Invitation to the Ordinary Annual General Meeting of Heidelberger Druckmaschinen Aktiengesellschaft

Heidelberg

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We hereby invite the shareholders of our Company to the ordinary Annual General Meeting to be held on Wednesday, July 26, 2023, at 10:00 (CEST) in the **Congress Center Rosengarten, Rosengartenplatz 2, 68161 Mannheim**.

I. Agenda

1. Presentation of the adopted annual financial statements of the Company, the approved consolidated financial statements and the combined management report for the Company and the Group for financial year 2022/2023 with the report of the Supervisory Board and the explanatory report of the Management Board on matters relevant to acquisitions (section 289a, section 315a of the *Handelsgesetzbuch* (HGB – German Commercial Code))

No resolution has been provided for agenda item 1 as the Supervisory Board of Heidelberger Druckmaschinen Aktiengesellschaft has adopted and approved the annual and consolidated financial statements prepared by the Management Board and the Management Board and Supervisory Board have not resolved to leave the approval of the annual financial statements to the Annual General Meeting. In accordance with section 172 of the *Aktiengesetz* (AktG – German Stock Corporation Act), the annual financial statements have therefore been adopted and a resolution by the Annual General Meeting has not been stipulated.

The above documents are available on the Company's website at www.heidelberg.com/hauptversammlung from the day the meeting is convened. They will also be available for inspection at the Annual General Meeting itself.

2. Resolution on the discharge of the members of the Management Board

The Management Board and the Supervisory Board propose to discharge the members of the Management Board in the financial year 2022/2023 for this period.

3. Resolution on the discharge of the members of the Supervisory Board

The Management Board and the Supervisory Board propose to discharge the members of the Supervisory Board in the financial year 2022/2023 for this period.

It is intended to have the Annual General Meeting decide on the discharge of the members of the Supervisory Board by individual votes.

4. Election of the auditor of the annual and consolidated financial statements for the 2023/2024 financial year

The Supervisory Board proposes that KPMG AG Wirtschaftsprüfungsgesellschaft, Mannheim, be elected as the auditor of the annual and consolidated financial statements for financial year 2023/2024.

This proposal is based on the recommendation and preference of the Audit Committee. On the basis of a selection process in accordance with Article 16 of Regulation (EU) no. 537/2014 of the European Parliament and of the Council of April 16, 2014, on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC (EU Audit Regulation), the Audit Committee has recommended to the Supervisory Board to propose to the Annual General Meeting to elect either KPMG AG Wirtschaftsprüfungsgesellschaft, Mannheim, or, as one of the alternatives, Ebner Stolz GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Stuttgart, as the auditor of the annual and consolidated financial statements for financial year 2023/2024. In doing so, the Audit Committee expressed and explained its preference for KPMG AG Wirtschaftsprüfungsgesellschaft, Mannheim.

In accordance with Article 16 (2) and (3) of the EU Audit Regulation, the Audit Committee of the Supervisory Board has declared that its recommendation is free from any undue influence by third parties and that no restrictions were placed on it as regards the appointment of a particular statutory auditor or audit firm (Article 16 (6) of the EU Audit Regulation).

Further information can be found in section II. of this invitation under II.1.

5. Election to the Supervisory Board

The term in office of the member of the Supervisory Board elected by the Annual General Meeting, Mr. Ferdinand Rüesch, ends at the close of the 2023 Annual General Meeting. The shareholders must therefore elect one new member of the Supervisory Board.

In accordance with section 102 (1) AktG and Article 9 (1) and (2) of the Articles of Association of Heidelberger Druckmaschinen Aktiengesellschaft and based on the proposal of the Nomination Committee, the Supervisory Board proposes the election of the following person to the Supervisory Board as a shareholder representative:

Mr. Ferdinand Rüesch, resident in St. Gallen, Switzerland, Entrepreneur and Vice President of Global Key Accounts at Gallus Ferd. Rüesch AG, St. Gallen, Switzerland

His election becomes effective from the close of the Annual General Meeting on July 26, 2023 and continues for a term in office until the close of the Annual General Meeting that resolves his discharge for financial year 2026/2027.

The nomination takes into account the goals resolved by the Supervisory Board for its composition in accordance with item C.1 of the German Corporate Governance Code and the resolved diversity concept and aims to further satisfy the skills profile for the Supervisory Board as a whole. Information on the skills profile and target composition of the Supervisory Board can be found in the corporate governance declaration in accordance with section 289f and section 315d HGB for financial year 2022/2023, which can be accessed on the Company' website at www.heidelberg.com/Über uns/Corporate Governance. The qualification matrix of the Supervisory Board as a whole, including the candidate, can also be found on the Company's website at www.heidelberg.com/hauptversammlung.

In the event of his being reelected, it is not currently intended to propose Mr. Ferdinand Rüesch as a candidate for Chairman of the Supervisory Board.

Mr. Ferdinand Rüesch is the Vice President of Global Key Accounts at Gallus Ferd. Rüesch AG, St. Gallen, Switzerland, a Group company of Heidelberger Druckmaschinen Aktiengesellschaft, and indirectly holds around 7.6 percent of the shares and voting rights in Heidelberger Druckmaschinen Aktiengesellschaft as of the time of this Annual General Meeting being convened. In the opinion of the Supervisory Board, as of the time this Annual General Meeting is convened, the proposed candidate has no other personal or business relationships with Heidelberger Druckmaschinen Aktiengesellschaft, its Group companies, the executive bodies of Heidelberger Druckmaschinen Aktiengesellschaft or a material shareholder of Heidelberger Druckmaschinen Aktiengesellschaft whose disclosure is recommended in accordance with item C.13 of the German Corporate Governance Code.

In the opinion of the Supervisory Board, the further shareholder representatives currently serving on the Supervisory Board, Dr. Martin Sonnenschein, Dr. Fritz Oesterle, Mr. Oliver Jung and Ms. Ina Schlie, are considered independent within the meaning of item C.6 of the German Corporate Governance Code.

In accordance with section 96 (1), case 1 (2), section 101 (1) AktG and section 7 (1) sentence 1 number 1 of the *Mitbestimmungsgesetz* (MitbestG – German Co-determination Act), the Supervisory Board consists of six shareholder members and six employee members, and it must be composed of at least 30 percent women and men (minimum ratio requirement). The minimum ratio requirement must be satisfied by the shareholder and employee representatives separately as the shareholder representatives have objected to fulfillment as a whole. The Supervisory Board of the Company must therefore consist of at least two women and at least two men representing shareholders and at least two women and at least two men representing employees to satisfy the minimum ratio requirement. As of the time of this Annual General Meeting being convened, the Supervisory Board (shareholder members) consists of two women and four men, whereby the term in office of one of the male members expires at the close of this Annual General Meeting. The minimum ratio requirement for the members of the Supervisory Board to be elected by the Annual General Meeting is therefore satisfied regardless of the gender of the Supervisory Board member to be elected by this Annual General Meeting.

Further information on the candidate, including in particular the information in accordance with section 125 (1) sentence 5 AktG and his résumé, can be found in section II. of this invitation under II.2; this information can also be accessed on the Company’s website at www.heidelberg.com/hauptversammlung.

6. Resolution on the approval of the remuneration report

Pursuant to section 162 AktG, the Management Board and the Supervisory Board must prepare an annual remuneration report and submit it to the Annual General Meeting for approval in accordance with section 120a (4) AktG. For the financial year 2022/2023, the Management Board and the Supervisory Board of Heidelberger Druckmaschinen Aktiengesellschaft have prepared a remuneration report in accordance with of Section 162 AktG.

In accordance with section 162 (3) AktG, the remuneration report was examined by the auditor as to whether the legally required disclosures in accordance with section 162 (1) and (2) AktG were made. In addition to the legal requirements, the auditor also examined the contents. The report on the audit of the remuneration report is attached to the remuneration report.

The Management Board and the Supervisory Board propose the following resolution:

The audited remuneration report prepared in line with section 162 AktG for the financial year 2022/2023 is approved.

The remuneration report (including the audit opinion) is printed in section II. of this invitation under II.3 and will be available on the Company's website at www.heidelberg.com/hauptversammlung from the day the Annual General Meeting is convened.

The remuneration report presents and explains in a clear and understandable fashion the individually granted and owed remuneration of present and former members of the Management Board and the Supervisory Board of Heidelberger Druckmaschinen Aktiengesellschaft in the financial year 2022/2023 (April 1, 2022 to March 31, 2023). The report is consistent with the requirements of the German Stock Corporation Act.

7. Resolution on amendments of Article 17 of the Articles of Association (Location, Convening and Conduct of the Annual General Meeting) to enable virtual annual general meetings and regarding modalities of participation by members of the supervisory board

7.1 Amendment of Article 17 (1a) of the Articles of Association

The German Act on the Introduction of Virtual Annual General Meetings for Stock Corporations and Amending Provisions of Cooperative, Insolvency and Restructuring Law became effective on July 27, 2022. The new section 118a AktG introduced by the above Act allows the inclusion of provisions in the articles of association or authorizes management boards to stipulate that an annual general meeting will be held as a virtual annual general meeting.

It seems appropriate to the Management Board and the Supervisory Board not to directly stipulate in the Articles of Association that the Annual General Meeting be held in virtual format, but rather to authorize the Management Board in the Articles of Association to decide when convening an Annual General Meeting whether it should be held in person, as a hybrid meeting or, as an exception, as a virtual meeting. The authorization must be limited in time; the maximum period of five years allowed by law from the time that the corresponding amendment of the Articles of Association is entered in the commercial register of the Company will not be utilized in full, and instead the authorization will initially be limited to two years.

The Management Board and the Supervisory Board are of the opinion that it is in the interests of the Company to have the option of conducting Annual General

Meetings in virtual format. The virtual annual general meeting format has proven itself in principle over the last few years, when annual general meetings were similarly allowed to be held virtually on the basis of special regulations because of the pandemic. Compared to virtual annual general meetings under the German COVID-19 Act, lawmakers have greatly strengthened shareholders' rights in virtual annual general meetings in accordance with section 118a AktG. The virtual annual general meeting format is very similar to that of annual general meetings held in person. In particular, during the annual general meeting, there is the opportunity for a direct dialog between shareholders and the Management Board/Supervisory Board by way of video communication. Shareholders have the right to ask questions, make speeches and submit motions by way of electronic communication.

The proposed amendment to the Articles of Association allows the Management Board to decide the format of future Annual General Meetings flexibly and to respond to unforeseen events and legal restrictions. In each individual case, the Management Board will consider at its due discretion and decide in the interests of the Company and its shareholders in which format the respective Annual General Meeting should be held. In making this decision, the Management Board will take into account considerations such as the items on the agenda, the goal making shareholder participation as broad and flexible as possible, as well as health and safety and sustainability aspects. The Management Board currently assumes that an Annual General Meeting held in person – like this year – will continue to be Heidelberger Druckmaschinen Aktiengesellschaft's preferred format as a matter of principle. Nevertheless, there may be reasons why the Annual General Meeting should be convened as a virtual Annual General Meeting, such as during the pandemic. Regardless of the specific format of the Annual General Meeting, the Management Board will always ensure that shareholders' rights are upheld.

Also, for the event that a virtual Annual General Meeting is convened, the Management Board will exercise its due discretion regarding the modalities of the right to ask questions in such a manner that shareholders at least have a right to ask questions during the Annual General Meeting at least to the same extent they would have at an Annual General Meeting held in person. This does not affect the requirements regarding the modalities of exercising the right to ask questions at the virtual Annual General Meeting.

The Management Board and the Supervisory Board propose the following resolution:

A new paragraph (1a) will be added to Article 17 of the Articles of Association as follows:

"(1a) For a period of two years after the entry in the commercial register of the Company of the amendment to the Articles of Association resolved at the Annual General Meeting on July 26, 2023, to introduce this paragraph (1a), the Management Board is authorized to stipulate that the Annual General Meeting can be held without shareholders or their proxies attending in person at the location of the Annual General Meeting (virtual Annual General Meeting). Article 17 (1) sentence 1 of the Articles of Association does not apply in the event of a virtual Annual General Meeting. In all other respects, all regulations of these Articles of Association for Annual General Meetings apply to the virtual Annual General Meeting, unless strictly stipulated otherwise by law or expressly determined otherwise in these Articles of Association."

7.2 Amendment of Article 17 (12) of the Articles of Association

The members of the Supervisory Board generally attend the Annual General Meeting in person. However, in accordance with section 118 (3) sentence 2 AktG, the Articles of Association can stipulate certain cases in which members of the Supervisory Board can be permitted to participate in the Annual General Meeting by way of audio-visual communication. The Articles of Association of the Company already contain such a regulation in Article 17 (11). In the event that the Annual General Meeting is held in virtual format, the members of the Supervisory Board should generally also attend the Annual General Meeting in person at the venue of the Annual General Meeting. The instances already provided for in the Articles of Association in which participation by audio-visual communication is permitted are to be extended for the event that an Annual General Meeting is held in virtual format as the value added of members of the Supervisory Board attending in person appears less in this scenario; here, too, the Chairman of the Supervisory Board decides whether the requirements for this apply under the proposed regulation (if the Chairman himself is affected, the decision will be made by the Deputy Chair).

The Management Board and the Supervisory Board propose the following resolution:

A new paragraph (12) will be added to Article 17 of the Articles of Association as follows:

"(12) In the event of a virtual Annual General Meeting, members of the Supervisory Board who are not chairing the Annual General Meeting can in addition to the aforementioned cases also participate in the Annual General Meeting by way of audio-visual communication if participating on-site would entail disproportionate effort on their part or the situation in terms of safety and/or security suggests that participation by way of audio-visual communication is advisable. Article 17 (11) sentences 3 and 4 apply accordingly."

8. Resolution on the cancellation of the existing authorization to issue warrants, convertible bonds and/or profit participation bonds as well as profit participation rights and Contingent Capital 2019, the creation of a new authorization to issue warrants, convertible bonds and/or profit participation bonds (or combinations of these instruments) with the option to disapply pre-emption rights, the creation of new Contingent Capital 2023 and the corresponding amendment of the Articles of Association

A new authorization to issue warrants, convertible bonds and/or profit participation bonds, including combinations of these instruments (collectively referred to as “bonds”) with a total nominal amount of up to € 200,000,000, with the option of disapplying pre-emption rights, is to be created. To back up the authorization, new contingent capital of around 10 percent of the share capital at the time that the Annual General Meeting is convened is to be resolved. The authorization currently in place to issue bonds in accordance with the resolution under item 6 b) of the agenda of the Annual General Meeting on July 25, 2019, (Authorization 2019) has not been utilized and is due to expire on July 24, 2024. Authorization 2019 and the Contingent Capital 2019 created for Authorization 2019 in accordance with Article 3 (3) of the Articles of Association of the Company are therefore to be canceled and replaced by a new authorization (Authorization 2023) and new contingent capital (Contingent Capital 2023).

The Management Board and the Supervisory Board therefore propose the following resolution:

a) Cancellation of Authorization 2019 and Contingent Capital 2019

aa) The authorization issued under item 6 b) of the agenda of the Annual General Meeting on July 25, 2019, to issue warrants, convertible bonds and/or profit participation bonds as well as profit participation rights, including combinations of these instruments, will be canceled from the effective date of the new authorization according to b) below and the new Contingent Capital 2023 resolved under c).

bb) The existing Contingent Capital 2019 of up to € 77,946,688 in accordance with Article 3 (3) of the Articles of Association will be canceled from the effective date of the new Contingent Capital 2023 resolved under c) below.

b) Authorization to issue warrants, convertible bonds and/or profit participation bonds, including combinations of these instruments (with the option of disapplying pre-emption rights)

aa) Nominal amount, duration of the authorization, number of shares

The Management Board is authorized, with the approval of the Supervisory Board, to issue warrants, convertible bonds and/or profit participation bonds, including combinations of the above instruments (collectively referred to as “bonds”) up to a total nominal amount of € 200,000,000, dated or undated, on one or more occasions by July 25, 2028, and to grant the bearers or creditors of the bonds options or conversion rights, or to impose conversion obligations on them, to up to 30,447,925 bearer shares of the Company with a pro rata amount of share capital of up to € 77,946,688.00 in total, in accordance with the further conditions of the bonds. The bonds can also be issued in return for non-cash contributions.

The bonds can be issued in euro or the legal currency of any OECD country, limited to the corresponding equivalent value in euro. For the limit on the total nominal amount of this authorization, the nominal amount of the bonds on the day of the decision to issue them must be converted into euro in each case if they are issued in foreign currency. They can also be issued by subordinate Group companies of Heidelberger Druckmaschinen Aktiengesellschaft; in such event, the Management Board is authorized, with the approval of the Supervisory Board, to assume the guarantee for the bonds and to grant the bearers/creditors of such bonds options or conversion rights, or to impose conversion obligations on them, to the bearer shares of Heidelberger Druckmaschinen Aktiengesellschaft. The individual issuances can be broken down into partial bonds with equal rights.

bb) Pre-emption rights and the disapplication of pre-emption rights

The shareholders have pre-emption rights to the bonds as a matter of principle. Statutory pre-emption rights can also be granted to the shareholders in that the bonds are assumed by one or more credit institutions, securities institutions or other undertakings as referred to by section 186 (5) sentence 1 AktG determined by the Management Board subject to the obligation that they must be offered to the shareholders for subscription (indirect pre-emption rights). If the bonds are issued by subordinate Group companies of Heidelberger Druckmaschinen Aktiengesellschaft, Heidelberger Druckmaschinen Aktiengesellschaft must ensure that the bonds are offered to the shareholders of Heidelberger Druckmaschinen Aktiengesellschaft for subscription or that shareholders' statutory pre-emption rights are disapplied in accordance with this authorization.

The Management Board is authorized, with the approval of the Supervisory Board, to disapply shareholders' pre-emption rights to bonds in the following cases:

- to compensate for fractional amounts that arise as a result of the subscription ratio;

- to the extent that it is necessary to grant the bearers/creditors of bonds with option or conversion rights/conversion obligations previously issued/guaranteed by the Company or subordinate Group companies pre-emption rights to bonds to the extent that they would be entitled as shareholders after exercising their option or conversion rights or after satisfying their conversion obligations;

- if the bonds are issued in return for cash compensation and the issue price of the bonds is not significantly less than the notional market value of the bonds calculated using accepted financial and mathematical methods or the market value of the bonds calculated using an accepted, market-based procedure when the issue price is finally determined; in such event, bonds issued with shareholders' pre-emption rights disapplied can only be used to grant option or conversion rights or conversion obligations to shares representing up to 10 percent of the share capital at the time that this authorization becomes effective or – if lower – at the time that this authorization is exercised; in calculating this 10 percent cap shares issued or sold during the term of this authorization with shareholders' pre-emption rights disapplied in accordance with or in reliance on section 186 (3) sentence 4 AktG must be taken into account; similarly, shares issued or to be issued to serve warrants, convertible bonds and/or profit participation bonds as well as profit participation rights if the above bonds/profit participation rights were issued during the term of this authorization with pre-emption rights disapplied in reliance on section 186 (3) sentence 4 AktG on the basis of a different authorization;

- if and to the extent that the bonds are issued in return for non-cash contributions for the purpose of business combinations or the acquisition of companies, parts of companies, equity investments in companies (including increases in existing investments) or other assets.

The total amount of the shares to be issued to serve option or conversion rights or conversion obligations from bonds issued with pre-emption rights disapplied must not exceed 10 percent of the share capital, either at the time that this authorization becomes effective or – if lower – at the time that this authorization is exercised. In calculating this 10 percent cap shares issued or sold during the term of this authorization with shareholders' pre-emption rights disapplied must be taken into account; similarly, it must take into account shares issued or to be issued to serve warrants, convertible bonds and/or profit participation bonds as well as profit participation rights if the above bonds/profit participation rights were issued during the term of this authorization with pre-emption rights disapplied on the basis of a different authorization.

In addition to the options for disapplying pre-emption rights in the above cases, the Management Board is also authorized, with the approval of the Supervisory Board, to disapply shareholders' pre-emption rights regarding profit participation bonds if these: (i) do not grant option or conversion rights and do not give rise to conversion obligations; (ii) have features similar to those of a debenture; and (iii) the interest and issue amount of the profit participation bonds is consistent with current market conditions at the time of their issue. Profit participation bonds have features similar to those of a debenture if they do not give rise to membership rights and do not grant an interest in proceeds from liquidation or a return based on profits. The return is not based on profits if it is not calculated on the basis of the amount of the net profit, net retained profits or the dividend and is merely dependent on there not being a net loss for the year or net accumulated losses as a result of the returns or on the return not exceeding the amount of the dividend to be paid to shareholders or a defined portion of the dividend.

The above authorizations to disapply pre-emption rights can be granted independently of each other. They do not affect the authorization to offer the bonds, with shareholders' pre-emption rights in place, to one or more credit institutions, securities institutions or other undertakings as referred to by section 186 (5) sentence 1 AktG subject to the obligation that they must be offered to shareholders for subscription (indirect pre-emption rights).

cc) Options

In the event of bonds being issued with options, one or more warrants will be attached to each bond that entitle the bearer to subscribe to bearer shares of the Company in accordance with the terms and conditions of the options to be determined stipulated by the Management Board. The terms and conditions of the options can stipulate that the option price can also be settled by transferring bonds issued under this authorization and by additional cash payment if necessary. If fractions arise regarding new shares, it can be stipulated that these fractions can be added together for subscription to whole shares, possibly against additional payment, in accordance with the option or bond conditions.

dd) Conversion right

In the event of bonds being issued with a conversion right, the bearers receive the right to convert their bonds into bearer shares of the Company according to the terms and conditions of the bonds to be determined by the Management Board. The conversion ratio is calculated by dividing the nominal amount or the issue amount of a bond by the set conversion price for a share of the Company and can be rounded up or down to a whole figure; in addition, an additional cash payment or compensation for non-convertible fractions can be stipulated.

ee) Conversion obligation, right to deliver shares

The terms and conditions of the bonds can include to the obligation to convert a convertible bond into shares, and furthermore stipulate the right of the Company or one of its subordinate Group companies to grant or serve the bearers/creditors of the bond, in full or in part, shares of the Company rather than paying any monetary amount owed.

ff) Option/conversion price

The terms and conditions of the bonds can stipulate a fixed or also a variable option/conversion price. The option/conversion price can be less than the share price at the time of the Management Board's resolution to issue bonds.

However, the option/conversion price to be set cannot be less than 80 percent of the price of the Company's shares in XETRA trading (or a comparable successor system) on the Frankfurt Stock Exchange. This will be determined based on the average closing price on the ten trading days before the day of the resolution by the Management Board to issue the respective bonds. In the event of trading in pre-emption rights, this will be determined based on the days of trading in pre-emption rights except for the last two days of trading in pre-emption rights. For the event of bonds with a conversion/option obligation or a put option on shares on the part of the issuer, the conversion/option price must at least amount to either the minimum price stated above or the volume-weighted average price of the shares of the Company on at least three trading days in XETRA trading (or a comparable successor system) on the Frankfurt Stock Exchange immediately before the determination of the conversion/option price according to the respective terms and conditions, even if this average price is less than the above minimum price (80 percent). This does not affect section 9 (1) or section 199 (2) AktG.

gg) Dilution protection

The terms and conditions of the bonds can stipulate provisions to protect the Company and/or the creditors/bearers of bonds against the dilution of value, for instance in the event that the Company: (i) increases its share capital with shareholders' pre-emption rights in place or grants/guarantees other convertible bonds, bonds with warrants or other options and does not grant the bearers of options or conversion rights/obligations pre-emption rights to the extent that they would be entitled after exercising their option or conversion rights or after satisfying their conversion obligations; (ii) reduces its share capital; (iii) implements restructuring; or (iv) resolves a dividend distribution that dilutes value. In particular, the dilution protection to compensate for the dilution of value can be granted by way of value-preserving adjustments of the conversion/option price or the conversion/option ratio, or cash payments to compensate for the dilution, or a reduction of additional payment components. An adjustment of the option/conversion rights or conversion obligations can be provided for in the event of control being achieved by third parties.

hh) Other terms and conditions of the bonds

The Management Board is authorized, with the approval of the Supervisory Board, to define the further details of the issuance and features of the bonds or to determine these in consultation with the corporate bodies of the Group company of Heidelberger Druckmaschinen Aktiengesellschaft issuing the bonds, including in particular: (i) the option/conversion period; (ii) the option/conversion price, (iii) the rate of return; (iv) the issue price; (v) the term; (vi) the order of priority with other bonds; (vii) the denomination; (viii) back payment obligations for payments missed in previous years; (ix) the right of the Company and/or its Group companies, when options or conversion rights are exercised or when a conversion obligation arises, not to grant new shares, but rather to pay a monetary amount to be specified in accordance with the terms and conditions of the bonds; (x) the stipulation that, when options or conversion rights are exercised or when a conversion obligation arises, existing shares of the Company can be delivered rather than new ones. The rate of return on the bonds can be variable, in full or in part, and can also be based on the profit level indicators of the Company and/or the Group (including net retained profits or the dividend for shares of Heidelberger Druckmaschinen Aktiengesellschaft set by way of profit appropriation resolution) or derived from such indicators (profit participation bonds). In such event, the bonds can also be issued without an option or conversion right or conversion obligation. The provisions of section 9 (1), section 199 (2) AktG must always be observed.

c) Contingent capital

The share capital is contingently increased by up to € 77,946,688.00 by the issue of up to 30,447,925 new bearer shares (Contingent Capital 2023). The contingent capital increase serves to grant new bearer shares of the Company to the bearers or creditors of bonds with warrants and/or convertible bonds and/or profit participation bonds (or combinations of these instruments) (collectively referred to as "bonds") issued or guaranteed by the Company or a subordinate Group company on the basis of the authorization resolution of the Annual General Meeting of July 26, 2023 until July 25, 2028, on exercise of options or conversion rights (or on satisfaction of the conversion obligations) or on exercise of an option of the Company, in full or in part, rather than paying the monetary amount owed. The new shares are issued at the option or conversion price to be determined in line with the authorization resolution described above. The contingent capital increase is only to be implemented to the extent that option or conversion rights are exercised or bearers of such bonds with a conversion obligation satisfy their conversion obligation or to the extent that the Company or the subordinate Group company issuing the bond exercises an option to grant no-par value shares in the Company, in full or in part, rather than paying the monetary amount due and to the extent that, in each case, cash settlement is not granted or other forms of settlement are used. The new shares participate in profits from the start of the financial year in which they are issued. The Management Board is authorized, with the approval of the Supervisory Board, to determine the further details of the implementation of the contingent capital increase.

d) Amendment to the Articles of Association

Article 3 (3) of the Articles of Association will be repealed in full and revised as follows:

"(3) The share capital is contingently increased by up to € 77,946,688.00 by the issuance of up to 30,447,925 new bearer shares (Contingent Capital 2023). The contingent capital increase serves to grant new bearer shares of the Company to the bearers or creditors of bonds with warrants and/or convertible bonds and/or profit participation bonds (or combinations of these instruments) (collectively referred to as "bonds") issued or guaranteed by the Company or a subordinate Group company on the basis of the authorization resolution of the Annual General Meeting of July 26, 2023 until July 25, 2028, on exercise of options or conversion rights (or on satisfaction of the conversion obligations) or on exercise of an option of the Company, in full or in part, rather than paying the monetary amount owed. The new shares will be issued at the option or conversion price to be determined in accordance with the authorization resolution of the Annual General Meeting on July 26, 2023. The contingent capital increase will only be implemented to the extent that option or conversion rights are exercised or bearers of such bonds with a conversion obligation that are issued or guaranteed by the Company or a subordinate Group company on the basis of the authorization resolution of the Annual General Meeting on July 26, 2023, satisfy their conversion obligation by July 25, 2028, or to the extent that the Company or the subordinate Group company issuing the bond exercises an option to grant no-par value shares in the Company, in full or in part, rather than paying the monetary amount due and to the extent that, in each case, cash settlement is not granted or other forms of settlement are used. The new shares participate in profits from the start of the financial year in which they are issued. The Management Board is authorized, with the approval of the Supervisory Board, to determine the further details of the implementation of the contingent capital increase."

e) Authorization to amend the Articles of Association

The Supervisory Board will be authorized to amend Article 3 (1) and (3) of the Articles of Association in accordance with the respective performance of the capital increase and to make all further amendments to the Articles of Association in this context, provided that they only affect their wording. This applies accordingly in the event of the non-utilization of the authorization to issue bonds after the end of the authorization period and in the event of the non-utilization of the Contingent Capital 2023 after the end of the period for exercising option or conversion rights or for satisfying conversion or option obligations.

f) Report by the Management Board to the Annual General Meeting in accordance with section 221 (4) sentence 2, section 186 (4) sentence 2 AktG

The written report by the Management Board in accordance with section 221 (4) sentence 2, section 186 (4) sentence 2 AktG on the reasons for the authorization of the Management Board to disapply shareholders' pre-emption rights to bonds will be available at www.heidelberg.com/hauptversammlung from the day that the Annual General Meeting is convened. It will also be available for inspection at the Annual General Meeting itself.

Please note that the Company will not have any other authorized or contingent capital besides the Contingent Capital 2023 proposed above of around 10 percent of the share capital at the time that the Annual General Meeting is convened and the new Authorized Capital 2023 proposed under item 9 of the agenda below. Under item 9 of the agenda, the Authorized Capital 2019 with a volume of around 23.81 percent of the current share capital expiring on July 24, 2024, is to be canceled and replaced by new Authorized Capital 2023 with a volume of up to around 20 percent of the current share capital.

The total of all new shares issued during the term of Authorization 2023 from the new Authorized Capital 2023 with pre-emption rights disapplied and the new shares issued to service bonds issued with pre-emption rights disapplied under Authorization 2023 and any treasury shares sold during the term of Authorization 2023 with pre-emption rights disapplied must not exceed a total of 10 percent of the Company's share capital.

9. Resolution on the cancellation of Authorized Capital 2019, the creation of new Authorized Capital 2023 with the option to disapply pre-emption rights and the corresponding amendment of the Articles of Association

In accordance with Article 3 (4) of the Articles of Association, the Management Board is authorized, with the approval of the Supervisory Board, to increase the share capital of the Company by up to € 185,609,612.80 by issuing up to 72,503,755 new shares in return for cash and/or non-cash contributions (Authorized Capital 2019). This authorization has not been used as of the time of the Annual General Meeting being convened and expires on July 24, 2024. The Company intends to cancel Authorized Capital 2019 and to replace it with a new authorization of up to € 155,893,376.00. This is equivalent to around 20 percent of the share capital as of the time that the Annual General Meeting is convened.

The Management Board and the Supervisory Board therefore propose the following resolution:

a) Cancellation of Authorized Capital 2019

The authorization to issue new shares in return for cash and/or non-cash contributions granted by the Annual General Meeting on July 25, 2019, under item 7 of the agenda will be canceled from the time that the new authorized capital regulated below and the corresponding amendment of the Articles of Association are entered in the commercial register of the Company.

b) Authorization to issue shares in return for cash and/or non-cash contributions with the option to disapply pre-emption rights, new Authorized Capital 2023

The Management Board is authorized, with the approval of the Supervisory Board, to increase the share capital of the Company by up to € 155,893,376.00, in full or in part, on one or more occasions by issuing up to 60,895,850 new bearer shares in return for cash and/or non-cash contributions until July 25, 2028, (Authorized Capital 2023). The shareholders have pre-emption rights in principle. Statutory pre-emption rights can also be granted to the shareholders in that the shares are assumed by one or more credit institutions, securities institutions or other undertakings as referred to by section 186 (5) sentence 1 AktG determined by the Management Board subject to the obligation that they must be offered to the shareholders for subscription (indirect pre-emption rights).

However, the Management Board will be authorized, with the approval of the Supervisory Board, to disapply the shareholders' pre-emption rights to new shares in the following cases:

- to compensate for fractional amounts that arise as a result of the subscription ratio;

- to the extent that it is necessary to grant the bearers/creditors of bonds with warrants and/or convertible bonds and/or profit participation bonds (or combinations of these instruments) with option or conversion rights/conversion obligations previously issued/guaranteed by the Company or Group companies pre-emption rights to new shares to the extent that they would be entitled as shareholders after exercising their option or conversion rights or after satisfying their conversion obligation;

- if the shares are issued in return for cash contributions and the issue price of the new shares is not significantly less than the quoted market price of shares of the Company of the same class already listed when the issue price is finally determined and the shares issued do not exceed 10 percent of the Company's total share capital at the time of this authorization becoming effective or – if lower – at the time of this authorization being exercised; in calculating this 10 percent cap other shares issued or sold during the term of this authorization with shareholders' pre-emption rights disapplied in accordance with or in reliance on section 186 (3) sentence 4 AktG must be taken into account; similarly, shares issued or to be issued to serve warrants, convertible bonds and/or profit participation bonds as well as profit participation rights must be included if the above bonds/profit participation rights were issued during the term of this authorization with pre-emption rights disapplied in reliance on with section 186 (3) sentence 4 AktG;

- for capital increases in return for non-cash contributions for the purpose of business combinations or the acquisition of companies, parts of companies, equity investments in companies (including increases in existing investments) or other assets.

The total amount of the shares issued with pre-emption rights disapplied in return for cash and/or non-cash contributions must not exceed 10 percent of the share capital, either at the time that this authorization becomes effective or – if lower – at the time that this authorization is exercised. The above 10 percent cap must include shares issued or sold during the term of this authorization with shareholders' pre-emption rights disapplied; similarly, it must include shares issued or to be issued to serve warrants, convertible bonds and/or profit participation bonds as well as profit participation rights if the above bonds/profit participation rights were issued during the term of this authorization with pre-emption rights disapplied.

The above authorizations to disapply pre-emption rights are granted independently of each other. They do not affect the authorization to offer the shares, with shareholders' pre-emption rights in place, to one or more credit institutions, securities institutions or other undertakings as referred to by section 186 (5) AktG subject to the obligation that they must be offered to shareholders for subscription (indirect pre-emption rights).

The Management Board is authorized, with the approval of the Supervisory Board, to determine the further content of share rights and the conditions for issuing shares.

c) Amendment to the Articles of Association

Article 3 (4) of the Articles of Association is repealed in full and revised as follows:

"(4) The Management Board is authorized, with the approval of the Supervisory Board, to increase the share capital of the Company by up to € 155,893,376.00, in full or in part, on one or more occasions by issuing up to 60,895,850 new bearer shares in return for cash and/or non-cash contributions until July 25, 2028 (Authorized Capital 2023). The shareholders have pre-emption rights in principle. Statutory pre-emption rights can also be granted to the shareholders in that the shares are assumed by one or more credit institutions, securities institutions or other undertakings as referred to by section 186 (5) sentence 1 AktG determined by the Management Board subject to the obligation that they must be offered to shareholders for subscription (indirect pre-emption rights).

However, the Management Board is authorized, with the approval of the Supervisory Board, to disapply shareholders' pre-emption rights to new shares in the following cases:

- to compensate for fractional amounts that arise as a result of the subscription ratio;

- to the extent that it is necessary to grant the bearers/creditors of bonds with warrants and/or convertible bonds and/or profit participation bonds (or combinations of these instruments) with option or conversion rights/conversion obligations previously issued/guaranteed by the Company or Group companies pre-emption rights to new shares to the extent that they would be entitled as shareholders after exercising their option or conversion rights or after satisfying their conversion obligation;

- if the shares are issued in return for cash contributions and the issue price of the new shares is not significantly less than the quoted market price of shares of the Company of the same class already listed when the issue price is finally determined and the shares issued do not exceed 10 percent of the Company's total share capital at the time of this authorization becoming effective or – if lower – at the time of this authorization being exercised; in calculating this 10 percent cap must also include other shares issued or sold during the term of this authorization with shareholders' pre-emption rights disapplied in accordance or in reliance on with section 186 (3) sentence 4 AktG must be taken into account; similarly, it shares issued or to be issued to serve warrants, convertible bonds and/or profit participation bonds as well as profit participation rights must be included if the above bonds/profit participation rights were issued during the term of this authorization with pre-emption rights disapplied in reliance on section 186 (3) sentence 4 AktG with the corresponding changes;

– for capital increases in return for non-cash contributions for the purpose of business combinations or the acquisition of companies, parts of companies, equity investments in companies (including increases in existing investments) or other assets.

The total amount of the shares issued with pre-emption rights disapplied in return for cash and/or non-cash contributions must not exceed 10 percent of the share capital, either at the time that this authorization becomes effective or – if lower – at the time that this authorization is exercised. The above 10 percent cap must include shares issued or sold during the term of this authorization with shareholders' pre-emption rights disapplied; similarly, it must include shares issued or to be issued to serve warrants, convertible bonds and/or profit participation bonds as well as profit participation rights if the above bonds/profit participation rights were issued during the term of this authorization with pre-emption rights disapplied.

The Management Board is authorized, with the approval of the Supervisory Board, to determine the further content of share rights and the conditions for issuing shares."

d) Authorization to amend the Articles of Association

The Supervisory Board is authorized to amend Article 3 (1) and (4) of the Articles of Association in accordance with the respective consummation of the capital increase or after the authorization period and to make all further amendments to the Articles of Association in this context, provided that they only affect their wording.

e) Report by the Management Board to the Annual General Meeting in accordance with section 203 (2) sentence 2, section 186 (4) sentence 2 AktG

The written report by the Management Board in accordance with section 203 (2) sentence 2, section 186 (4) sentence 2 AktG on the reasons for the authorization of the Management Board to disapply shareholders' pre-emption rights to new shares from Authorized Capital 2023 will be available at www.heidelberg.com/hauptversammlung from the day that the Annual General Meeting is convened. It will also be available for inspection at the Annual General Meeting itself.

Please note that the Company will not have any other authorized or contingent capital besides the Authorized Capital 2023 proposed above of around 20 percent of the share capital at the time that the Annual General Meeting is convened and the new Contingent Capital 2023 proposed under item 8 of the agenda above. Under item 8 of the agenda, the Contingent Capital 2019 with a volume of around 10 percent of the current share capital is to be canceled and replaced by new Contingent Capital 2023 with a volume of up to around 10 percent of the current share capital.

The total of all new shares issued from the new Authorized Capital 2023 with pre-emption rights disapplied and the new shares issued to service bonds issued with pre-emption rights disapplied under Authorization 2023 and any treasury shares sold during the term of Authorized Capital 2023 with pre-emption rights disapplied must not exceed a total of 10 percent of the Company's share capital.

10. Resolution on the approval of the remuneration system for the members of the Management Board

In accordance with section 120a (1) of the German Stock Corporation Act (AktG), the annual general meeting of a listed company must resolve to approve the remuneration system for the members of the Management Board proposed by the Supervisory Board every time there is a significant amendment or at least every four years.

The Annual General Meeting of the Company last approved the remuneration system resolved by the Supervisory Board for the members of the Management Board in accordance with section 120a (1) AktG on July 23, 2021 (2021 remuneration system).

At its meeting on June 6, 2023, in performing its duty to continuously monitor the remuneration system for the Management Board, in accordance with section 87a (1) AktG and prevailing market practice, the Supervisory Board resolved an amended remuneration system (2023+ remuneration system) for the members of the Management Board that refines and updates the content of the 2021 remuneration system at the recommendation of its Personnel Matters Committee. The 2023+ remuneration system also incorporates feedback from investors on the 2021 remuneration system.

The 2023+ remuneration system for the members of the Management Board is printed in section II. of this invitation under II.4 and will be available on the Company's website at www.heidelberg.com/hauptversammlung from the day the Annual General Meeting is convened.

The Supervisory Board proposes the following resolution:

The 2023+ remuneration system resolved by the Supervisory Board for the members of the Management Board of Heidelberger Druckmaschinen Aktiengesellschaft is approved.

II. Further information on the agenda and reports

1. Further information on item 4 of the agenda (Election of the auditor of the annual and consolidated financial statements for financial year 2023/2024)

The annual financial statements and the consolidated financial statements of Heidelberger Druckmaschinen Aktiengesellschaft for financial year 2022/2023 were audited by the auditor elected by the 2022 Annual General Meeting, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft. PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft had been the auditor of the annual financial statements and the consolidated financial statements of Heidelberger Druckmaschinen Aktiengesellschaft continuously since financial year 1997. The auditor responsible for the audit from financial year 2020/2021 on was Dr. Bernd Roese.

Regulation (EU) no. 537/2014 of the European Parliament and of the Council of April 16, 2014, on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC (EU Audit Regulation) stipulates that public-interest entities must regularly replace their auditor. The Company therefore requires the external rotation of its auditor for financial year 2023/2024. The Audit Committee conducted a transparent and non-discriminatory procedure to select the auditor for financial year 2023/2024. Based on the recommendation of the Audit Committee and guided by the Audit Committee's recommendation, preference and reasons, the Supervisory Board has resolved to propose the nomination as per item 4 of the agenda to the Annual General Meeting.

2. Further information on agenda item 5 (Election to the Supervisory Board), in particular information in accordance with section 125 (1) sentence 5 AktG

<u>Ferdinand Rüesch</u>

<u>Personal data:</u>

Born:	October 31, 1959
Place of residence:	St. Gallen, Switzerland
Nationality:	Swiss

Member of the Supervisory Board of the Company since July 25, 2018. Mr. Rüesch's current term of office began at the close of the Annual General Meeting on July 25, 2018, and will end at the close of the Annual General Meeting on July 26, 2023.

<u>Details of relevant knowledge, skills and experience:</u>

Mr. Ferdinand Rüesch has a degree in mechanical engineering and many years' sales experience in the printing, packaging and media industry. As a former owner of Gallus Ferd. Rüesch AG, he also has the associated industry expertise and a comprehensive knowledge of global key account management with local and global customers.

The qualification matrix of the Supervisory Board as a whole, including the candidate, can be found on the Company's website at www.heidelberg.com/hauptversammlung.

<u>Professional career and current activity:</u>

1976 to 1981	Gallus Ferd. Rüesch AG, St. Gallen, Switzerland Training as a machine mechanic
1981 to 1984	Military service and several extended stays at Gallus companies abroad, especially in the US, in preparation for his management position at Gallus Ferd. Rüesch AG
1985 to 1988	Part-time studies in mechanical engineering, graduating as "Dipl. Masch. Ing. HTL" (mechanical engineering graduate of the St. Gallen University of Applied Sciences)
1986 to 1990	Gallus Ferd. Rüesch AG, St. Gallen, Switzerland

	Various positions in all areas of the company in preparation for his management role
1990 to 1992	Part-time studies at St. Gallen University, graduating as Executive MBA HSG Course 4, St. Gallen University
1990 to 1993	Gallus Ferd. Rüesch AG, St. Gallen, Switzerland, CEO
1994 to 2018	Gallus Ferd. Rüesch AG, Vice President of the Administration Board
1994 to 2018	Gallus Holding AG, Vice President of the Administration Board
1993 to 2002	Gallus Inc., Philadelphia US, CEO, (subsidiary of Gallus Ferd. Rüesch AG, Switzerland)
Since 2002	Gallus Ferd. Rüesch AG, St. Gallen, Switzerland, Vice President of Global Key Accounts
2015 to 2016	Part-time studies; Certified Global Negotiator; CGN-HSG, Executive School of Management, Technology and Law at St. Gallen University
Since 2018	Member of the Supervisory Board of Heidelberger Druckmaschinen AG

Membership of other statutory German supervisory boards:

None

Membership of comparable German or foreign control bodies of business enterprises:

- Ferd. Rüesch AG, Switzerland (Vice President of the Administration Board) (unlisted)

Material other activities in addition to the above memberships and Supervisory Board membership:

None

3. Remuneration report for the financial year 2022/2023 (including the audit opinion)

Heidelberger Druckmaschinen Aktiengesellschaft

Remuneration report –
Management Board and Supervisory Board

I. Preamble

The remuneration report of Heidelberger Druckmaschinen Aktiengesellschaft (HEIDELBERG) has been jointly prepared by the Management Board and the Supervisory Board. It summarizes the key elements of the remuneration system for the members of the Management Board and Supervisory Board. The remuneration report was prepared in accordance with section 162 of the German Stock Corporation Act (AktG). In addition to these statutory requirements, the remuneration report takes into account the recommendations of the German Corporate Governance Code (GCGC) as amended April 28, 2022.

This remuneration report illustrates the application of the respective remuneration system for the Management Board and the Supervisory Board in the financial year and explains how the remuneration promotes the long-term development of the Company. In addition, the compensation paid and owed to current and former members of the Management Board and Supervisory Board of HEIDELBERG in the financial year 2022/2023 is disclosed individually. In some cases, rounding may result in discrepancies concerning the totals and percentages contained in this report.

The remuneration report is published on the Company's website at https://www.heidelberg.com/global/de/about_heidelberg/company/executive_bodies/management_board/remuneration/remuneration.jsp and has been formally and substantively audited by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft. It will be presented to the Annual General Meeting on July 26, 2023, for approval in accordance with the provisions of section 120a (4) AktG.

II. Review of the financial year 2022/2023

The revised system of remuneration for the Management Board adopted in line with the German Act Implementing the Second Shareholders' Rights Directive (ARUG II) in accordance with section 87a AktG was applied for the first time in financial year 2022/2023. The remuneration system was approved by a majority at the Annual General Meeting on July 23, 2021, and places the focus on the following aspects:

- The share price is taken into account to a greater extent in order to further enhance the shareholder perspective
- Targeted incentives for the successful implementation of the transformation program

- Comprehensive integration of current regulatory requirements (ARUG II, GCGC) and relevant investor expectations

Say on pay
The remuneration report on the remuneration of the Management Board and the Supervisory Board to be prepared in accordance with section 162 AktG for the first time was presented to the Annual General Meeting on July 21, 2022, for its approval. The Annual General Meeting approved it with 82.70% of the votes cast.

The Supervisory Board and Management Board were prompted by the result of the vote to review the reporting on the remuneration system of the Management Board once again in order to ensure an even more transparent and even more comprehensible description of the key issues. The findings from the discussion will also be taken into account in the regular review of the remuneration system.

In particular, the transparent disclosure of the performance targets for variable remuneration components was discussed as part of the investor dialog. The Management Board and the Supervisory Board intend to have transparent reporting that also incorporates the disclosure of target and actual figures for the financial and non-financial performance targets of the variable remuneration components. For competitive reasons, it is still considered proper to disclose these ex post in the remuneration report.

Business performance
The positive performance in financial year 2022/2023 (please refer to the information in HEIDELBERG's 2022/2023 Annual Report) can also be seen by the achievement of the targets for short-term, one-year variable remuneration. The overall target achievement of 109% reflects the achievement of the financial and non-financial performance targets set and illustrates the pay-for-performance correlation of variable remuneration.

Changes in the Management Board
There were changes in the lineup of the Management Board in financial year 2022/2023. Dr. Ludwin Monz succeeded Rainer Hundsdörfer as the Chief Executive Officer at the start of the financial year. By mutual arrangement with the Supervisory Board, Marcus A. Wassenberg resigned from his office as a member of the Management Board early as of December 31, 2022. He was succeeded in the role of CFO by Tania von der Goltz as of January 1, 2023.

III. Management Board remuneration in the financial year 2022/2023

1. Principles of Management Board remuneration

1.1. Principles for determining Management Board remuneration

The applicable remuneration system for the Management Board in the financial year 2022/2023 makes a significant contribution to the implementation of HEIDELBERG's strategic objectives. It incentivizes the long-term development of the Company and introduces effective incentives for its value-adding prosperity.

In designing and defining the structure and amount of the remuneration for the individual Management Board members, the Supervisory Board applies the following principles in particular:

Corporate strategy	Pay for performance	Suitability and standard conditions
By selecting strategically relevant benchmarks, the remuneration makes a significant contribution to promoting the corporate strategy and thereby supports a long-term and sustainable performance of the Company	The remuneration ensures that outstanding performance by the Management Board is rewarded accordingly and that a failure to meet targets results in a substantial reduction in the remuneration	The amount and structure of the remuneration are consistent with standard market conditions (horizontal proportionality) and reflect the size, complexity and economic position of the Company
Sustainability	**Shareholder interests**	**Vertical proportionality**
Remuneration ensures that environmental, social and governance aspects are appropriately taken into account by integrating ESG criteria into short-term and long-term variable remuneration	The personal investment and long-term variable compensation components ensure that shareholder interests are taken into account to an appropriate extent	The remuneration takes into account the general remuneration structure within the Company in order to ensure proportionality within the Company (vertical proportionality)

1.2. Suitability of Management Board remuneration and standard conditions

The Supervisory Board ensures that the Management Board remuneration is commensurate with the responsibilities and tasks of the Management Board members and the situation of the Company, and that it does not exceed the standard remuneration without good cause.

In addition to taking into account the industry, size, complexity and economic performance of the Company, the review of the suitability of Management Board remuneration ensures that it is consistent with other companies (horizontal comparability) and with the remuneration structure within the Company itself (vertical comparability).

Horizontal comparability is determined by reference to a peer group whose specific composition is determined by the Personnel Matters Committee. This involves comparing the total remuneration at companies that are comparable in terms of industry, size, character, complexity, international activity, earnings power and economic performance. Following a review of the horizontal peer group in the financial year before last, this now comprises the following companies: DEUTZ, DMG MORI, Dürr, GEA Group, Koenig & Bauer, Krones, KUKA, MTU Aero Engines, Nordex, NORMA Group, OSRAM Licht, SGL Carbon, Vossloh.

In addition to horizontal comparability, the Supervisory Board takes account of the remuneration situation at the level of management below the Management Board and the workforce as a whole when defining the Management Board remuneration (vertical comparability). In determining the fixed annual compensation for the Management Board, it ensures that there is an appropriate gap to the average remuneration of the employees at the next highest level of management and the workforce as a whole.

1.3. Components of Management Board remuneration

In the financial year 2022/2023, Management Board remuneration is composed of performance-related and non-performance-related components.

The non-performance-related components consist of fixed annual compensation, fringe benefits and a pension contribution.

The performance-based remuneration components consist of a short-term variable remuneration component (short-term, one-year variable remuneration or short-term incentive (STI)) and a long-term variable remuneration component (long-term, multi-year variable remuneration or long-term incentive (LTI)).

The following table shows the remuneration components and the contribution they make to promoting the long-term development of the Company and the corporate strategy:

Remuneration component	Structure	Strategic purpose
Non-performance-related compensation components		
Fixed compensation	• Fixed annual compensation • Paid in 12 equal installments	Ensuring competitive capability with attractive, competitive remuneration, thus attracting and retaining qualified Management Board members
Fringe benefits	For example: • Insurance contributions • Company car for professional and private use, expenses for the maintenance of two households	
Pension contribution	Payment of a cash contribution earmarked for private retirement provision in the amount of 35% of the fixed compensation	
Performance-related compensation components		
Short-term, variable compensation component – STI		
Plan type	Annual bonus	Incentivizing operational success and annual earnings power in line with sustainable business
Performance targets	• 40% EBITDA • 40% free cash flow • 20% sustainability targets	
Cap	Max. 100% of fixed compensation	
Long-term, variable compensation component – LTI		
Plan type	Performance share plan	Incentivizing long-term profitable earnings power and a long-term increase in the shareholder return taking into account the sustainable and long-term development of the Company
Performance period	3 years	
Performance targets	• 40% EBT • 40% relative total shareholder return (vs. SDAX performance) • 20% sustainability targets	
Payment	• 50% in cash after the end of the performance period • 50% in shares of the Company	
Holding period	1 year for shares transferred at the end of the performance period	
Cap	Maximum doubling of the virtual shares allocated	
Other contractual components		
Share Ownership Guideline	• Investment in shares of the Company of 100% of current fixed compensation • Built up annually via 20% of STI	Increased alignment between the interests of the Management Board and shareholders
Malus/clawback mechanisms	Option for the reduction/repayment of variable compensation components	Incentivizing proper conduct
Maximum compensation	• € 3.6 million for Chief Executive Officer • € 2.4 million for ordinary members of the Management Board	Maximum compensation is in line with regulatory provisions

1.4. Determination and structure of target remuneration

Target remuneration is defined by the Supervisory Board at the recommendation of the Personnel Matters Committee. This includes setting the amount of the remuneration components and determining the overall structure and ratio of the individual components to each other. Once determined, the target remuneration is reviewed at regular intervals. This ensures that the share of long-term variable remuneration exceeds the share of short-term variable remuneration.

Assuming 100% target achievement for performance-based remuneration, total target remuneration (not including fringe benefits, including pension contribution) is structured as follows as a matter of principle:

Structure of target compensation

The Supervisory Board has defined the following total target compensation (including fringe benefits and pension contribution) for the members of the Management Board for the financial year 2022/2023. The amount shown for the variable compensation is based on target achievement of 100%.

Target compensation

Figures in € thousands	Dr. Ludwin Monz Chief Executive Officer since April 1, 2022		Tania von der Goltz Chief Financial Officer since January 1, 2023	
	2022/2023	2021/2022	2022/2023	2021/2022
Fixed compensation	900	-	125	-
Fringe benefits	6	-	8	-
Pension contribution	315	-	44	-
Total fixed compensation	**1,221**	**-**	**177**	**-**
Short-term variable compensation	450	-	63	-
Long-term variable compensation[1)]	900	-	125	-
Total variable compensation	**1,350**	**-**	**188**	**-**
Total target compensation	**2,571**	**-**	**364**	**-**

[1)] Term: 3 years + 1-year holding period for 50% of the payment amount in real shares.

2. Application of the remuneration system in the financial year 2022/2023

2.1. Non-performance-related compensation components

2.1.1. Fixed compensation

Fixed compensation is paid in 12 equal monthly installments. The fixed compensation of the Chief Executive Officer in relation to the remuneration of an ordinary member of the Management Board takes into account the structure, assigned duties and departmental weighting within the Management Board.

2.1.2. Fringe benefits

Generally speaking, the contractually agreed fringe benefits can include benefits such as insurance contributions, the private use of a company car as a benefit in kind, and expenses for the maintenance of two households, as well as flights and taxes, in accordance with local conditions. In the financial year 2022/2023, fringe benefits primarily consisted of the value of the private use of a company car according to the fiscal guidelines.

In addition, the Management Board members are covered by HEIDELBERG's D&O insurance policy with a corresponding deductible in accordance with section 93 (2) AktG that is required to be paid by the respective Management Board member.

2.1.3. Pension contribution

The members of the Management Board receive a taxable pension contribution in cash in the amount of 35% of their fixed compensation for each financial year. The pension contribution is available for personal use but must be used for pension investment. The pension contribution is paid out against proof of intended purpose. No further pension contributions are granted once the respective member of the Management Board reaches the relevant statutory standard retirement age.

2.2. Performance-related compensation components

2.2.1. Short-term variable compensation component

The short-term variable remuneration component (short-term, one-year variable remuneration or short-term incentive (STI)) is granted each year in the form of an annual bonus. The STI provides members of the Management Board with uniform incentives intended to incentivize the operational performance of the Company in the financial year in particular and the achievement of its corporate strategy, also in respect of sustainability targets. The financial targets are derived from the annual budget, which in turn is determined on the basis of multi-year long-term strategic planning. There are also uniform incentives for sustainable action in the form of sustainability targets that do not have a direct financial impact but that serve to promote the achievement of the Company's long-term strategy.

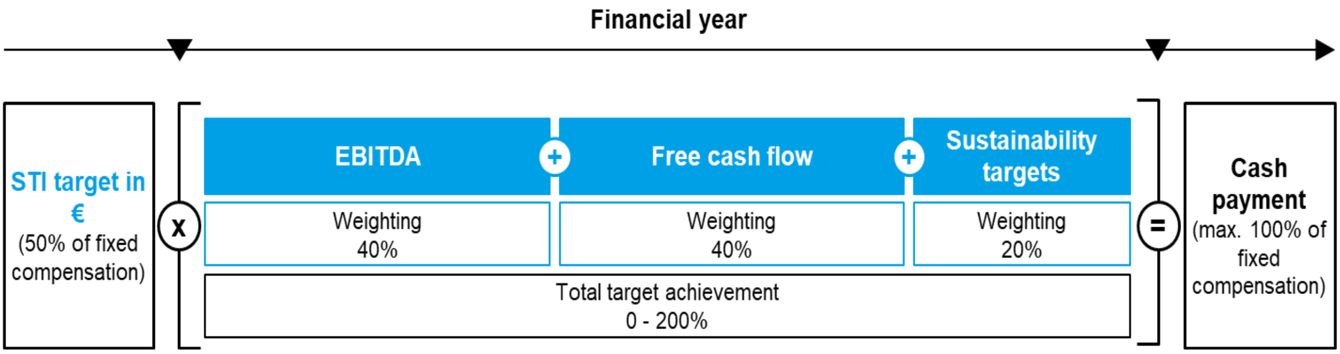
2.2.1.1. System and weighting of performance targets

The STI target is 50% of fixed compensation (gross) and is paid out in this amount if the ascertained total of weighted financial and non-financial performance target achievement (key performance indicators (KPIs)) (overall target achievement) amounts to 100%. The maximum overall target achievement is 200%, which can lead to a maximum payout of 100% of fixed compensation. The assessment period is the respective financial year for which the STI is pledged.

In financial year 2022/2023, the KPIs chosen for determining overall target achievement were operating EBITDA (IFRS) with a weighting of 40%, free cash flow (IFRS) with a weighting of 40% and sustainability targets (environmental, social, governance (ESG)) with a weighting of 20%.

The Supervisory Board determines the target achievement of financial and non-financial KPIs after the end of the financial year at its accounts meeting on the basis of the figures established by the Audit Committee. To take into consideration extraordinary, unforeseeable events in the STI financial year, the Supervisory Board can adjust the STI payment amount by up to 20% up or down at its own discretion. It did not exercise these powers in financial year 2022/2023.

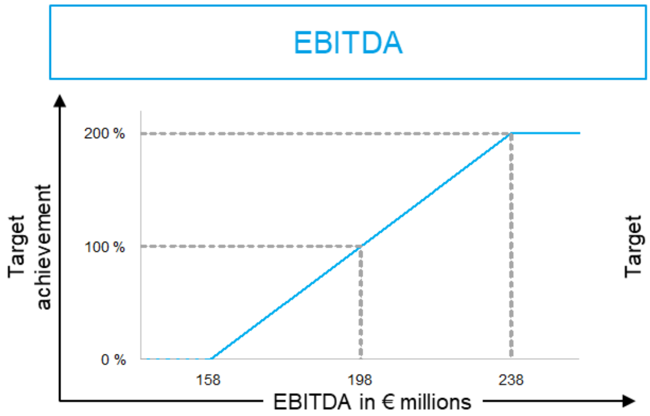
The system of variable, short-term compensation is as follows in the financial year 2022/2023:

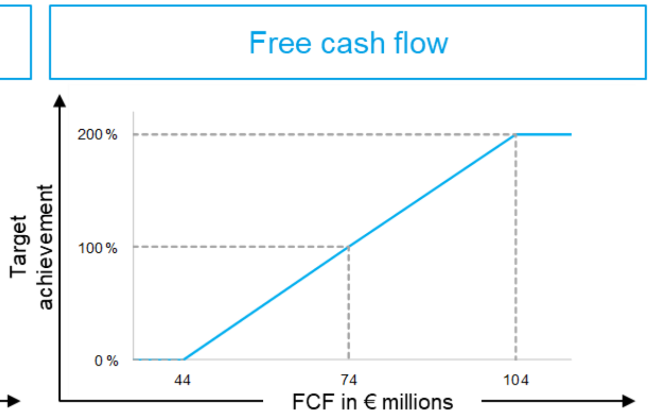


2.2.1.2. Financial performance targets in the financial year 2022/2023

A target (100% target achievement), a threshold (0% target achievement) and a cap (200% target achievement) have been defined for the EBITDA and free cash flow financial KPIs. Failure to achieve the threshold results in a target achievement of 0% for the respective KPI. Outperforming KPIs can result in a maximum target achievement of 200%. If actual performance lies between the threshold and the target or between the target and the cap, the degree of target achievement is determined by linear interpolation. The target and the threshold are resolved by the Supervisory Board at the proposal of the Personnel Matters Committee for the respective financial year. These targets and thresholds may not be subsequently changed.

The target achievement curves for the financial KPIs are shown below for the financial year 2022/2023:





The thresholds and targets for the EBITDA and free cash flow financial KPIs for financial year 2022/2023 and the degree of their achievement are as follows:

Short-term variable compensation
Achievement of financial performance targets 2022/2023

Figures in € millions	Lower threshold	Target	Upper threshold	Actual figure	Target achievement
EBITDA	158	198	238	209	129%
Free cash flow	44	74	104	72	93%

2.2.1.3. Sustainability targets in the financial year 2022/2023

For each financial year, the Supervisory Board defines sustainability targets relating to non-financial KPIs such as employee targets, customer targets, environmental targets, diversity targets, transformation targets for digitalization and the establishment of new business models or integrity targets.

As with financial KPIs, measurable targets are also defined for each non-financial KPI that can lead to a target achievement of between 0% (floor) and 200% (cap). These targets are set based on long-term strategic planning and taking into account the values achieved for the previous year. The individual targets and their achievement are each calculated on a stand-alone basis and accumulated.

The non-financial KPIs planned for financial year 2022/2023 and the degree of their achievement are as follows:

Short-term variable compensation
Achievement of non-financial performance targets 2022/2023

Sustainability targets	Weighting	Target achievement	Total sustainability target achievement
Concept for CO_2 efficiency potential at production sites	25%	100%	100%
Concept for personnel recruitment and development	25%	100%	
Concept for development of sustainable new business	50%	100%	

2.2.1.4. Total target achievement in the financial year 2022/2023

Target achievement and the payouts for each member of the Management Board were calculated as follows based on the respective actual figures and target achievement of financial and non-financial KPIs:

Short-term variable compensation
Total target achievement 2022/2023

		EBITDA		Free cash flow		Sustainability			
Figures in € thousands	Target amount	Target achievement	Weighting	Target achievement	Weighting	Target achievement	Weighting	Total target achievement	Amount paid
Dr. Ludwin Monz	450	129%	40%	93%	40%	100%	20%	109%	490
Tania von der Goltz	63								68

In financial year 2022/2023, the Supervisory Board did not make provision for any other personal, individually performance-based bonuses in place of the STI KPIs described above for the members of the Management Board.

2.2.2. Long-term, variable compensation component

The long-term variable remuneration component (LTI) is allocated in annual tranches. The LTI reflects the long-term strategy and provides the members of the Management Board with uniform incentives for achieving key goals in line with long-term strategic planning. The LTI also takes into account the development in HEIDELBERG's share price, thus ensuring that the interests of the members of the Management Board are consistent with those of the shareholders. With its four-year term, the LTI is intended to incentivize sustainable and long-term corporate development and to promote the retention of members of the Management Board.

2.2.2.1. System and weighting of performance targets

The annual allocation of the LTI (LTI target) is 100% of fixed compensation. The achievement of financial and non-financial performance targets is measured over a period of three financial years (performance period), which serves as the basis for calculating the LTI payment amount. Half of the payment amount is paid out in cash, while the other half of the payment amount is paid in the form of shares, which must be held for a further year in order to take share price performance into account (holding period).

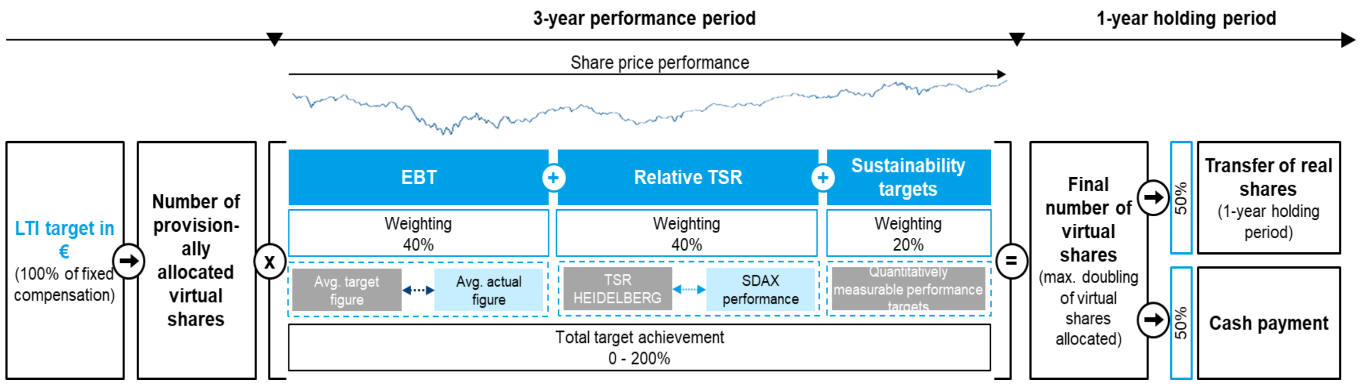
At the start of the LTI performance period, the LTI target is converted into virtual HEIDELBERG shares and performance targets are defined for measuring target achievement. For this purpose, the arithmetic mean of the closing price of the Company's shares over the 60 trading days immediately preceding the start of the performance period is calculated. The LTI target, divided by the share price calculated in this manner to two decimal places in line with commercial practice, results in the number of virtual shares.

At the end of the performance period, the number of virtual shares is calculated based on the target achievement of three key performance indicators (KPIs). A target achievement of 100% is equivalent to the number of virtual shares allocated at the outset. Maximum target achievement (cap) amounts to 200% and, at most, can result in a doubling of the virtual shares allocated. Failure to achieve the targets results in a zero payout.

For the LTI allocation in financial year 2022/2023, the Supervisory Board defined the performance targets of EBT with a weighting of 40%, relative total shareholder return (TSR) with a weighting of 40% and sustainability targets with a weighting of 20%. The weighting of the performance targets is determined by the Supervisory Board at the time of the annual allocation. Performance targets are intended to incentivize long-term profitable earnings power in line with the corporate strategy while also ensuring a focus on the interests of shareholders and other stakeholders.

The Supervisory Board determines target achievement after the end of the performance period at its accounts meeting. The final number of virtual shares, also rounded to two decimal places in line with commercial practice, is derived from the ascertained results of the respective target achievement for the KPIs. The cap of 200% applicable to the LTI is taken into account. To take into consideration extraordinary, unforeseeable events in the LTI financial year and/or in the performance period, the Supervisory Board can adjust the number of virtual shares provisionally allocated on the basis of the overall target achievement level before taking the cap into account by up to 20% up or down at its own discretion.

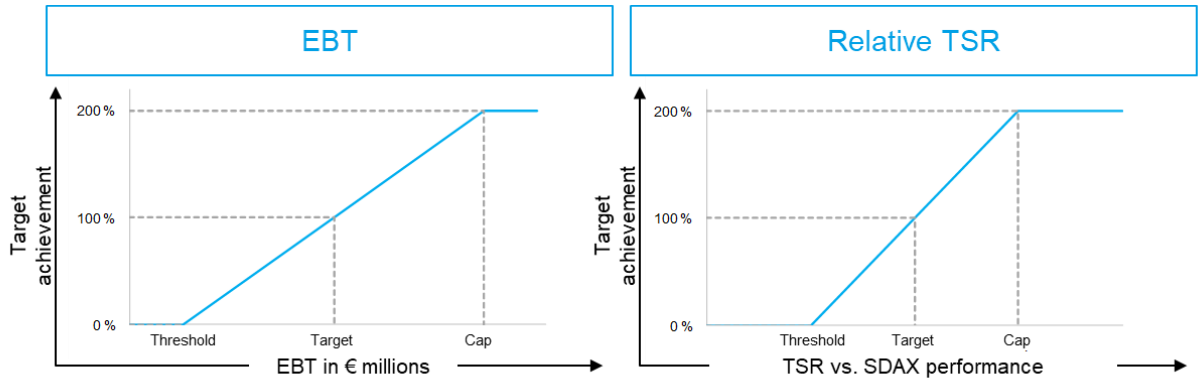
Based on the arithmetic mean of the closing price of the Company's shares over the 60 trading days immediately preceding the end of the performance period, half of these virtual shares are converted into euros and paid out as gross remuneration. Any obligations to buy shares are taken into account. The second half of the ascertained virtual shares is converted into real shares. Any fractional amounts are rounded down to full shares. The number of shares ascertained in this way is transferred to the securities portfolio kept by the Company for the member of the Management Board. These shares must be held for a further financial year.
The system of the multi-year variable remuneration allocated in financial year 2022/2023 is as follows:



2.2.2.2. Financial performance targets and sustainability targets in the financial year 2022/2023

The Supervisory Board defines a target (100% target achievement), a threshold (0% target achievement) and a cap (200% target achievement) for each KPI at the start of the performance period. The threshold must be achieved for each KPI, otherwise the target achievement for this KPI is 0%. In the event of outperformance, the maximum target achievement is 200% (cap); achievement between values is determined by linear interpolation.

The achievement curves for the financial targets of the tranche allocated in financial year 2022/2023 are as follows:



The target for **income/loss before taxes (EBT)** is taken from the planned EBT for the Group according to the five-year planning adopted by the Supervisory Board. Target achievement after the end of the three-year performance period is calculated by comparing the actual income/loss before taxes of the three financial years within the performance period according to the IFRS consolidated income statement to the expected income/loss before taxes for these three financial years. The averages of the actual and the expected income before taxes are compared in order to calculate and identify the actual target achievement.

For the development of the share price, the **relative total shareholder return (TSR)** is taken into account plus notionally reinvested gross dividends over the three-year performance period in relation to the price performance of other shares. To calculate target achievement, HEIDELBERG's performance over the three-year performance period is compared to that of the SDAX. To calculate target achievement, for

HEIDELBERG's shares and the SDAX, the arithmetic mean of closing prices over the last 60 trading days before the start of the performance period and the last 60 trading days before the end of the performance period are calculated and compared. Notionally reinvested gross dividends are also taken into account in calculating the arithmetic mean of closing prices as of the end of the assessment period. Target achievement amounts to 100% if HEIDELBERG's performance is equal to that of the SDAX. Ranges for over- and underperformance are defined by the Supervisory Board at the start of the performance period.

The third KPI comprises **sustainability targets** (environmental, social, governance (ESG)). Here, too, targets and ranges for over- and underperformance are defined by the Supervisory Board. At the start of the performance period, the Supervisory Board defines targets relating to non-financial KPIs such as employee targets, customer targets, environmental targets, diversity targets, transformation targets for digitalization and the establishment of new business models or integrity targets. The Supervisory Board ensures that the targets are sufficiently different from the STI sustainability targets.

2.3. Share Ownership Guideline

During their term in office on the Management Board, the members of the Management Board must establish and hold a portfolio of shares in the Company from their STI payments. This portfolio and the necessary shareholdings are measured as of the time of the STI payout. The portfolio must be built up to match the amount of current fixed compensation (minimum value). Shares in the Company already held are counted towards this value.

The Company is entitled to invest 20% of the STI (before deduction of taxes and contributions) in the form of shares in the Company. The Company's entitlement to invest elements of the STI to build up the share investment portfolio in the form of shares ends when the member leaves office.

Shares can only be sold from the share investment portfolio during their term in office if the above minimum value is demonstrably complied with and statutory and regulatory restrictions do not prohibit the sale.

The members of the Management Board have not yet built up shareholdings as of the end of financial year 2022/2023 as there has been no STI payout to date.

Share Ownership Guideline[1)]

	Target	Status quo	
	in € thousands	in € thousands	in %
Dr. Ludwin Monz	900	-	-
Tania von der Goltz	500	-	-

[1)] The acquisition of shares in Heidelberger Druckmaschinen AG for compliance with the Share Ownership Guideline is effected from the STI payment amount. As a result of Dr. Monz and Ms. von der Goltz joining the Management Board, shares will be acquired for the first time in the next financial year

2.4. Malus/clawback

The Company has the right to claim back payments made to members of the Management Board under the STI and/or LTI, or to delay or cancel pending payments not yet made, if it emerges that the payout was wholly or partially unwarranted because targets were not actually achieved or not achieved to the extent assumed when the payment was calculated.

Furthermore, the Company can claim back variable remuneration already paid out if the member of the Management Board was significantly involved in or responsible for conduct that led to significant losses for the Company or regulatory sanctions, or has severely violated relevant external or internal regulations concerning suitability and conduct. The claim to repayment can be triggered by misconduct on the part of the member of the Management Board regarding compliance and appropriate conduct or a miscalculation of variable remuneration. Moreover, a claim to repayment of variable remuneration already paid out can arise if it emerges after the end of the performance period that a target was not achieved (bonus-malus).

Furthermore, a payout can be canceled in full or in part if, after determination but before payout, a material deterioration in the situation of the Company is found to have occurred.

If the appointment of a member of the Management Board is revoked for cause in the course of a financial year in accordance with section 84 (3) AktG, the Supervisory Board can decide at its own discretion whether any claim to the payment of variable remuneration components for the current, past or future financial years will be canceled.

Furthermore, in the event of the actions of the Management Board not being formally approved by the Annual General Meeting or for cause, including in particular ongoing internal or external investigations, the Supervisory Board has the option to delay the payment of these components after deliberation.

Remuneration can be canceled in full if there is cause for which a member of the Management Board is responsible that entitles or would have entitled the Supervisory Board to revoke their appointment or to cancel their Management Board contract for cause as referred to by section 626 of the German Civil Code (BGB).

As of the reporting date, there are no cases that would have required the reduction or repayment of variable compensation components for the financial year 2022/2023.

2.5. Early termination benefits

If the appointment of a member of the Management Board is revoked and there is cause as referred to by section 626 BGB, their contract also ends as of the date that the revocation of their appointment becomes effective. In such an event, no further payments will be made to the member of the Management Board from the date that the revocation becomes effective.

In the event of the early termination of a Management Board contract, outstanding variable remuneration components relating to the period before contract termination and earned pro rata temporis will be paid out according to the originally agreed targets, comparative parameters and the periods established in the remuneration system.

Payments to a member of the Management Board in the event of early termination of work on the Management Board must not exceed the value of two years' remuneration (severance cap) and must not constitute compensation for more than the remaining term of the member's contract. In the event of a post-contractual non-compete clause, the severance payment counts towards the compensation.

2.6. Compliance with maximum compensation

The remuneration system sets out maximum compensation in accordance with section 87a (1) sentence 2 no. 1 AktG. The annual maximum compensation is € 3.6 million for the Chief Executive Officer and € 2.4 million for each ordinary member of the Management Board. The Supervisory Board ensures that the defined maximum compensation is complied with.

Maximum compensation refers to all remuneration components pledged in the financial year within the meaning of Section 87 of the German Stock Corporation Act (AktG).

A statement on compliance of the maximum compensation for financial year 2022/2023 cannot be made at this time as the actual remuneration against which maximum compensation must be compared cannot be determined until after the three-year performance period of the first LTI pledged under the new remuneration system.

3. Compensation paid and owed in the financial year 2022/2023

3.1. Remuneration of current Management Board members

The following table shows the compensation paid and owed to the current members of the Management Board in the financial year 2022/2023 in accordance with section 162 (1) sentence 1 AktG. The short-term and long-term variable compensation components are reported as of the end of the financial year in which the one-year or three-year performance period ends. In addition to the performance of the underlying activity, the inclusion of the respective amount implies that the variable compensation components have been vested and that all conditions precedent or subsequent have been fulfilled or no longer apply. This enables the reporting of the variable compensation components payable for the respective period and a comparison with the Company's performance in the corresponding financial year for which target achievement is calculated (pay for performance). Regarding the LTI tranche allocated for financial year 2022/2023 on the basis of a relevant price of € 2.5862 per share and taking into account new members during the year, the "target number" of virtual shares for payment in shares is 198,167.20 for the two active members of the Management Board. Of these shares, 174,000.47 relate to Dr. Ludwin Monz and 24,166.73 to Tania von der Goltz. The relevant three-year performance period will end as of March 31, 2025.

Compensation paid and owed

	Dr. Ludwin Monz, Chief Executive Officer, since April 1, 2022				Tania von der Goltz, Chief Financial Officer, since January 1, 2023			
	2022/2023		2021/2022		2022/2023		2021/2022	
	in € thousands	in %	in € thousands	in %	in € thousands	in %	in € thousands	in %
Fixed compensation	900	53%	-	-	125	51%	-	-
Fringe benefits	6	0%	-	-	8	3%	-	-
Pension contribution	315	18%	-	-	44	18%	-	-
Total fixed compensation	**1,221**	**71%**	-	-	**177**	**72%**	-	-
Short-term variable compensation								
STI 2022/2023	490	29%	-	-	68	28%	-	-
STI 2021/2022	-	-	-	-	-	-	-	-
Long-term variable compensation[1)]								
Tranche 2020/2021 – 2022/2023	-	-	-	-	-	-	-	-
Tranche 2019/2020 – 2021/2022	-	-	-	-	-	-	-	-
Total variable compensation	**490**	**29%**	-	-	**68**	**28%**	-	-
Total compensation in accordance with section 162 AktG	**1,711**	**100%**	-	-	**245**	**100%**	-	-

1) As a result of Dr. Monz and Ms. von der Goltz joining the Management Board, there will not yet be a payment from long-term variable remuneration in financial year 2022/2023.

3.2. Remuneration of Management Board members who stepped down in the financial year 2022/2023

In financial year 2022/2023, Marcus A. Wassenberg resigned from his office as a member of the Management Board early as of December 31, 2022. In the course of this, the contract, which still provided for a regular term until March 31, 2027, was also terminated by mutual agreement as of this date. The termination agreement essentially provides for the following provisions with regard to the remuneration of the Management Board :

For his work in financial year 2022/2023 until December 31, 2022 (resignation date), Marcus A. Wassenberg will receive pro rata temporis fixed compensation of € 375 thousand (28%) and fringe benefits of € 16 thousand (1%).

It was agreed with Marcus A. Wassenberg that the defined contribution pension commitment for fiscal year 2022/2023 would be granted pro rata temporis in the amount of € 131 thousand and added to his pension account, which has already existed since he joined the Executive Board (September 1, 2019). This pension account was serviced with a pension amount of 35 percent of the fixed compensation for each contribution year.

The service cost and the present value of the pension capital are as follows for Marcus A. Wassenberg as of March 31, 2023, in accordance with IAS 19: € 131 thousand service cost, € 423 thousand present value.

At the time of retirement on December 31, 2022, the pension capital built up to that date remains as a vested entitlement. For the other pension benefits (disability and surviving dependents' benefits), the pension entitlement earned pro rata temporis in accordance with § 2 BetrAVG also remains. A pension can be drawn from the age of 65 or as an early retirement benefit from the age of 60.

Furthermore, Marcus A. Wassenberg will receive short-term variable remuneration (STI) for his work in financial year 2022/2023 until his resignation date. The STI was pledged pro rata temporis for financial year 2022/2023 under the terms of his contract. The remuneration system and performance criteria are the same as those of the STI for the active members of the Management Board; please refer to section 2.2.1. An overall target achievement of 109% was ascertained for financial year 2022/2023, resulting in a payment amount of € 204 thousand (16%).

In addition to the short-term variable remuneration, Marcus A. Wassenberg is still entitled to payments of long-term variable remuneration. The LTI for financial year 2022/2023 was pledged pro rata temporis under the terms of his contract. The targets are defined according to the system described in 2.2.2. and overall target achievement will be determined after the end of the three-year performance period as of March 31, 2025. The target number of virtual HDM shares is 72,500.19.

The previously applicable assessment agreements apply to the LTI tranches allocated in the past; however, the corresponding LTI allocation amounts will be reduced pro rata temporis for the period up to the resignation date. The targets for the 2022/2023 LTI tranche are defined according to the system described in 2.2.2.

The calculation of target achievement for the 2020/2021 and 2021/2022 LTI tranches is based on the previously applicable remuneration system. This states that, after the end of a three-year performance period, target achievement will be determined based on two equally weighted performance targets (income/loss before taxes (EBT) according to the IFRS consolidated income statement and share price performance). Target achievement is examined and determined at the end of the performance period as a matter of principle. The payment of the long-term variable compensation depends on the achievement of a predefined threshold. If the respective threshold is reached, this results in a payout of 25% of the amount payable in the event of target achievement of 100% (defined target). If target achievement lies between the threshold and the defined target, the payout is determined by linear interpolation. Above this figure, the amount of the long-term variable remuneration is capped at 180% of the fixed compensation. In the event of overfulfillment, the amount of the payout is determined either as a percentage based on the degree of overfulfillment or by linear interpolation between the target and the maximum recognizable amount.

Having resigned as of December 31, 2022, the performance period for the 2020/2021 and 2021/2022 LTI tranches also ends in accordance with the contractual regulations. The respective entitlements are thus calculated pro rata temporis and target achievement for the two performance targets was calculated over the correspondingly truncated performance period. The payment amount of the two tranches will become due at the end of the first quarter of the following financial year.

For the EBT and share price performance targets, the following targets and thresholds, and their achievement, were calculated for the 2020/2021 and 2021/2022 tranches. This results in a pro rata payment amount of € 387 thousand (29%) for the 2020/2021 LTI tranche and a pro rata payment amount of € 215 thousand (16%) for the 2021/2022 LTI tranche.

Long-term variable compensation
Target achievement

LTI tranche	EBT (weighting: 50%) (in € millions)					Share price performance (weighting: 50%) (in €)					
Allocation	Lower threshold	Avg. target figure	Upper threshold	Avg. actual figure	Target achievement	Lower threshold	Avg. opening price	Upper threshold	Avg. closing price	Target achievement	Total target achievement
2020/2021	37	62	93	40	34%	0.93	0.83	1.15	1.51	200%	117%
2021/2022	40	101	150	77	70%	1.31	1.17	1.62	1.51	135%	103%

3.3. Remuneration of former Management Board members

The following remuneration was granted and owed to former members of the Management Board in financial year 2022/2023:

Rainer Hundsdörfer, whose term in office ended as of March 31, 2022, and whose contract ended as of September 6, 2022, received a one-time capital payment of € 1,420 thousand (99%) to cover pension claims accrued up until the time that he stepped down. Rainer Hundsdörfer also received fringe benefits of € 8 thousand (1%) for financial year 2021/2022.

Dr. Gerold Linzbach, whose term in office ended as of November 13, 2016, and whose contract ended as of August 31, 2017, received a pension of € 22 thousand (100%).
Bernhard Schreier, whose term in office ended as of August 31, 2012, and whose contract ended as of June 30, 2013, received a pension of € 442 thousand (100%).

IV. Supervisory Board remuneration in the financial year 2022/2023

1. Principles of Supervisory Board remuneration

The remuneration system for HEIDELBERG's Supervisory Board was approved by the Annual General Meeting on July 23, 2021, with 99.09% of the votes cast.

The remuneration of the members of the Supervisory Board is governed by Article 16 of the Articles of Association and reflects the responsibility and activities of the members of the Supervisory Board. By monitoring the management activity of the Management Board in line with its duties, the Supervisory Board contributes to the promotion of the corporate strategy and the long-term development of the Company. The remuneration system for the Supervisory Board also complies with the recommendations and suggestions of the GCGC.

Supervisory Board remuneration is composed of fixed compensation and attendance fees for the meetings of certain committees (committee remuneration) as well as attendance fees for meetings of the full Supervisory Board.

Remuneration system for the Supervisory Board

Fixed compensation + **Committee remuneration** + **Attendance fees** = **Total compensation**

Each member of the Supervisory Board receives fixed annual compensation of € 40,000. The Chair of the Supervisory Board receives three times this amount, the Deputy Chair twice this amount.

The members of the Management Committee, the Audit Committee and the Committee on Arranging Personnel Matters of the Management Board receive additional compensation for work on these committees. Each committee member receives compensation of € 1,500 per meeting for participation in a meeting of one of these committees. The Chair of the Audit Committee receives compensation of € 4,500 per meeting; the Chair of the Management Committee and the Chair of the Committee on Arranging Personnel Matters of the Management Board receive compensation of € 2,500 per meeting.

The members of the Supervisory Board also receive an attendance fee of € 500 per meeting for attending a meeting of the Supervisory Board. For the meetings of the Management Committee, the Audit Committee or the Committee on Arranging Personnel Matters of the Management Board, the members of the corresponding committee also receive an attendance fee of € 500 if the committee meeting does not take place on the day of the Supervisory Board meeting. Furthermore, the expenses incurred by members of the Supervisory Board and any VAT payable on them are reimbursed.

In order to reinforce the Supervisory Board's role as a controlling body, compensation does not include a variable, performance-based component. The members of the union and of the Works Council have declared that they will transfer their Supervisory Board remuneration to the Hans Böckler Foundation in accordance with the guidelines of IG Metall.

Amount of Supervisory Board remuneration

Fixed compensation		
Chair	Deputy Chair	Member
€ 120,000	**€ 80,000**	**€ 40,000**

Committee remuneration (per meeting)		
Committee	**Chair**	**Member**
Audit Committee	**€ 4,500**	**€ 1,500**
Management Committee	**€ 2,500**	**€ 1,500**
Personnel Matters Committee	**€ 2,500**	**€ 1,500**

Attendance fees	
Full Supervisory Board	Audit Committee, Management Committee, Personnel Matters Committee[1]
€ 500	**€ 500**

[1] If the committee meeting does not take place on the day of the Supervisory Board meeting

2. Compensation paid and owed in the financial year 2022/2023

The following table shows the compensation paid and owed to the individual members of the Supervisory Board in the financial year 2022/2023. The total compensation is broken down into fixed compensation, committee remuneration and attendance fees.

Supervisory Board remuneration

Figures in € thousands	Fixed compensation		Committee remuneration		Attendance fees		Total compensation	
	2022/2023	2021/2022	2022/2023	2021/2022	2022/2023	2021/2022	2022/2023	2021/2022
Dr. Martin Sonnenschein *(Chair)*	120	120	24	33	10	11	154	163
Ralph Arns *(Deputy Chairman)*	80	80	18	23	9	11	107	113
Dr. Bernhard Buck *(since July 1, 2021)*	40	30	0	0	5	4	45	34
Gerald Dörr	40	40	9	15	7	9	56	64
Mirko Geiger	40	40	12	11	8	7	60	58
Oliver Jung	40	40	12	11	9	6	61	57
Li Li	40	40	0	0	4	4	44	44
Dr. Fritz Oesterle *(since July 23, 2021)*	40	30	6	11	6	7	52	47
Petra Otte	40	40	0	0	5	4	45	44
Ferdinand Rüesch	40	40	9	15	7	9	56	64
Ina Schlie	40	40	23	23	7	6	70	69
Beate Schmitt	40	40	15	20	8	10	63	69
Total	**600**	**580**	**128**	**159**	**85**	**85**	**813**	**823**

V. Comparative presentation of remuneration and earnings performance

The following table presents the annual change in the remuneration of the Management Board and Supervisory Board members, the average remuneration of the Company's employees and the Company's earnings performance over the last three financial years in accordance with section 162 (1) sentence 2 no. 2 AktG.

The presentation of the Company's earnings performance is based on the net profit/loss of the Company in accordance with the German Commercial Code (HGB) and Group EBITDA/EBT in accordance with IFRS. These are key performance indicators that reflect the earnings power of the Company's business activity.

The presentation of the remuneration of the Company's employees (FTEs) is based on the workforce of Heidelberger Druckmaschinen Aktiengesellschaft. Average employee remuneration is calculated by dividing IFRS staff costs by the average number of employees of the Company (FTEs).

Comparative presentation

	2022/2023	2021/2022	Change 2022/2023 – 2021/2022	2020/2021	Change 2021/2022 – 2020/2021
	in € thousands	in € thousands	in %	in € thousands	in %
Earnings performance					
Net profit/loss of the Company (HGB)	-60,122	-10,792	-457%	119,256	-109%
Group EBITDA (IFRS)	209,471	160,160	31%	95,473	68%
Group EBT (IFRS)	111,677	50,800	120%	-23,367	317%
Employees					
Avg. employee remuneration	85	83	2%	93	-10%
Management Board					
Dr. Ludwin Monz *(since April 1, 2022)*	1,711	-	n/a	-	n/a
Tania von der Goltz *(since January 1, 2023)*	245	-	n/a	-	n/a
Former Management Board members					
Marcus A. Wassenberg *(until December 31, 2022)*	1,328	899	48%	661	36%
Rainer Hundsdörfer *(until March 31, 2022)*	1,428	2,427	-41%	1,095	122%
Dr. Gerold Linzbach *(until November 13, 2016)*	22	22	0%	22	0%
Bernhard Schreier *(until August 31, 2012)*	442	436	1%	435	0%
Supervisory Board					
Dr. Martin Sonnenschein	154	163	-6%	165	-1%
Ralph Arns	107	113	-5%	115	-1%
Dr. Bernhard Buck *(since July 1, 2021)*	45	34	34%	-	n/a
Gerald Dörr	56	64	-12%	65	-2%
Mirko Geiger	60	58	4%	64	-9%
Oliver Jung	61	57	8%	73	-22%
Li Li	44	44	0%	44	1%
Dr. Fritz Oesterle *(since July 23, 2021)*	52	47	11%	-	n/a
Petra Otte	45	44	2%	44	1%
Ferdinand Rüesch	56	64	-12%	65	-2%
Ina Schlie *(since July 23, 2020)*	70	69	2%	43	59%
Beate Schmitt	63	69	-9%	65	7%

VI. Independent auditor's report

Audit opinion

To Heidelberger Druckmaschinen Aktiengesellschaft, Heidelberg
We have audited the remuneration report of Heidelberger Druckmaschinen Aktiengesellschaft, Heidelberg, for the financial year from April 1, 2022 to March 31, 2023 including the related disclosures, which was prepared to comply with § [Article] 162 AktG [Aktiengesetz: German Stock Corporation Act].

Responsibilities of the Executive Directors and the Supervisory Board

The executive directors and the supervisory board of Heidelberger Druckmaschinen Aktiengesellschaft are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of § 162 AktG. The executive directors and the supervisory board are also responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

Auditor’s Responsibilities

Our responsibility is to express an opinion on this remuneration report, including the related disclosures, based on our audit. We conducted our audit in accordance with German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report, including the related disclosures, is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts including the related disclosures stated in the remuneration report. The procedures selected depend on the auditor's judgment. This includes the assessment of the risks of material misstatement of the remuneration report including the related disclosures, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the preparation of the remuneration report including the related disclosures. The objective of this is to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the executive directors and the supervisory board, as well as evaluating the overall presentation of remuneration report including the related disclosures.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, based on the findings of our audit, the remuneration report for the financial year from April 1, 2022 to March 31, 2023, including the related disclosures, complies in all material respects with the accounting provisions of § 162 AktG.

Reference to an Other Matter – Formal Audit of the Remuneration Report according to § 162 AktG

The audit of the content of the remuneration report described in this auditor's report includes the formal audit of the remuneration report required by § 162 Abs. [paragraph] 3 AktG, including the issuance of a report on this audit. As we express an unqualified audit opinion on the content of the remuneration report, this audit opinion includes that the information required by § 162 Abs. 1 and 2 AktG has been disclosed in all material respects in the remuneration report.

Restriction on use

We issue this auditor's report on the basis of the engagement agreed with Heidelberger Druckmaschinen Aktiengesellschaft. The audit has been performed only for purposes of the company and the auditor's report is solely intended to inform the company as to the results of the audit. Our responsibility for the audit and for our auditor's report is only towards the company in accordance with this engagement. The auditor's report is not intended for any third parties to base any (financial) decisions thereon. We do not assume any responsibility, duty of care or liability towards third parties; no third parties are included in the scope of protection of the underlying engagement. § 334 BGB [Bürgerliches Gesetzbuch: German Civil Code], according to which objections arising from a contract may also be raised against third parties, is not waived.

Mannheim, June 6, 2023

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Dr. Bernd Roese	ppa. Stefan Sigmann
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

4. Remuneration system for the members of the Management Board of Heidelberger Druckmaschinen Aktiengesellschaft

1. THE REMUNERATION SYSTEM

1.1. Introduction

On July 23, 2021, the Annual General Meeting of Heidelberger Druckmaschinen Aktiengesellschaft (HEIDELBERG) had the opportunity for the first time to adopt a resolution approving the Management Board remuneration system proposed by the Supervisory Board in accordance with section 120a (1) AktG and approved this remuneration system with a majority. For the reasons set out individually below, HEIDELBERG's Supervisory Board has resolved to actively refine the remuneration system approved by the Annual General Meeting.

The new 2023+ remuneration system is aligned even more closely with business strategy and takes into account the feedback received from investors and proxy advisors at the last vote:

The fundamental system of the existing remuneration system has been retained. The main changes are the removal of the Supervisory Board's discretionary freedom, including the removal of the option to grant special remuneration and bonuses, which had been viewed critically. In addition, the design of the performance-based variable remuneration in the form of the short-term incentive (STI) and the long-term incentive (LTI) was revised to link even more closely with HEIDELBERG's business strategy while at the same time serving the Company's long-term, sustainable development.

Moving forward, short-term variable remuneration will be linked to financial, strategic and non-financial performance targets that more accurately reflect the operating and strategic development of the Company. These are derived directly from HEIDELBERG's business strategy and value creation program. The performance targets in long-term variable remuneration, consisting of financial and non-financial targets, are also coordinated for the ongoing successful implementation of the value creation program. The establishment of sustainability objectives (environmental, social and governance (ESG) objectives) in both variable remuneration instruments has been retained.

The LTI performance period will be standardized as four years. This not only enhances the retention aspect of this remuneration instrument but also simplifies its structure.

The revised 2023+ remuneration system for the members of the Management Board will be presented to HEIDELBERG's Annual General Meeting on July 26, 2023 for its approval in accordance with section 120a (1) AktG. The 2023+ remuneration system applies to all new Management Board contracts entered into, as well as those amended or renewed from the day of the Annual General Meeting to which the revised remuneration system is put for approval. The Supervisory Board also intends to adapt the existing Management Board contracts in line with the revised remuneration system effective April 1, 2023 after its approval by the Annual General Meeting.

1.2. Objective

The new remuneration system for the members of the Management Board has been developed by the Supervisory Board in order to ensure that remuneration reflects the strategy and objectives of the Company to a greater extent within the regulatory framework in place. It is intended to link Management Board remuneration even more closely to corporate strategy, which is geared towards growth, profitability and high employee engagement. The remuneration system is intended to reflect the demands of the duties of the Management Board members in terms of leading a global company in a highly innovative and dynamic industry.

It is also intended to facilitate remuneration that is competitive and that helps HEIDELBERG to attract highly qualified managers in order to meet the particular requirements of the printing press industry. We wish to establish sustainable incentives for committed and successful work so that the Management Board can participate in the Company's success and the achievement of relevant targets to an appropriate extent.

The remuneration system is consistent with the statutory provisions (the German Stock Corporation Act) and also reflects the relevant recommendations of the German Corporate Governance Code (GCGC).

1.3. Principles of remuneration and proportionality

The remuneration system for the Management Board makes an important contribution to the attainment of our strategic objectives. It promotes the sustainable development of the Company and establishes effective incentives for the Company's long-term prosperity and value added.

In designing the remuneration system and defining the structure and amount of the remuneration of the individual Management Board members, the Supervisory Board applies the following principles in particular:

- taken in its entirety, the remuneration of the Management Board members makes a significant contribution to promoting the Company's business strategy;
- the remuneration system and the criteria for determining its components promote the Company's long-term, sustainable development;
- the remuneration system contributes to ensuring that the interests of customers, investors, employees and other stakeholders are taken into account;
- the remuneration paid to the members of the Management Board ensures that outstanding performance is rewarded appropriately and that a failure to achieve the defined objectives results in a tangible reduction in remuneration;
- the absolute amount and structure of the remuneration of the members of the Management Board are appropriate and consistent with standard market conditions (horizontal proportionality), and reflect the size, complexity and economic position of the Company;
- the remuneration paid to the members of the Management Board reflects the wider remuneration structure within the Company. To this end, the remuneration of the Management Board is compared with the remuneration of HEIDELBERG managers and HEIDELBERG employees in order to ensure proportionality within the Company (vertical proportionality).

These principles are regularly reviewed by the Personnel Matters Committee; the intended objectives are compared with the actual effectiveness and, where necessary, the need for modifications is discussed.

1.3.1. Appropriateness and comparability

The remuneration system is clear, transparent, comprehensible, and simple and effective in its construction. It is consistent with the statutory requirements, takes into account the recommendations of the German Corporate Governance Code and within this regulatory framework emphasizes those elements specific to the Company.

In addition to establishing the appropriateness of remuneration – as reviewed externally by independent experts – in a comparison based on industry, size, complexity and economic efficiency, the remuneration system aims for consistency within the Company, particularly with reference to the remuneration system for managers at levels below the Management Board. This is intended to ensure that all decision-makers apply the same target vision in striving for financial and economic targets.

- Horizontal comparability is determined by reference to a peer group whose specific composition is determined and documented by the Personnel Matters Committee. This involves comparing the total remuneration at companies that are comparable in terms of industry, size, character, complexity, international activity, earnings power and economic performance.

- In addition to horizontal comparability, the Supervisory Board takes account of the remuneration situation at the level of management below the Management Board and the workforce as a whole when defining Management Board remuneration (vertical comparability). In determining the fixed compensation for the Management Board, it ensures that there is an appropriate gap to the average remuneration of the employees at the next highest level of management.

If a review of appropriateness identifies significant deviations in the comparison parameters, the Supervisory Board examines the causes and objective reasons for this and adjusts the Management Board remuneration in cases where a deviation is considered to be material.

2. PROCEDURE FOR DEFINING, IMPLEMENTING AND REVIEWING THE REMUNERATION SYSTEM

The remuneration system resolved by the Supervisory Board is presented to the Annual General Meeting for approval as required by law.

The Supervisory Board will resolve future amendments as required. The remuneration system is presented to the Annual General Meeting for renewed approval in the event of material modifications, and in any case at least every four years.

If the Annual General Meeting does not approve the remuneration system, the system must be reviewed and presented for resolution at the next Annual General Meeting at the latest.

The Supervisory Board is responsible by law for defining, implementing and reviewing the remuneration and the remuneration system for the members of the

Management Board. The Personnel Matters Committee of the Supervisory Board is responsible for preparing the respective Supervisory Board decisions.

The Personnel Matters Committee will regularly review the remuneration system. In particular, this includes reviewing the effectiveness of the associated objectives and the appropriateness of the overall remuneration of the individual Management Board members, as well as performing benchmarking. If necessary, the Supervisory Board will modify the remuneration system and, if significant changes are made, present the modified system to the Annual General Meeting for approval.

As responsibility for designing, reviewing and implementing the remuneration system for the members of the Management Board is assigned to the Supervisory Board by law, the possibility of conflicts of interest is largely excluded in the first place. If such conflicts of interest nevertheless occur in future, they will be disclosed, discussed and handled in accordance with the usual rules. Depending on the nature of the conflict of interest, the affected Supervisory Board member will abstain from the respective vote and, where applicable, refrain from participating in the discussion of the respective agenda item.

The Supervisory Board also takes care to ensure that the remuneration is in line with market conditions and that it is commensurate with the tasks and duties of the respective Management Board members, the size of the Management Board and the position of the Company as a whole.

3. OVERVIEW OF THE REMUNERATION SYSTEM FOR THE MANAGEMENT BOARD

The remuneration system consists of two clusters:

<u>Non-performance-based</u> remuneration comprises fixed remuneration, fringe benefits and pension commitments.

<u>Performance-based</u> remuneration comprises the short-term variable remuneration component, the STI, and the long-term variable remuneration component, the LTI.

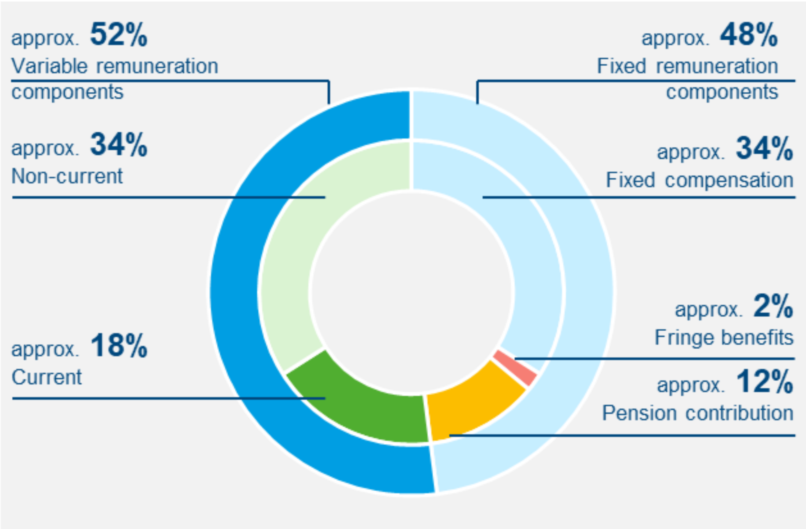
Illustration: Overview of the remuneration system

		2023+ Management Board remuneration system	
	Remuneration instrument	Description	
Non-performance-based remuneration	Fixed compensation	- Fixed, contractually agreed remuneration paid in twelve monthly installments	
	Fringe benefits	- Essentially contributions to insurance, private use of a company car	
	Pension	- Pension contribution amounting to 35% of the applicable compensation for personal use in the form of an investment for the purposes of pension provision	
Performance-based remuneration	Annual bonus	Type	- Short-term, one-year variable remuneration (short-term incentive (STI))
		Performance criteria	- 60% financial performance criteria (target achievement: 0% to 200%) - 20% strategic milestones (financial, non-financial) - (Target achievement: 0% to 200%) - 20% non-financial performance criteria (target achievement: 0% to 200%)
		Cap	- 200% of target value
	Performance share unit (PSU) plan	Type	- Long-term, share-based variable remuneration (long-term incentive (LTI))
		Term	- 4 years
		Performance criteria	- 80% financial performance criteria (target achievement: 0% to 200%) - 20% non-financial performance criteria (target achievement: 0% to 200%)
		Cap	- 200% of allocation value
Other elements	Maximum compensation	- Chief Executive Officer: € 3.6 million - Regular member of the Management Board: € 2.4 million	
	Malus/clawback	Option for full or partial reduction, postponement or repayment of variable remuneration	
	Personal investment	- Share ownership requirement: Share in the amount of fixed remuneration, built up by 20% of gross payout of variable remuneration - Holding period: Duration of appointment	
	Early termination benefits	Payments to a member of the Management Board in the event of early termination of work on the Management Board must not exceed the value of two years' remuneration (severance cap)	

3.1. Relative share of remuneration components

Within the total target remuneration of the members of the Management Board, variable remuneration components outweigh the fixed remuneration components. In turn, within the variable remuneration components, long-term variable target remuneration (LTI) always outweighs short-term variable target remuneration (STI). The fixed remuneration components form total target remuneration together with the targets (on 100-percent target achievement) for the variable remuneration components. The fixed remuneration components account for around 48 percent of total target remuneration, while the variable remuneration components account for around 52 percent.

Illustration: Shares of the remuneration components within remuneration



The shares of the individual remuneration components in total target remuneration can vary slightly from year to year and depending on the function on the Management Board, though the underlying structure remains the same.

3.2. Non-performance-based remuneration

3.2.1 Fixed compensation

The fixed remuneration (gross) is paid in twelve equal monthly installments. Taking into account the regular place of work, fixed remuneration is paid net of the statutory deductions in accordance with German law.

As of the date of the resolution, fixed remuneration amounts to € 900 thousand for the Chief Executive Officer and € 500 thousand for the Chief Financial Officer. Fixed remuneration has not changed since the previous year.

This fixed remuneration is reviewed at regular intervals. Any decision on modification by the Supervisory Board is based on the parameters of comparable income development, benchmark data, and the overall situation of the Company.

The fixed remuneration serves to ensure fixed remuneration appropriate to the respective function and helps to avoid incentives for taking inappropriate risks.

If a Management Board member's incapacity to work is medically certified, their right to receive fixed remuneration and pro rata variable remuneration under their employment contract remains in place for twelve months, but in any case not beyond the end of their employment contract. Following this twelve-month period, if incapacity to work is still medically certified, the Supervisory Board makes a decision on the continued payment of remuneration; in such event, fixed remuneration alone will continue to be paid.

If a member of the Management Board dies during the term of their employment contract, their heirs receive the fixed remuneration for the month of the member's death and the two subsequent months, but in any case not beyond the end of their employment contract.

The fixed remuneration of all members of the Management Board takes into account the structure, assigned duties and departmental weighting within the Management Board as well as the professional qualifications and experience of the members of the Management Board.

3.2.2. Fringe benefits

The fixed remuneration is supplemented by contractually agreed fringe benefits. Standard fringe benefits are granted, in particular to compensate for risks arising from Management Board work and to achieve cost benefits compared to a private contract. These fringe benefits essentially include standard additional benefits, such as insurance (e.g. accident insurance for business travel), the private use of a company car and expenses for the cost of running two households.

When Management Board members relocate their primary domicile to Germany from abroad or change their regular place of work within Germany at the request of the Company, the Supervisory Board may grant them supplementary benefits in particular for relocation costs, accommodation in Germany, language courses for the Management Board member and their family members, costs for international schools, etc. ("relocation package").

Tax advisory costs may be assumed for Management Board members whose primarily domicile is abroad and who have particularly complex tax situations on account of their activity in Germany.

The value of the fringe benefits is limited to 15 percent of the one-year fixed remuneration (based on the relevant euro amounts when the specific remuneration is determined) for ordinary Management Board members and 20 percent of the corresponding amount for the Chairman of the Management Board.

To attract suitable candidates and if a member joining the HEIDELBERG Management Board is required to forfeit remuneration payments granted prior to them doing so, the Supervisory Board may grant a one-off payment to compensate the forfeiture of incentives granted by the member's previous employer instead of or in addition to this being taken into account in the member's target remuneration. The value of this compensation is limited to 200 percent of the one-year fixed remuneration (based on the relevant euro amounts when the specific remuneration is determined).

The Company concludes adequate accident insurance for the members of the Company's Management Board for the duration of their active membership of the Management Board. The tax on this benefit in kind is paid by the Company.

The members of the Management Board are also covered by the Company's D&O insurance policy. The corresponding deductible is payable by the respective Management Board member.

Each Management Board member is also provided with a company car for private use in accordance with the applicable tax provisions. The vehicle type, engine capacity and equipment must be appropriate; the order for the specific vehicle must be approved by the Chairman of the Supervisory Board in coordination with the Supervisory Board as a whole. The use of a transport service for business purposes can also be claimed.

Each Management Board member is entitled to an annual medical check-up for each year of their employment contract; the corresponding cost is covered by the Company in accordance with the applicable provisions for senior employees.

The members of the Management Board are also covered by the applicable version of the Company's travel policy.

3.2.3. Company pension

Each year, the Management Board member receives a taxable contribution amounting to 35 percent of the applicable compensation for personal use in the form of an investment for the purposes of pension provision; the amount is paid out when this purpose is evidenced.

The contribution for the respective contribution year becomes due on the settlement date following the contribution year. No further pension contributions are granted once the respective member of the Management Board reaches the relevant statutory standard retirement age.

"Applicable compensation" is defined as the fixed remuneration agreed in the employment contract, excluding performance-based remuneration and fringe benefits.

3.3. Performance-based remuneration

By establishing relevant performance criteria specific to the Company, variable remuneration for the members of the Management Board is intended to support HEIDELBERG's business strategy, contribute to the long-term and sustainable development of the Company and ensure the alignment of interests between employees, customers, shareholders, other stakeholders and the Management Board. The target values of the key performance indicators (KPIs) for performance-based remuneration are set uniformly for the Management Board as a whole.

To establish a balanced relationship between risks and opportunities and to create an effective incentive system, the variable remuneration components are designed so that the respective payout amount can fall to zero if the performance threshold is not achieved. On the other hand, the variable remuneration components are also designed to allow the appropriate outperformance of targets up to a set maximum.

Furthermore, the share of long-term, multi-year variable remuneration (long-term incentive (LTI)) is significantly greater than the share of short-term, one-year variable remuneration (short-term incentive (STI)) (on the basis of target values on 100-percent target achievement).

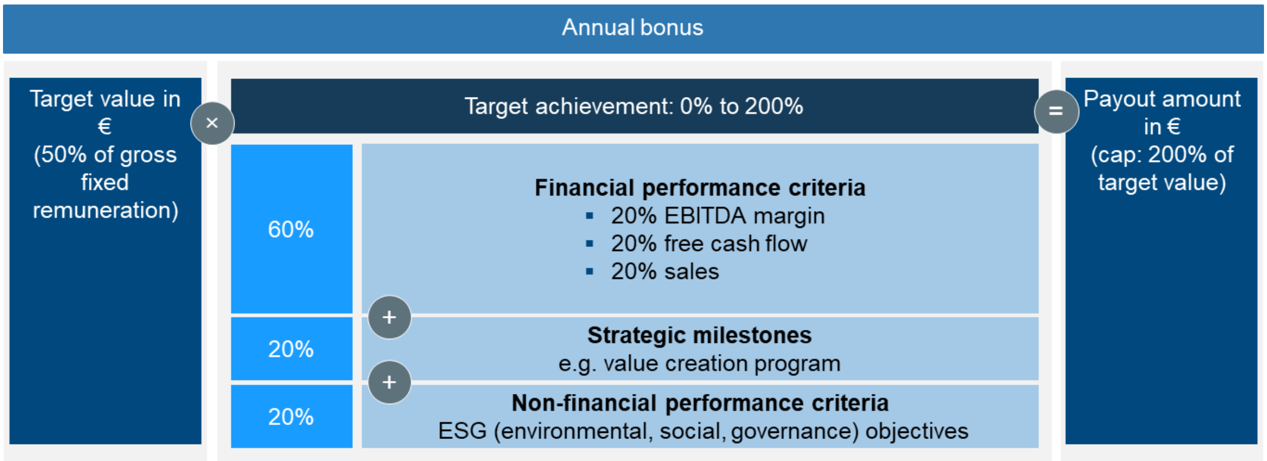
The financial KPIs for ascertaining target achievement are calculated at constant exchange rates. In rare cases, they can be neutralized to eliminate extraordinary developments for the purpose of establishing comparability with initial values in congruence with capital market communications. For instance, such cases include material amendments in the underlying IFRSs and the associated measurement methods, acquisitions (M&A) or divestments in the year of the transaction, special situations (e.g. geopolitical conflict) and restructuring activities. This concept expressly does not extend to unfavorable market developments. The same applies to strategic and non-financial KPIs. Any neutralizing adjustments will be disclosed and explained transparently and comprehensibly in the relevant remuneration report.

3.3.1. One-year variable remuneration – short-term incentive (STI)

The STI is a short-term, one-year, performance-based remuneration component that is granted annually, and hence is intended to incentivize the operational success achieved in the respective financial year. The STI sets uniform incentives for the Management Board members to attain key targets relating to the annual budget and strategic measures, which in turn are derived from the Company’s long-term, multi-year strategic planning, as well as uniform incentives for sustainable action that do not have a direct financial impact but that also promote the achievement of the Company’s long-term strategy.

The one-year variable remuneration depends on the Company’s success in the respective financial year. The amount of the payment under the STI is determined on the basis of multiple financial, strategic and non-financial KPIs and is dependent on the achievement of these targets.

Illustration: Overview of the STI



3.3.1.1. Weighting and composition of the STI

The STI target is the total of 50 percent of the fixed remuneration (gross) and is paid in this amount if the ascertained total of weighted financial, strategic and non-financial KPI target achievement (overall target achievement) amounts to 100 percent, up to a maximum payment of 100 percent of the fixed remuneration in the event of maximum target achievement (200 percent).

The assessment period is the financial year for which the STI is allocated. The amount paid out under the STI is determined according to financial (60 percent), strategic (20 percent) and non-financial (20 percent) KPIs. Financial KPIs include the EBITDA (earnings before interest, taxes, depreciation and amortization) margin, free cash flow and sales. The financial KPIs are weighted equally to each other. These KPIs reflect HEIDELBERG's operating performance and are an indicator of the Company's liquidity.

The EBITDA margin is an indicator of HEIDELBERG's profitability. It is calculated as the ratio of EBITDA to total sales and is congruent with capital market communications. Free cash flow reflects the net change in cash and cash equivalents, which is an important indicator for HEIDELBERG's financing capabilities and, for example, can be used for potential distributions to shareholders. Sales are a key indicator for management and for continuous organic growth as well as the implementation of HEIDELBERG's growth strategy. Significant success factors for increasing sales lie in securing new customers as well as market penetration in the identified growth areas, such as labels and e-mobility. The financial KPIs are calculated using the same methods as are applied in HEIDELBERG's audited consolidated financial statements that are approved by the Supervisory Board.

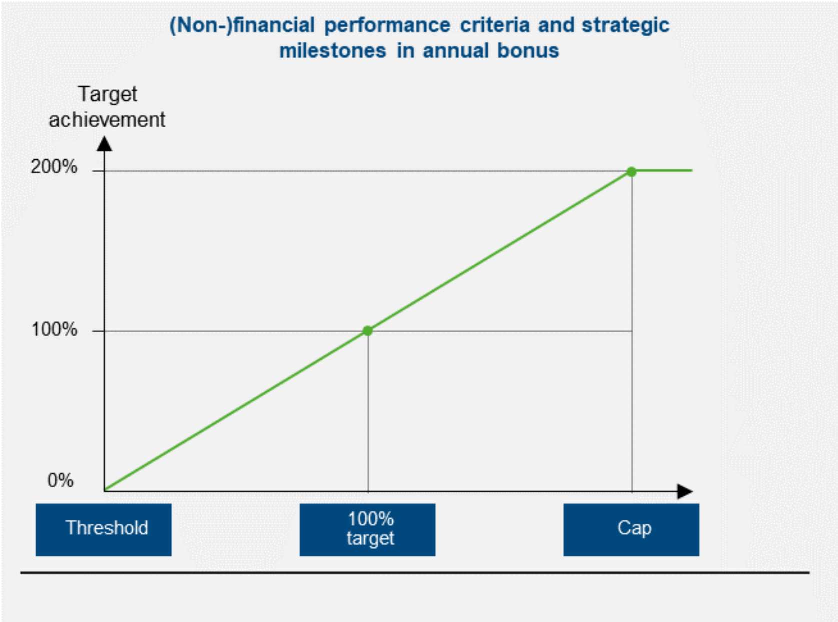
The financial targets are supplemented by strategic milestones. These can include financial as well as qualitative, non-financial targets. The strategic milestones are derived from focal areas of corporate strategy and include key objectives in HEIDELBERG's value creation process. The focal areas include business development and market exploitation, the implementation of portfolio measures as well as optimization and value creation measures.

There are also non-financial KPIs, in particular sustainability (ESG) objectives. In this context, before the start of each performance period, the Supervisory Board will define ambitious and measurable objectives in the areas of employee goals (e.g. succession planning), customer goals, environmental goals (e.g. Scope 1&2 emissions, Scope 3 emissions, climate neutrality), diversity goals or integrity goals as well as other relevant sustainability objectives defined by the Supervisory Board. The chosen ESG objectives will support, for instance, HEIDELBERG's climate strategy on its path to achieving climate neutrality for its production sites by 2030. Objectives aimed at achieving a specific reduction in emissions are of extreme importance to HEIDELBERG.

At the start of each financial year, the Supervisory Board defines strategic milestones from the above catalog of corporate strategy objectives and specific ESG objectives. The achievement of strategic milestones is backed up by actual action plans. The resulting target achievement is measured by the degree of successful implementation. At all times, the Supervisory Board will ensure that the objectives are conducive to business strategy, are ambitious and contribute to HEIDELBERG's long-term and sustainable development. At the latest, the KPIs, targets and remuneration windows for the financial year will be disclosed clearly and transparently in the relevant remuneration report in order not to reveal strategic projects relevant to competition ex ante.

The respective KPIs are supported by measurable targets and associated specifications consistent with 100-percent target achievement. These targets are set based on long-term strategic planning and taking into account the values achieved for the previous year. Based on the level corresponding to 100 percent target achievement, specific levels of target achievement are derived and a cap (200 percent) and a threshold (0 percent) are defined accordingly. Target achievement for the individual KPIs between these anchor values will be determined by linear interpolation. The respective targets are resolved by the Supervisory Board at the proposal of the Personnel Matters Committee.

Illustration: Overview of STI target curves



3.3.2. Determining target achievement

The Supervisory Board determines target achievement at its accounts meeting following the end of the financial year. For financial KPIs, this will be based on the audited consolidated financial statements of the HEIDELBERG Group approved by the Supervisory Board. The Supervisory Board's decision regarding strategic and non-financial KPIs will be prepared by the Personnel Matters Committee.

3.3.3. Payment

The annual variable remuneration (gross) is payable with the salary statement following the Annual General Meeting that adopts the resolution on the annual financial statements of the financial year relevant to the STI.

Any obligations to purchase shares are established and deducted in line with the corresponding provisions (section 4).

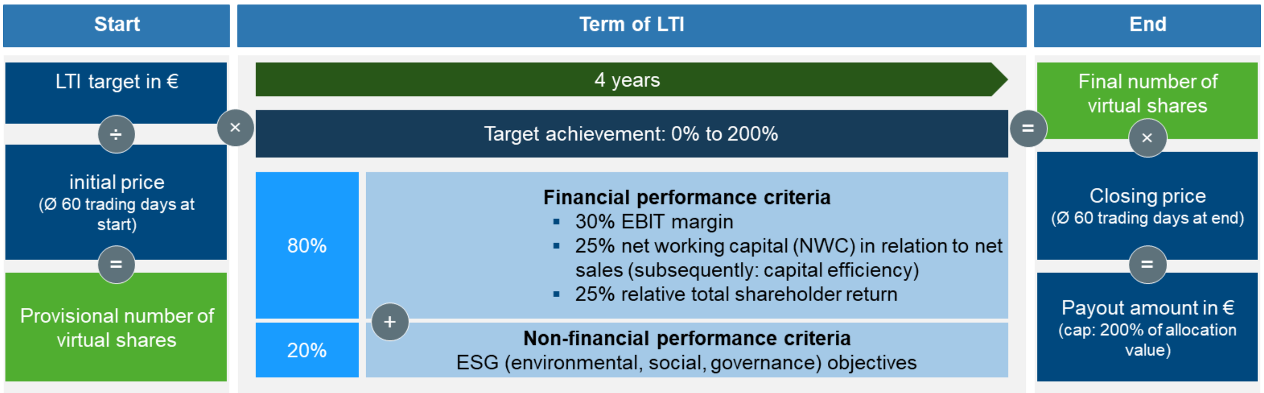
3.4. Long-term, multi-year variable remuneration – long-term incentive (LTI)

The LTI is a long-term, multi-year performance-based remuneration component granted in annual tranches and in the form of virtual shares, referred to as performance share units (PSUs). This ensures that the vast majority of the variable remuneration is shared-based and designed to be long-term.

The LTI reflects the long-term strategy and provides the members of the Management Board with uniform incentives for achieving key goals in line with long-term strategic planning. Furthermore, the LTI rewards the Management Board members for the share price performance of Heidelberger Druckmaschinen

Aktiengesellschaft and hence ensures that the interests of the Company's shareholders are taken into account. With its four-year term, a further aim of the LTI is retention, i.e. encouraging Management Board members to remain with the Company.

Illustration: Overview of the LTI



3.4.1. Weighting and composition of the LTI

The volume ("LTI target amount") of the performance-based, multi-year variable remuneration (LTI) amounts to 100 percent of the fixed remuneration (gross) in the event of 100 percent target achievement, up to a maximum of 200 percent of the annual fixed remuneration in the event of maximum target achievement (200 percent). The performance period is four financial years. At the start of the performance period for the LTI, KPIs for target achievement are defined for the performance period as a whole and the LTI target amount described above is converted into virtual shares of Heidelberger Druckmaschinen Aktiengesell-schaft. For conversion, the initial price is calculated as the arithmetic mean (closing prices) of the Company's shares in XETRA trading on the Frankfurt Stock Exchange (or an equivalent successor system) over the 60 trading days immediately preceding the start of the performance period. The LTI target, di-vided by the initial price calculated in this manner to two decimal places in line with commercial practice, results in the number of provisionally allocated virtual shares.

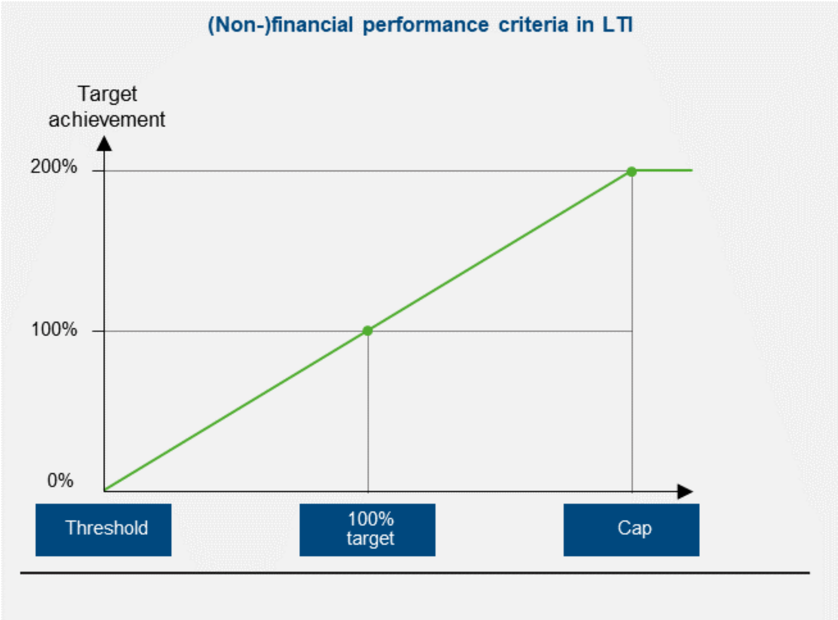
At the end of the performance period, the final number of virtual shares will be calculated based on KPI target achievement.

The outperformance of each KPI target is permitted and can, at most, result in a doubling (200 percent) of the provisionally allocated virtual shares. Failure to achieve KPIs results in no payout.

Target achievement amounts to 100 percent if the target for the LTI bonus com-ponent is achieved. When the plan is established, the KPI targets are linked to a fulfillment threshold defined by the Supervisory Board in the course of deter-mining the targets. This fulfillment threshold must be reached in order for the LTI to be paid out for the respective KPI. If the fulfillment threshold is not reached, the payment for the respective LTI component amounts to 0 percent.

In the event of outperformance up to a defined value, the maximum target achievement is 200 percent performance (cap); achievement between values is determined by linear interpolation.

Illustration: Overview of LTI target curves



The specific financial and non-financial KPIs are determined by the Supervisory Board before the start of each LTI tranche and communicated to the Management Board. The financial targets contribute 80 percent to overall target achievement for the LTI. They comprise the relative total shareholder return (rTSR) at 25 percent, the EBIT margin as the profitability indicator at 30 percent and working capital in relation to net sales at 25 percent. In the medium term, the latter is to be replaced by the return on capital employed (ROCE), also weighted at 25 percent. In grading targets, the Supervisory Board takes into account at all times that they are intended to promote the business strategy and the value creation program in particular. The financial KPIs are calculated using the same methods as are applied in HEIDELBERG's audited and adopted annual financial statements.

As a financial target, rTSR specifically reflects the interests of our shareholders and ensures the alignment of interests between the Management Board and shareholders. It describes the performance of the share price plus theoretically reinvested gross dividends during the four-year performance period relative to the performance of other share prices and is determined on the basis of data from a recognized data provider (e.g. Bloomberg, Thomson Reuters). The 100-percent target for rTSR demands an outperformance of up to one percentage point over the defined peer group. The Supervisory Board is guided by prevailing market practice in setting the range between the threshold (0 percent) and the cap (200 percent). To calculate target achievement, HEIDELBERG's share performance over the four-year performance period is compared to that of a suitable peer group. The arithmetic mean of closing prices (up to four decimal places) over the last 60 trading days before the start of the assessment period and the last 60 trading days before the end of the assessment period is calculated. The peer group used is currently a combination of the two equally weighted indices DAXsubsector Industrial Machinery and MSCI Europe Capital Goods to take into account benchmarks from national and international listed companies in a similar business area. The Supervisory Board regularly reviews the benchmark indices in order to reflect the strategic ongoing development of business with a diversification of the end markets adequately in the peer group. Adjustments may be necessary to ensure that the KPI is effective as the underlying development of different sectors is not congruent. In particular, adjustments are necessary if the share of sales of a new business area outside the capital goods sector, as defined by the Global Industry Classification Standards, amounts to 20 percent or more. Any adjustments will be reported on extensively and transparently in the relevant remuneration report.

In addition to the rTSR, the development of the EBIT margin is currently also used as another financial KPI. The EBIT margin is a central control parameter at HEIDELBERG and reflects the Company's profitability in relation to total sales. The Supervisory Board will set a target regarding the EBIT margin for each of the four performance years at the start of the performance period. Final target achievement for the EBIT margin criterion is determined by the average value of target achievement for the four years.

Another KPI for LTI is net working capital (NWC) as a percentage of net sales. This is an indicator for the internal financing of the intended structural measures and is a relevant parameter in HEIDELBERG's value creation process in particular. The Supervisory Board defines a fixed target for the entire four-year performance period, which in turn is calculated as an average value over the performance period.

In the medium term, the Supervisory Board has the option to replace this KPI with ROCE as a measure of capital efficiency. The Supervisory Board can thus use the necessary levers to shift the focus from the internal financing of the value creation program to capital efficiency, and to create new, effective incentives if necessary. ROCE is defined as the ratio of earnings before interest and taxes (EBIT) to HEIDELBERG's capital employed as a measure of profitability and efficiency of the capital employed.

The non-financial targets comprise sustainability (ESG) objectives. Here, too, targets and ranges for outperformance (200 percent) and underperformance (0 percent) are defined. Before the start of each tranche, the Supervisory Board sets the targets for non-financial KPIs such as environmental goals (e.g. reduction of the carbon intensity of the corporate carbon footprint by 25 percent by 2026), employee goals or efficiency (e.g. generating relevant sales in sustainable business) and other sustainability objectives that can be defined by the Supervisory Board. For HEIDELBERG, sustainability means combining long-term business success with ecological and social responsibility. The sustainability objectives selected by the Supervisory Board are always in line with strategy and differ from the ESG targets defined for the STI.

3.4.2. Determining target achievement and cap

The Supervisory Board determines target achievement at its accounts meeting following the end of the financial year. The basis of assessment for the financial and non-financial KPIs is the figures based on the audited financial statements and the adopted share price. Overall target achievement is measured over a four-year period and calculated as the arithmetic average of annual target achievement.

The final number of virtual shares, also rounded to two decimal places in line with commercial practice, is derived from the ascertained results of the respective target achievement for the KPIs; the cap applicable to the LTI (200 percent of the allocation value for a tranche) is taken into account.

The final number of virtual shares is converted into euro at the price determined using the method described above as of the end of the corresponding performance period and paid out as gross remuneration.

Any obligations to purchase shares are established and deducted in line with the corresponding provisions in accordance with section 4.

3.5. Provisions on members joining and stepping down

In the event of members stepping down from the Management Board or joining the Management Board during the course of the financial year, the fixed remuneration is paid in the amount of one-twelfth of the fixed remuneration for each month.

The proportionate variable remuneration is calculated pro rata temporis while observing the other conditions of the plan. Target achievement and the pro rata share are calculated after the end of the performance period for each tranche affected. The amount thus calculated is payable at the originally intended payment date.

The provisions on early termination as set out in section 11 otherwise apply.

4. INVESTMENT IN SHARES

During their term in office on the Management Board, the members of the Management Board must use their variable remuneration to establish and hold a portfolio of shares in the Company.

This portfolio and the necessary shareholdings are measured as of the date when variable remuneration is paid out.

The portfolio must be built up to match the amount of current (gross) fixed compensation (minimum value). Shares in the Company already held are counted towards this value. There is no obligation to acquire shares using other compensation or private wealth.

The Company is entitled to invest 20 percent of the variable remuneration (before deduction of taxes and contributions) in the form of shares in the Company. The Company commissions a bank or financial service provider to execute the transaction, i.e. to purchase the shares on behalf and for the account of the Management Board member, and bears the associated costs of processing and custody. The purchase is arranged at the earliest possible date providing the following conditions are cumulatively satisfied: (1.) the variable remuneration for the past financial year has been set; (2.) the interim statement for the first quarter of the current financial year has been published; and (3.) there are no statutory or regulatory restrictions preventing the share purchase. The Company's entitlement to invest variable remuneration to build the share investment portfolio in the form of shares ends when leaving office.

Shares can only be sold from the share investment portfolio during the term in office if the above minimum value is demonstrably complied with and statutory and regulatory restrictions do not prohibit the sale.

5. LIMIT ON TOTAL REMUNERATION – MAXIMUM REMUNERATION

The annual Management Board remuneration is limited to a maximum of € 3.6 million for the Chairman of the Management Board and a maximum of € 2.4 million for an ordinary member of the Management Board. When calculating this maximum remuneration, all payments that flow to a member of the Management Board from the remuneration granted for a financial year (including fringe benefits) must be taken into account.

6. ANCILLARY ACTIVITY AND CONTRIBUTION OF REMUNERATION

The Management Board members must provide the Company with their entire knowledge and ability and their full efforts and work to advocate the Company's interests. This means that other activities, such as ancillary activities or positions on supervisory boards, should be performed only to a very limited extent.

Investments in companies and any secondary employment, whether in return for payment or otherwise – including memberships of supervisory bodies or advisory boards – may be assumed or maintained only with the written approval of the Personnel Matters Committee.

The performance of intragroup mandates is considered to be remunerated through the payment of the contractually agreed Management Board remuneration. Any remuneration received for memberships of supervisory boards and advisory boards of Group companies or affiliates must be paid on to the Company.

The performance of ancillary activities on the part of Management Board members, whether in return for payment or otherwise – especially memberships of external supervisory boards – is subject to the approval of the Supervisory Board.

7. MALUS AND CLAWBACK PROVISIONS

The Company has the right to claim back payments made to members of the Management Board under the STI or LTI, or to delay or cancel pending payments not yet made, if it emerges that the payout was wholly or partially unwarranted because targets were not actually achieved or not achieved to the extent assumed when the payment was calculated.

Furthermore, the Company can claim back variable remuneration already paid out if the member of the Management Board was significantly involved in or responsible for conduct that led to significant losses for the Company or regulatory sanctions, or has severely violated relevant external or internal regulations concerning suitability and conduct.

The claim to repayment can be triggered by misconduct on the part of the member of the Management Board regarding compliance and appropriate conduct or a miscalculation of variable remuneration.

A claim to the repayment of bonuses already paid out arises if it emerges after the end of the reference period that a target was not achieved ("bonus-malus").

A payout can be canceled in full or in part if, after determination but before payout, a material deterioration in the situation of the Company is found to have occurred.

If the appointment of a member of the Management Board is revoked for cause in the course of a financial year in accordance with section 84 (4) AktG, the Supervisory Board can decide at its own discretion whether any claim to be granted variable remuneration components for the current, past or future financial years will be canceled.

Furthermore, in the event of the actions of the Management Board not being formally approved by the Annual General Meeting or in the presence of cause, including in particular ongoing internal or external investigations, the Supervisory Board has the option to delay the payment of these components after deliberation.

Remuneration can be canceled in full if there is cause for which a member of the Management Board is responsible that entitles or would have entitled the

Supervisory Board to revoke their appointment or to cancel their contract for cause as referred to by section 626 of the German Civil Code (BGB).

8. TEMPORARY DEVIATIONS

The Supervisory Board may temporarily deviate from the remuneration system if this is necessary to ensure the long-term welfare of the Company. For example, this includes adapting the remuneration system to reflect a significant change in business strategy or a severe economic crisis. The exceptional circumstances underlying and requiring the deviation must be stated in a resolution by the Supervisory Board. The components of the remuneration system for which deviations are permitted are the procedure, the maximum remuneration, the individual components, and the structure and amount of the individual components.

Any adjustments will be reported on extensively and transparently in the remuneration report in accordance with section 162 AktG.

9. CHANGE OF CONTROL CLAUSES

No commitments in the event of the early termination of Management Board activity due to a change of control (change of control clause) are agreed, nor are any commitments for severance payments.

10. EMPLOYMENT CONTRACTS

The employment contracts of the Management Board members are concluded for the duration of their appointment and are extended for the duration of any reappointment.

The contract term for the initial appointment of a Management Board member is typically three years.

However, members may be appointed or reappointed for terms until their 65th birthday only.

11. EARLY TERMINATION OF EMPLOYMENT CONTRACT

If the appointment of a member of the Management Board is revoked and there is cause as referred to by section 626 BGB, their contract also ends as of the date that the revocation of their appointment becomes effective. In such event, no further payments will be made to the member of the Management Board from the date that the revocation becomes effective.

In the event of the early termination of a contract, outstanding variable remuneration components relating to the period before contract termination will be paid out according to the originally agreed targets, comparative parameters and the periods established in the remuneration system.

Payments to a member of the Management Board in the event of early termination of work on the Management Board must not exceed the value of two years' remuneration (severance cap) and must not constitute compensation for more than the remaining term of the member's contract. In the event of a post-contractual non-compete clause, the severance payment counts towards the compensation.

III. Further information on the invitation

REQUIREMENTS FOR PARTICIPATION IN THE ANNUAL GENERAL MEETING AND EXERCISING VOTING RIGHTS

Shareholders are entitled to participate in the Annual General Meeting and to exercise their right to vote – in person or by proxy – if they have registered at least six days before the Annual General Meeting, i.e. by no later 24:00 (CEST) on July 19, 2023 (time of receipt), at the following address and have provided evidence of their shareholdings:

Heidelberger Druckmaschinen Aktiengesellschaft
c/o Commerzbank AG
GS-OPS Income & General Meetings
60261 Frankfurt/Main
e-mail: hv-eintrittskarten@commerzbank.com

Registration must be in text form in German or English. Evidence of shareholdings must be in text form and issued by the last intermediary in accordance with section 67c (3) AktG, which can also be sent directly to the Company by the last intermediary, and must refer to the start of the 21st day before the Annual General Meeting, i.e. 0:00 (CEST) on July 5, 2023 ("record date"). As with the registration, the evidence of shareholdings must also be received by the Company at the above address no later than 24:00 (CEST) on July 19, 2023.

SIGNIFICANCE OF THE RECORD DATE

The record date is the relevant date for the scope and exercise of the right to participate and vote in the Annual General Meeting. Only the shareholders who have provided evidence of their shareholdings as of the record date are considered shareholders entitled to participate in the Annual General Meeting and to exercise their right to vote. The right to participate in the Annual General Meeting and the scope of the right to vote – in addition to the necessity of registration – are determined by shareholdings as of the record date.

Persons who do not yet own shares as of the record date and acquire Company shares only after that date are shareholders but are not entitled to participate in the Annual General Meeting or exercise their voting rights unless they have procured for themselves authorization to act as a proxy or authorization to exercise rights. Accordingly, the acquisition of additional shares by shareholders after the record date has no influence on the extent of their voting rights. The relevant factor is the shareholder's holdings at the record date. Conversely, shareholders who have duly registered and provided evidence of their shareholdings as of the record date are also entitled to participate in the Annual General Meeting as a whole and exercise their right to vote to the same extent even if they have sold all or some of the shares after the record date. Therefore the record date has no effect on the salability of the shares. The record date is also irrelevant for possible dividend rights.

PROCEDURE FOR VOTING BY POSTAL VOTE

Shareholders who have registered in due form and time as above and have duly provided evidence of their shareholdings can also submit their votes by means of a written or electronic postal vote without attending the Annual General Meeting. Postal votes that cannot be matched with a proper registration are invalid.

Postal votes can be submitted electronically using the online system provided by the Company at

www.heidelberg.com/hauptversammlung

by 18:00 (CEST), July 25, 2023. The access data for the online system will be sent to shareholders with the confirmation of registration (ticket) sent to them after registering and duly providing evidence of shareholdings in due form and time (as outlined above).

Shareholders will also receive an absentee ballot form with further instructions after having duly registered and provided evidence of their shareholdings. Shareholders who do not cast their postal votes using the online system must submit them to the Company (proper registration and proper evidence of shareholdings notwithstanding) in text form by

18:00 (CEST), July 25, 2023 (time of receipt),

at the following address:

Heidelberger Druckmaschinen Aktiengesellschaft
c/o Computershare Operations Center
80249 Munich

Postal votes already submitted can be revoked or amended at the above address in text form or using the online system until the respective times stated.

Further details on postal voting will be provided in the form sent by post with the confirmation of registration (ticket).

Authorized intermediaries (e.g. banks), persons or institutions treated as such in accordance with section 135 (8) AktG (voting right consultants, shareholder associations or persons acting in a business capacity) and other authorized representatives can also use postal voting.

An absentee ballot does not preclude attending the Annual General Meeting in person. Personal attendance is considered a retraction of a previously submitted absentee ballot.

PROCEDURE FOR VOTING BY PROXY

Authorizing a company-appointed voting representative

Shareholders can also be represented at the Annual General Meeting by the company-appointed voting representatives and who are bound by the shareholders' instructions. Authorization of the company-appointed voting representatives also requires timely shareholder registration in due form and time and due evidence of shareholdings by the shareholder in line with the above provisions.

The company-appointed voting representatives are required to exercise the voting rights of the shareholders according to the instructions they are given and not at their own discretion. These voting representatives cannot exercise voting rights if the power of attorney issued to that voting representative does not contain explicit instructions or if the instructions for the individual agenda items are unclear for any agenda item.

Power of attorney and instructions can be issued to the company-appointed voting representatives in text form only and using the online system at

www.heidelberg.com/hauptversammlung

by 18:00 (CEST), July 25, 2023. The access data for the online system will be sent to shareholders with the confirmation of registration (ticket).

The form sent to shareholders together with the ticket after duly registering and duly providing evidence of shareholdings can also be used for authorization and to issue instructions (as outlined above).

Issuing a power of attorney and instructions to the company-appointed voting representatives, unless submitted using the Company's online system, must also be received by the Company at the address below in text form by no later than

18:00 (CEST), July 25, 2023 (time of receipt):

Heidelberger Druckmaschinen Aktiengesellschaft
c/o Computershare Operations Center
80249 Munich
e-mail: anmeldestelle@computershare.de

Powers of attorney issued and instructions submitted to the company-appointed voting representatives can be revoked or amended in text form using the methods described above or using the online system until the respective times stated.

Issuing the power of attorney and instructions to the company-appointed voting representatives, changing the instructions and revoking the power of attorney to the company-appointed voting representatives in text form can also take place at the registration counters from 08:30 (CEST) at Congress Center Rosengarten, Rosengartenplatz 2, 68161 Mannheim.

Authorizing the voting representatives does not preclude attending the Annual General Meeting in person. Personal attendance is considered a retraction of the authorization previously issued to the voting representatives.

Please note that the company-appointed voting representatives will not accept instructions to speak, to object to resolutions, to ask questions or to propose motions from shareholders.

Authorization of a third party

Shareholders can also exercise their right to vote through another proxy, e.g. an intermediary (such as a bank), a shareholder association, a proxy advisor or any other person of their choice. This also requires registration in due form and time and due evidence of shareholdings by the record date in line with the above provisions.

If the proxy wishes to vote using the online system, they require the access data sent with the confirmation of registration (ticket) and which the proxy can receive from the person granting the power of attorney if the ticket is not sent directly to the proxy.

Text form is required to grant or revoke power of attorney, and to provide evidence of authorization to the Company. When authorizing an intermediary (including a bank in particular), a shareholder association, a voting consultant or any other person or institution covered by section 135 AktG, special considerations about which the proxy should be asked usually have to be taken into account.In these cases, we therefore ask that our shareholders coordinate the form of authorization and the procedure for granting power of attorney with their proxy.

Shareholders will receive a power of attorney form after having duly registered and duly provided evidence of their shareholdings (as outlined above). Use of the power of attorney form is not mandatory. The granting of power of attorney and the proof thereof can also be done in other ways complying with the required form

Power of attorney can be granted and revoked vis-à-vis of the proxy, or this can be declared to the Company at the following address:

Heidelberger Druckmaschinen Aktiengesellschaft
c/o Computershare Operations Center
80249 Munich
e-mail: anmeldestelle@computershare.de

Proof of the authorization granted to the proxy can also be sent to the Company at the above address. Proof of power of attorney can also be presented at the registration counters at Congress Center Rosengarten, Rosengartenplatz 2, 68161 Mannheim, from 08:30 (CEST) on the day of the Annual General Meeting.

In addition, at

www.heidelberg.com/hauptversammlung

the Company offers an online system for granting power of attorney, sending proof of power of attorney and for revoking it. Shareholders can find details in the information provided through the online system.

Banks, shareholder associations, voting right consultants and other intermediaries covered by section 135 AktG and persons treated as such in accordance with section 135 AktG who represent multiple shareholders are recommended to contact the following address prior to the Annual General Meeting with regard to exercising voting rights:

Heidelberger Druckmaschinen Aktiengesellschaft
c/o Computershare Operations Center
80249 Munich
e-mail: anmeldestelle@computershare.de

If a shareholder authorizes more than one person, the Company can reject one or more of them.

Even after granting power of attorney, the right to participate in the Annual General Meeting is not affected. Personal attendance at the Annual General Meeting invalidates any previously granted powers of attorney.

FURTHER INFORMATION, IN PARTICULAR WITH REGARD TO EXERCISING VOTING RIGHTS BY POSTAL VOTE AND POWERS OF ATTORNEY AND INSTRUCTIONS FOR THE COMPANY-APPOINTED VOTING REPRESENTATIVES

If an individual vote is held on an item of the agenda without this having been announced prior to the Annual General Meeting, a vote by postal vote or power of attorney and instructions given to the company-appointed voting representatives on this item of the agenda as a whole is also deemed a corresponding vote or instruction for each item of the individual vote.

If postal votes or declarations on granting power of attorney to the company-appointed representatives are received in due time on several of the permitted channels, regardless of the respective date of receipt, they will be considered in the following order: 1. Via the online system, 2. Via e-mail (with this option available only for the power of attorney and instructions to company-appointed representatives), 3. By post. If both postal votes and power of attorney and instructions to the company-appointed representatives are received in due time on the same channel, postal votes shall take priority over powers of attorney and instructions issued to company-appointed representatives. The most recent revocation of a declaration received in due time is relevant.

Further information can be found below under “Shareholder rights” and on www.heidelberg.com/hauptversammlung.

SHAREHOLDER RIGHTS

Application for additions to the agenda in accordance with section 122 (2) AktG

In accordance with section 122 (2) AktG, shareholders whose combined shareholdings amount to a twentieth of the share capital, i.e. 15,223,963 shares (rounded), or a pro rata share of € 500,000.00, i.e. 195,313 shares (rounded), can request that items be added to the agenda and published. Each new item must be accompanied by grounds or a draft proposal. The request must be submitted to the Management Board in writing and must be received by the Company at least thirty days before the Annual General Meeting (not counting the day of receipt or the day of the Annual General Meeting), therefore by no later than

24:00 (CEST), June 25, 2023 (time of receipt).

Shareholders are requested to send any requests for additions to the following address:

Heidelberger Druckmaschinen Aktiengesellschaft
Management Board
HV-Büro (LD-CG)
Gutenbergring

69168 Wiesloch

In accordance with section 122 (2) in conjunction with (1) sentence 3 AktG, applicants must evidence that they have been shareholders for at least 90 days prior to the date their request is received and that they will hold the shares until the Management Board makes a decision on their application. Section 121 (7) AktG applies with the corresponding changes to the calculation of the time period.

Without undue delay after the request has been received, additions to the agenda requiring announcement are published in the German Federal Gazette and supplied to other such media that may be assumed to distribute the information across the entire European Union. They will also be announced on the Internet at www.heidelberg.com/hauptversammlung and communicated in accordance with section 125 AktG.

Counter-motions and nominations by shareholders in accordance with sections 126 (1) and 127 AktG

Shareholders can send the Company counter-motions against proposals by the Management Board and/or the Supervisory Board regarding a certain item of business set out in the agenda and nominations of candidates for the Supervisory Board and/or for auditors of the financial statements. Counter-motions and nominations by shareholders in accordance with section 126 (1) AktG and section 127 AktG must be sent exclusively to the following address:

Heidelberger Druckmaschinen Aktiengesellschaft
HV-Büro (LD-CG)
Gutenbergring
69168 Wiesloch
e-mail: hv2023@heidelberg.com

The Company will publish counter-motions in accordance with section 126 (1) AktG, including the name of the shareholder, any grounds and any position taken by the management, on the Company's website at

www.heidelberg.com/hauptversammlung

if the countermotions are received, with grounds as the case may be, at least 14 days before the Annual General Meeting (not counting the day of the Annual General Meeting or the day of receipt), therefore by no later than

24:00 (CEST), July 11, 2023 (time of receipt)

at the address stated above. Motions submitted to any other address will not be taken into account. The Company can choose not to publish a counter-motion under the conditions set out in section 126 (2) AktG. The statement of grounds for a counter-motion does not have to be published if it exceeds 5,000 characters. in accordance with section 127 AktG the above sentences apply accordingly to nominations by shareholders of candidates for the Supervisory Board and/or for auditors of the financial statements. Except in the cases specified in section 126 (2) AktG, nominations by shareholders also do not have to be published if the nomination does not contain the name, occupation and place of residence of the proposed candidate. Nominations for the election of Supervisory Board members also do not have to be published if the nomination does not contain information on their membership in other statutory supervisory boards.

Please note that counter-motions and nominations will only be addressed at the Annual General Meeting, even if the Company has received them in advance in due time, if they are verbally made or put forward at the Annual General Meeting itself. This does not affect the right of any shareholder to make counter-motions regarding the various items on the agenda or nominations during the Annual General Meeting (including without previous transmission to the Company in accordance with the above deadline).

Shareholders are requested to provide proof of their shareholder status when sending their counter-motion and/or nomination.

Unless otherwise prescribed in law, the right of the person chairing the meeting to have a vote taken on management proposals first is unaffected by this.

The right of shareholders to receive information under section 131 (1) AktG

Each shareholder will be provided with information by the Management Board at the Annual General Meeting on matters relating to the Company in response to a verbal request made at the Annual General Meeting, to the extent that such information is required for a proper assessment of the item on the agenda. The duty to provide information also extends to the Company's legal and business relations with any affiliated enterprise and the outlook of the Group and the enterprises included in the consolidated financial statements. Please note that the Management Board can choose not to answer certain questions under the conditions stated in section 131 (3) AktG, e.g. if, according to sound business judgment, issuing the information would have the potential to cause a considerable disadvantage to the Company or an affiliated company. In accordance with Article 18 (2) of the Articles of Association, the person chairing the meeting can impose appropriate time limits for shareholders' rights to speak and to ask questions. In particular, at the start of or during the Annual General Meeting, the Chairperson can set appropriate time limits for the entire duration of the Annual General Meeting, for the discussion of individual items of the agenda and for individual questions and speeches. The right to information can be exercised at the Annual General Meeting without prior announcement or other notification.

Further information

Further information on shareholders' rights in accordance with section 122 (2), section 126 (1), section 127 and section 131 (1) AktG can be found at www.heidelberg.com/hauptversammlung under "Information on the rights of shareholders".

TOTAL NUMBER OF SHARES AND VOTING RIGHTS

As of the time of this Annual General Meeting being convened, the share capital of Heidelberger Druckmaschinen Aktiengesellschaft amounts to € 779,466,887.68 and is divided into 304,479,253 shares. Each share grants one vote at the Annual General Meeting. The total number of voting rights at the time of the Annual General Meeting being convened is therefore 304,479,253. On the day of this Annual General Meeting being convened, the Company holds 142,919 treasury shares from which the Company has no voting rights in accordance with section 71b AktG.

INFORMATION ON THE COMPANY'S WEBSITE

Information and documents in accordance with 124a AktG can be accessed from the time the Annual General Meeting is convened onwards at www.heidelberg.com/hauptversammlung.

TRANSMISSION OF THE ANNUAL GENERAL MEETING ON THE INTERNET

Shareholders who have registered for the Annual General Meeting in due form and time in accordance with the above provisions and provided due evidence of their shareholdings can watch an audio-visual stream of the entire Annual General Meeting live from 10:00 (CEST) on July 26, 2023, online at

www.heidelberg.com/hauptversammlung

The access data for the online system will be sent to shareholders with the confirmation of registration (ticket) sent to them after registering and providing evidence of shareholdings in due form and time.

Using the access data sent with the confirmation of registration (ticket), authorized intermediaries (e.g. banks), persons or institutions treated as such in accordance with section 135 (8) AktG (voting right consultants, shareholder associations or persons acting in a business capacity) and other authorized representatives can also watch the entire Annual General Meeting online instead of the shareholder.

Furthermore, interested members of the public can watch the Annual General Meeting live on the Internet (www.heidelberg.com/hauptversammlung), up to and including the speech by the Chairman of the Management Board and access a recording thereof there after the end of the Annual General Meeting. The results of voting will be announced on the same Internet page after the Annual General Meeting.

Data protection

In connection with the Annual General Meeting, Heidelberger Druckmaschinen Aktiengesellschaft, Kurfürstenanlage 52-60, 69115 Heidelberg, tel.: +49 (0)6221 92 00, e-mail: information@heidelberg.com, processes your personal data as the controller. Heidelberger Druckmaschinen Aktiengesellschaft's Data Protection Officer can be contacted at the following address: Heidelberger Druckmaschinen Aktiengesellschaft, The Data Protection Officer, Gutenbergring, 69168 Wiesloch, e-mail: datenschutzbeauftragter@heidelberg.com.

Heidelberger Druckmaschinen Aktiengesellschaft processes your personal data in connection with the Annual General Meeting for the purposes of organizing and carrying out the Annual General Meeting, allowing shareholders and shareholder representatives to exercise rights and to satisfy other requirements of stock corporation law. The legal basis for this is formed by the respective provision of the German Stock Corporation Act (in particular section 67e and sections 118 et seq. AktG) in conjunction with Article 6 (1) (c) GDPR.

Further information on the processing of your personal data in connection with the Annual General Meeting, and your rights (to information, rectification, restriction of processing, objection, erasure, transfer of your data and to lodge a complaint with the competent supervisory authority) can be found at https://www.heidelberg.com/hauptversammlung. We will be happy to send you this information by post as well. If you have any other questions, please feel free to contact the Data Protection Officer at any time as indicated above.

Heidelberg, June 2023

Heidelberger Druckmaschinen Aktiengesellschaft

The Management Board

Disclosures pursuant to Section 125 of the German Stock Corporation Act (AktG) in conjunction with Article 4 and Annex Table 3 of the Implementing Regulation (EU) 2018/1212 ("EU-IR")

A. Specification of the message

1. Unique identifier of the event:	Ordinary Annual General Meeting of Heidelberger Druckmaschinen Aktiengesellschaft **(formal specification according to EU-IR: 0f1fe58336f9ed118147005056888925)**
2. Type of message:	Convening of the Annual General Meeting **(formal specification according to EU-IR: NEWM)**

B. Specification of the issuer

1. ISIN:	**DE0007314007**
2. Name of issuer:	Heidelberger Druckmaschinen Aktiengesellschaft

C. Specification of the meeting

1. Date of the General Meeting:	July 26, 2023 **(formal specification according to EU-IR: 20230726)**
2. Time of the General Meeting:	10:00 am (CEST) **(formal specification according to EU-IR: 08:00 UTC)**
3. Type of General Meeting:	Ordinary Annual General Meeting **(formal specification according to EU-IR: GMET)**
4. Location of the General Meeting:	Congress Center Rosengarten, Rosengartenplatz 2, 68161 Mannheim, Germany
5. Record Date:	Record Date July 5, 2023, 0:00 (CEST) **(formal specification according to EU-IR: 20230704)**
6. Uniform Resource Locator (URL):	www.heidelberg.com/hauptversammlung