adopted by the Supervisory Board include provisions on how to handle any conflicts of interest that may arise. Any conflicts of interest emerging in the 2023 fiscal year and the way they were handled are disclosed in the *Report of the Supervisory Board*.

#### COMPOSITION AND OPERATIONS OF THE SUPERVISORY BOARD COMMITTEES

The Supervisory Board of Knorr-Bremse AG has established five committees from among its members that are made up of four members with equal representation (with the exception of the Nomination Committee and Strategy Committee). The composition of the committees as of December 31, 2023, is set out in the above list of Supervisory Board members.

After the meetings the committee chairs inform the full Supervisory Committee of the results. The tasks of the committees and content of the committee work in the past fiscal year are set out in the *Report of the Supervisory Board*.

- The *Executive Committee* coordinates the work of the Supervisory Board, prepares the Supervisory Board meetings and monitors the implementation of the resolutions adopted by the Supervisory Board and its committees. The responsibilities of the Executive Committee include preparation of the Supervisory Board's personnel decisions concerning the Executive Board.
- The *Strategy Committee* advises the Supervisory Board on fundamental questions concerning the Group strategy including the Group's business policy and corporate orientation. It prepares the decisions of the Supervisory Board, in particular with regard to the strategic development of the Truck and Rail divisions, and advises the Executive Board on a number of issues, including sustainability.
- The *Audit Committee* deals with issues relating to accounting, risk management, the internal control system, the Compliance Management System and Internal Audit and their effectiveness. It also addresses the quarterly reports of the Group, audits the annual and consolidated financial statements of Knorr-Bremse AG, the dependent company report, the non-financial statement and the independence of the auditor, and prepares the relevant decisions of the full Supervisory Board. It decides in place of the Supervisory Board on the approval of transactions with related parties in accordance with Section 111b AktG.
- The *Nomination Committee* proposes candidates possessed of professional and personal suitability to the Supervisory Board for the election of the shareholder representatives by the Annual General Meeting.
- The *Mediation Committee* convenes if a Supervisory Board resolution on the appointment or dismissal of members of the Executive Board does not receive the two-thirds majority of votes required pursuant to section 31 (2), (5) MitbestG. There has been no reason for the committee to convene in the Company's history to date.

## Compliance with Statutory Requirements for the Equal Participation of Women and Men in Leadership Positions

The requirements resulting from the Act on the Equal Participation of Women and Men in Management Positions, last amended in 2021 by the Second Management Positions Act ("FüPoG II"), are currently fulfilled as follows:

- The Supervisory Board of Knorr-Bremse AG comprises five female members, of which three representatives on the shareholder side and two representatives on the employee side. Its composition is thus in accordance with section 96 (2) AktG, according to which the Supervisory Board of listed companies to which the Employee Co-Determination Act applies must be composed of women at a minimum ratio of 30% and of men at a minimum ratio of 30%.
- The five-member Executive Board of Knorr-Bremse AG comprises one woman, Dr. Mayfeld. Knorr-Bremse thus meets the statutory requirements for the minimum participation of women on the Executive Board pursuant to section 76 (3a) AktG.
- At the first management level of Knorr-Bremse AG below the Executive Board the proportion of women as of December 31, 2023, was 16.7%; at the second management level it was 30.8%. In 2022, the Executive Board of Knorr-Bremse AG set a target of 37.5% for the first management level and one of 40% for the second management level, with a deadline of September 30, 2027 for achievement of both these targets.

## Profile of Skills and Expertise and Diversity on the Executive Board and Supervisory Board

### Profile of Skills and Expertise and Diversity Concept for the Executive Board

When appointing the members of the Executive Board the Supervisory Board pays particular attention to their specialist and social skills and to many years' experience in comparable positions, ideally in our sectors and in an international setting. In addition, it looks for a suitable character and appropriate educational background (university degree or comparable qualification). The Executive Board members should additionally possess in-depth expertise in the area of sustainability. The relevant qualifications of the members are set out in the table below.

Topic	Sub-topic	Llistosella	Weber	Dr. Mayfeld	Dr. Lange	Spies
Sustainability	Strategy	√	√	√	√	√
	Environment		√		√	√
	Social	√		√		
	Corporate Governance	√	√	√	√	√
	Products	√			√	√
	Risks/Opportunities	√	√	√	√	√
	Green Finance		√	√		

A person's gender identity plays no role in the selection of the Executive Board members. In order to achieve a balanced age structure, the appointment as member of the Executive Board should usually end at the latest when the member reaches the age of 65. The Executive Committee regularly confers about the long-term succession planning for the Executive Board. The Executive Committee, in consultation with the Executive Board, evaluates manager planning and development. The deliberations and decisions of the Supervisory Board on personnel measures regarding the Executive Board are prepared by the Executive Committee. For new appointments the Executive Committee proposes suitable candidates to the Supervisory Board.

### Profile of Skills and Expertise and Diversity Concept for the Supervisory Board

The Supervisory Board has adopted a profile of skills and expertise and targets for its composition, especially from a diversity aspect. In this way the Supervisory Board seeks to ensure that the Executive Board of Knorr-Bremse AG receives qualified advice and monitoring. In the light of the amendment of the GCGC in 2022, the profile of skills and expertise and the objectives for the composition of the Supervisory Board were updated at the meeting in December 2022; in particular, they were expanded to include stipulations with respect to the sustainability issues that are of relevance to Knorr-Bremse.

According to the profile of skills and expertise adopted by the board, the members of the Supervisory Board of Knorr-Bremse AG combined should have the specialist experience, knowledge and abilities required for the due and proper performance of the tasks that a Supervisory Board mandate in an industrial group with international operations entails.

In respect of the specific specialist knowledge, the updated profile of skills and expertise of the Supervisory Board, the Supervisory Board members combined should have in-depth experience and knowledge in the following areas: (i) in the rail, commercial vehicle and automotive industries including the supply industry, (ii) in research and development, especially in the area of relevant technologies for Knorr-Bremse and related areas, (iii) in the sustainability issues of importance for Knorr-Bremse in the fields of environment, social and governance, including knowledge of the integration of sustainability objectives in the corporate strategy and of sustainable technologies and business models, (iv) with regard to digitalization and intelligent and digitally linked IT applications (Industry 4.0), (v) in the management of a large or medium-sized business with international operations, (vi), in production, marketing and sales, (vii) with regard to personnel recruitment and development, (viii) in respect of accounting and financial reporting (including sustainability reporting) and auditing accounts (including audits of sustainability reporting), (ix) in controlling and risk management and (x) with regard to corporate governance and corporate compliance. Members do not need to be equally familiar with all areas; rather, their various areas of expertise should be complementary.

To specify the requirements with regard to expertise in the fields of accounting and auditing accounts, the profile of skills and expertise refers to the statutory requirements and the GCGC in its amended version. Pursuant to section 100 (5) in conjunction with section 107 (4) sentence 3 AktG, at least one member of the Audit Committee must have expertise in the field of accounting and at least one further member must have expertise in the field of auditing accounts (referred to as "financial experts"). Pursuant to the recommendation in D.3 sentence 2 GCGC, accounting and auditing accounts also includes the sustainability reporting and its audit. According to the recommendation in D.3 sentence 3 GCGC, the chair of the Audit Committee should have appropriate expertise in at least one of the two areas. The Audit Committee, which includes its chair, Kathrin Dahnke and Dr. Reinhard Ploss, has two financial experts who have expertise in the fields of accounting and auditing accounts thanks to their many years of work as CFO (Ms. Dahnke) and as CEO together with relevant continuing training (Dr. Ploss). In particular, they are able to independently assess the relevant specialist topics together with the Chief Financial Officer (CFO), the auditor and the heads of the competent departments and to proactively question them.

With regard to gender diversity on the Supervisory Board, the profile of skills and expertise refers to the statutory gender quota of 30% pursuant to section 96 (2) AktG (see above). To reflect the international nature of the Company's operations, at least one-third of shareholder representatives should have long-standing international corporate experience. Further key points of the profile of skills and expertise include the avoidance of conflicts of interest, an age limit of 70 years at the time of election and, as a general rule – i.e. except in justified exceptional cases – a maximum period of membership of the Supervisory Board of 15 years or three terms of office.

Finally, the profile of skills and expertise also includes stipulations for the individual Supervisory Board members. The individual members of the Supervisory Board should have general knowledge of the sectors, markets and regions where Knorr-Bremse AG operates, as well as possessing operational or corporate experience. By virtue of their experience, specialist knowledge, independence, commitment, integrity, professionalism and personality the individual members of the Supervisory Board should be able to perform the tasks of a Supervisory Board member in an industrial group with international operations successfully and maintain the reputation of the Knorr-Bremse Group in the public sphere. In addition, the members of the Supervisory Board should have general knowledge in the fields of accounting and financial reporting, corporate governance, risk management and compliance. The Supervisory Board members should be willing and able to devote sufficient time and demonstrate sufficient engagement to their Supervisory Board activities. This includes, in particular, the willingness to undertake training and professional development measures.

In accordance with recommendation C.1 sentence 3 GCGC, the Supervisory Board will take the above-mentioned objectives regarding its composition into account when submitting proposals to the Annual General meeting while simultaneously aiming at fulfilling the profile of skills and expertise.

At its meeting in March 2024 the Supervisory Board, following a self-assessment, determined that it meets the requirements of the profile of skills and expertise in its current composition. The status of implementation of the profile of skills and expertise pursuant to recommendation C.1 sentence 4 GCGC and the objectives for its composition are set out in the **qualifications matrix** on the next page.

<b>Shareholder representatives</b>		<b>Ploss</b>	<b>Weimer</b>	<b>Dahnke</b>	<b>Nikutta</b>	<b>Sommer</b>	<b>Thiele-Schürhoff</b>
<b>Length of membership</b>	Member since	2022	2020	2018	2022	2021	2016
	Regular maximum length of membership <sup>1</sup>	√	√	√	√	√	√
<b>Diversity</b>	Gender	male	male	female	female	male	female
	Year of birth	1955	1959	1960	1969	1963	1971
	International corporate experience <sup>2</sup>	√	√	√	√	√	
	Educational/professional background	Engineer	Economist and business administrator	Business administrator	Psychologist	Engineer	Fully qualified lawyer
<b>Personal suitability</b>	Independence <sup>3</sup>	√	√	√	√	√	
	Normal age limit <sup>4</sup>	√	√	√	√	√	√
<b>Skills and expertise/experience</b>	<b>Rail, commercial vehicle and automotive industry</b> (including supply sector)	√			√	√	
	<b>Research and development</b> (especially in the field of the technologies of relevance for the company and related fields)	√				√	
	<b>Sustainability – Environment</b>	√	√		√		√
	<b>Sustainability – Social</b>	√	√		√		√
	<b>Sustainability – Governance</b>	√	√	√	√	√	
	<b>Digitalization / Industry 4.0</b>	√	√		√		
	<b>Management of a large or medium-sized business with international operations</b>	√	√	√	√	√	
	<b>Production, marketing and sales</b>				√		
	<b>Personnel recruitment and development</b>	√			√		
	<b>Accounting</b> (including sustainability reporting) and <b>auditing accounts</b> (including audit of sustainability reporting)	√ <sup>5</sup>	√	√ <sup>5</sup>			
	<b>Controlling and risk management</b>		√	√			
<b>Corporate governance and corporate compliance</b>	√	√	√	√	√		

<sup>1</sup> According to the Supervisory Board's profile of skills and expertise, membership should not exceed a period of 15 years or 3 terms of office

<sup>2</sup> According to the Supervisory Board's profile of skills and expertise, only relevant for shareholder representatives

<sup>3</sup> Within the meaning of the German Corporate Governance Code; only relevant for shareholder representatives

<sup>4</sup> According to the Supervisory Board's profile of skills and expertise, candidates should not be aged over 70 at the time of the election

<sup>5</sup> Financial expert within the meaning of section 100 (5) AktG and recommendation D.3 of the German Corporate Governance Code

<b>Employee representatives</b>		<b>Birkeneder</b>	<b>Jell</b>	<b>Ratzisberger</b>	<b>Sedlmair</b>	<b>Nirschl</b>	<b>Walter</b>
<b>Length of membership</b>	Member since	2016	2014	2006	2019	2023	2021
	Regular maximum length of membership	√	√		√	√	√
<b>Diversity</b>	Gender	male	male	male	female	male	female
	Year of birth	1960	1963	1967	1987	1977	1965
	Educational/professional background	Engineer	Technician (machine fitter)	Technician	Lawyer/IG Metall district leadership, Bavaria	IG Metall trade union secretary	Accountant
<b>Personal suitability</b>	Normal age limit	√	√	√	√	√	√
<b>Skills and expertise/ experience</b>	<b>Rail, commercial vehicle and automotive industry</b> (including supply sector)	√	√	√	√	√	√
	<b>Research and development</b> (especially in the field of the technologies of relevance for the company and related fields)	√	√				
	<b>Sustainability – Environment</b>						
	<b>Sustainability – Social</b>		√	√	√	√	√
	<b>Sustainability – Governance</b>	√					
	<b>Digitalization / Industry 4.0</b>	√					
	<b>Management of a large or medium-sized business with international operations</b>						
	<b>Production, marketing and sales</b>	√	√	√		√	
	<b>Personnel recruitment and development</b>	√	√	√	√	√	√
	<b>Accounting</b> (including sustainability reporting) and <b>auditing accounts</b> (including audit of sustainability reporting)						√
	<b>Controlling and risk management</b>						√
<b>Corporate governance and corporate compliance</b>				√			

