

Report of the Supervisory Board

Dear Shareholders,

Before I explain the work of the Supervisory Board and its committees in financial year 2022/2023, allow me to briefly discuss the significant issues of the past financial year. The economy as a whole noticeably felt the effects of Russia's war in Ukraine, which were reflected in price increases and shortages, concerning energy especially, and reinforced the general trend toward high inflation. There were also other geopolitical risks and persistent supply chain and logistics problems, which caused availability bottlenecks for certain parts groups in some cases. As shown by the figures presented, Heidelberger Druckmaschinen Aktiengesellschaft performed more than well in this challenging environment, thanks in part to the systematic implementation of its transformation program.

We would therefore like to take this opportunity to acknowledge and thank the Management Board and our employees.

But for Heidelberger Druckmaschinen Aktiengesellschaft, the financial year was also defined by a new Management Board team: In his first year at HEIDELBERG, Dr. Ludwin Monz delivered on the Company's two-pillar strategy of honing and boosting the profitability of core business on the one hand, while establishing and expanding new business areas on the other. Since January 2023, HEIDELBERG's Management Board has had an experienced financial expert in Tania von der Goltz, who succeeded Marcus A. Wassenberg after he left the Company. The Supervisory Board firmly believes that the financial stability and enterprise value of the Company will continue to improve with her help. The Management Board team works together effectively and efficiently.

HEIDELBERG again released new innovations in financial year 2022/2023: The new generation of the XL 106, which prints up to 21,000 sheets per hour, enhances productivity and scores on sustainability as well. The Company demonstrated its expertise in digital printing with the newly developed fully digital label printing system Gallus One. And finally, a new generation of Wallboxes was launched in fall 2022. All these developments and innovations shore up the technology expertise of our Company.

We believe that HEIDELBERG as a whole is well positioned and are confident that the Company will continue to be sustainably profitable with the support of the Management



DR. MARTIN SONNENSCHN
Chairman of the Supervisory Board

Board. The Supervisory Board will continue to work alongside the Management Board and the Company's employees to ensure that this is the case.

Close cooperation between Management Board and Supervisory Board

The Supervisory Board of Heidelberger Druckmaschinen Aktiengesellschaft again performed its duties in accordance with the law, the Articles of Association and its Rules of Procedure in full in the financial year 2022/2023. It continuously monitored the work of the Management Board and advised it on key strategic issues and material individual activities. The Supervisory Board assured the legality, expediency and compliance of the work of the Management Board at all times. Its monitoring and consulting work also comprised sustainability issues in particular.

The Management Board reported to the Supervisory Board regularly, promptly and comprehensively in written or verbal form on all matters relevant to the Company, meaning that it met its information obligations in full. The Management Board kept the Supervisory Board informed continuously and in detail about the Group's sales, earnings, employment and business performance, and the Company's financial position including the corresponding risks and rewards. Furthermore, the Supervisory Board was informed of the planning and of deviations in business performance from the prepared plans and targets as well as the reasons for this. The regular reporting topics also comprised corporate strategy including the development and implementation of the sustainability strategy, risk management and compliance. The Chairman of the Supervisory Board and the Chairwoman of the Audit Committee were also in continuous contact with the Management Board outside meetings and

discussed significant current issues and developments at the Company with them. Key findings were reported on no later than the next Supervisory Board or committee meeting.

The Supervisory Board discussed and dealt with all the above topics in depth. The members of the Supervisory Board always had sufficient opportunity to scrutinize the information and resolution proposals they received from the Management Board and to make and discuss suggestions with them at the meetings of the Supervisory Board as a whole and of the committees. The Supervisory Board granted its approval for individual transactions to the extent so required by law, and the Articles of Association or the Rules of Procedure. In financial year 2022/2023, this related to the approval of the assignment of collateral that was necessary to extend the syndicated credit facility until March 2025.

Meetings of the Supervisory Board, participation and key topics

The Supervisory Board held five ordinary meetings and two extraordinary meetings in the reporting year. Six of these were hybrid meetings held in person and one was held as a video conference. The meetings of the Supervisory Board and its committees are typically held in person again with the option of participation by video conference. Meetings are only held purely as a video conference in isolated cases, for example when short meetings are convened at short notice. The average attendance rate at the meetings of the Supervisory Board and its committees was around 97.2 per cent in the financial year 2022/2023. The following table shows the individual breakdown of meeting participation:

	Meeting participation
Full Supervisory Board	
Dr. Martin Sonnenschein (Chair)	7/7
Ralph Arns*	7/7
Dr. Bernhard Buck*	7/7
Gerald Dörr*	7/7
Mirko Geiger*	7/7
Oliver Jung	7/7
Li Li	6/7
Dr. Fritz Oesterle	7/7
Petra Otte*	7/7
Ferdinand Rüesch	7/7
Beate Schmitt*	7/7
Ina Schlie	7/7

	Meeting participation
Audit Committee	
Ina Schlie (Chair)	5/6
Oliver Jung	6/6
Ralph Arns*	6/6
Mirko Geiger*	6/6
Beate Schmitt*	6/6
Dr. Martin Sonnenschein	6/6

	Meeting participation
Personnel Matters Committee	
Dr. Martin Sonnenschein (Chair)	3/3
Ralph Arns*	3/3
Gerald Dörr*	3/3
Dr. Fritz Oesterle	3/3
Ferdinand Rüesch	3/3
Beate Schmitt*	3/3

	Meeting participation
Nomination Committee	
Dr. Martin Sonnenschein (Chair)	1/1
Oliver Jung	1/1
Ferdinand Rüesch	1/1

	Meeting participation
Strategy Committee	
Dr. Martin Sonnenschein (Chair)	3/3
Ralph Arns*	3/3
Mirko Geiger*	3/3
Oliver Jung	3/3
Li Li	0/3**
Dr. Fritz Oesterle	3/3
Ferdinand Rüesch	3/3
Ina Schlie	3/3

	Meeting participation
Management Committee	
Dr. Martin Sonnenschein (Chair)	2/2
Ralph Arns*	2/2
Gerald Dörr*	2/2
Mirko Geiger*	2/2
Oliver Jung	2/2
Ferdinand Rüesch	2/2

* Employee representatives

** Ms. Li Li was unable to attend the meetings of the Strategy Committee. However, the Chairman of the Supervisory Board, Dr. Sonnenschein, discussed strategic matters with Ms. Li separately before the meeting and asked her opinions

The Supervisory Board also regularly held parts of its meetings without the Management Board.

The discussions of the Supervisory Board focused on the business activities, performance and strategy of Heidelberger Druckmaschinen Aktiengesellschaft and the HEIDELBERG Group, including the challenges in the supply chains and logistics, the effects of Russia's war in Ukraine and the lockdown in China. The business and financial situation of the Company, as well as the outlook, were discussed at each regular meeting of the Supervisory Board. At its regular meetings, the Supervisory Board had also requested recurring reporting on the developments in the proceedings against benpac Holding AG and Mr. Corvi.

In particular, the Supervisory Board discussed the following key topics in the reporting year:

At the accounts meeting on June 3, 2022, the Supervisory Board mainly addressed the annual financial statements of Heidelberger Druckmaschinen Aktiengesellschaft and the HEIDELBERG Group as of March 31, 2022, the combined management report, the non-financial report and the corresponding reports by the auditor. Furthermore, the Supervisory Board approved the report of the Supervisory Board and the corporate governance declaration in addition to resolving the remuneration report for financial year 2021/2022.

At the recommendation of the Personnel Matters Committee, the Supervisory Board determined the remuneration of the members of the Management Board for financial year 2021/2022 on the basis of their ascertained target performance as well as the criteria for the variable remuneration of the Management Board for the following performance period.

The Supervisory Board likewise resolved the target for the share of women in the Management Board in accordance with section 111 (5) AktG. A target of one person was defined for the period from July 1, 2022, to March 31, 2027.

It approved the agenda for the 2022 Annual General Meeting and, owing to the ongoing effects of the COVID-19 pandemic, again agreed to hold the Annual General Meeting virtually without shareholders attending in person.

Furthermore, the Supervisory Board reviewed and discussed the results of the Strategy Committee meeting on June 2, 2022, and the status of Russia's war in Ukraine, in particular the sanctions situation and the Management Board's thoughts on the future handling of business in Russia.

In addition to a report on the current business and financial situation, the meeting before the Annual General Meeting on July 21, 2022, essentially focused on the preparations for the subsequent Annual General Meeting.

At the second meeting on July 21, 2022, immediately after the Annual General Meeting, having been reelected to the Supervisory Board, Mr. Oliver Jung was elected/confirmed as a member of the Management Committee, the Audit Committee and the Nomination Committee. Mr. Jung is also a member of the Strategy Committee as the shareholder representative on the Supervisory Board.

Furthermore, the Supervisory Board resolved to commission PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft as the auditor of the single-entity and consolidated financial statements for the financial year 2022/2023 following its election by the Annual General Meeting and issued the corresponding audit engagement.

The Supervisory Board also addressed the amended requirements of the German Corporate Governance Code reform, heard a report on the status of its implementation and approved a revision of its Rules of Procedure in line with the Code.

Other issues included the development of the capital market and the performance of the Company's shares as well as the possibility of a halt in the gas supply and its potential impact.

At the extraordinary meeting of the Supervisory Board on October 16, 2022, the Supervisory Board discussed the negotiations with Mr. Marcus A. Wassenberg and his wish to be early released from the offices of Chief Financial Officer and Labor Director of the Company. The extraordinary meeting of the Supervisory Board on November 2, 2022 – based on the preliminary discussions and preparations by the Personnel Matters Committee – discussed the appointment of a successor and resolved in accordance with the recommendation of the Personnel Matters Committee to appoint Ms. Tania von der Goltz as a member of the Management Board as of January 1, 2023. Furthermore, it was resolved to transfer the function of Labor Director to the Chief Executive Officer, Dr. Ludwin Monz, as of January 1, 2023.

In conjunction with the reporting of the Management Board on the current business situation, the meeting of the Supervisory Board on November 24, 2022, discussed the disposal of business in Russia as well as measures to ensure the security of supply in view of the ongoing challenges in supply chains, the trends in procurement prices and energy-saving measures.

After discussing the Group's financing situation, the Supervisory Board also approved the extension of the existing credit facility until March 2025. The current status and ongoing development of the risk management system were presented and discussed, as was the risk report.

The Supervisory Board also addressed the Company's sustainability strategy and the implementation status of the Supply Chain Due Diligence Act.

It was informed of the implementation of the new regulations of the German Corporate Governance Code and approved a correspondingly amended skills profile for the Supervisory Board and a skills matrix as well as the annual declaration of compliance in accordance with section 161 AktG. This can be accessed at all times on Heidelberger Druckmaschinen Aktiengesellschaft's website.

The final meeting of the Supervisory Board in the reporting period on March 29, 2023, discussed the planning for the coming financial year as well as the long-term planning and reviewed the meeting of the Strategy Committee on March 28, 2023.

It also focused on the tendering procedure to elect a new auditor for financial year 2023/2024 in accordance with Article 16 of the EU Audit Regulation. On the basis of the scheduled external rotation of the auditor required by the current state of the law, as of the end of financial year 2022/2023 the Company, with the participation of the Audit Committee, had to conduct a transparent and non-discriminatory procedure to elect the auditor for financial year 2023/2024. Based on the recommendation of the Audit Committee, drawing on the recommendation and preference and reasons given by the Audit Committee, the Supervisory Board resolved to propose to the Annual General Meeting to elect KPMG AG Wirtschaftsprüfungsgesellschaft, Mannheim, as the auditor of the annual and consolidated financial statements for financial year 2023/2024.

The Supervisory Board addressed its work, its cooperation with the Management Board, the provision on information to the Supervisory Board and the preparation and organization of Supervisory Board meetings, and came to the conclusion that it intended to conduct a formal efficiency review again in financial year 2023/2024.

Moreover, drawing on the proposal by the Nomination Committee, the shareholder representatives on the Supervisory Board decided to propose to the Annual General Meeting on July 26, 2023, to reelect Mr. Ferdinand Rüesch to the Supervisory Board.

Furthermore, the shareholder representatives on the Supervisory Board adopted a resolution by written procedure in December 2022 concerning the objection to overall compliance with the gender ratio in accordance with section 96 (2) AktG regarding the Supervisory Board elections by the employees and the Annual General Meeting.

Work in the committees

The Supervisory Board of the Company has set up six permanent committees to support it in its work:

- Mediation Committee
- Audit Committee
- Personnel Matters Committee
- Management Committee
- Nomination Committee
- Strategy Committee

The Supervisory Board's six committees prepare decisions for the Supervisory Board as a whole and pass resolutions on matters delegated to them for a decision. Further details can be found in the Rules of Procedure of the Supervisory Board at www.heidelberg.com > About Us > Corporate Governance.

The chairs of the respective committees reported to the Supervisory Board regularly and comprehensively on their deliberations at the meetings of the Supervisory Board. The composition of the committees in the financial year 2022/2023 is presented in the notes to the consolidated financial statements on page 164 of the Annual Report.

The Personnel Matters Committee met three times in reporting year 2022/2023. Two of these were hybrid meetings held in person and one was held as a video conference. Its work focused on the achievement of the goals for variable remuneration in 2021/2022 and the proposals for the variable remuneration of the Management Board for the following performance period as well as corresponding resolution recommendations for the Supervisory Board. The Personnel Matters Committee likewise discussed the target for the share of women on the Management Board and resolved to propose a specific target of one person to the Supervisory Board. Furthermore, the Personnel Matters Committee addressed Marcus A. Wassenberg's departure at short notice as of December 31, 2022, the search for candidates to replace him and the proposal to the Supervisory Board to appoint Ms. Tania von der Goltz as a member of the Management Board as of January 1, 2023.

The Audit Committee held six regular meetings and adopted one resolution by way of written procedure in the reporting year. All meetings were held as hybrid meetings in person. Representatives for the auditor took part in the meetings in addition to the members of the Management Board. The Audit Committee also regularly spoke with the auditor without the Management Board in attendance. The Chairwoman

of the Audit Committee also regularly exchanged information with the auditors between the meetings. In addition, the heads of the relevant Group functions were on hand to deliver reports and answer questions concerning individual items of the agenda.

The auditor declared to the Audit Committee that there were no circumstances that could give rise to grounds for impartiality. The Audit Committee obtained the necessary declaration of independence from the auditor, reviewed its qualifications and entered into a fee agreement with it.

The Audit Committee examined quarterly and ad hoc issues relating to the Company's net assets, financial position and results of operations and its risk reporting. At several meetings, the Audit Committee discussed the status and ongoing development of the internal control system, the risk management system and the work of Internal Audit. The Committee also addressed compliance within the Company at length and discussed the ongoing development of the compliance management system. There were regular reports on the implementation of the measures necessary in connection with the Supply Chain Due Diligence Act. Furthermore, the Audit Committee heard reports on matters such as the Company's cybersecurity strategy and IT strategy as well as relevant accounting issues such as goodwill impairment, the application of the revaluation method in accordance with IAS 16 and the disposal and deconsolidation of business in Russia. Other matters discussed included the effects of Russia's war in Ukraine and the COVID-19 lockdown in China on energy and materials prices and the supply situation of the Group, the implementation and effects of portfolio and restructuring measures as well as the implementation of the requirements of data protection law.

Together with the auditor, the Audit Committee also addressed the annual and consolidated financial statements, the combined management report and the sustainability reporting, and discussed with the auditor the assessment of the audit risk, the audit strategy and audit planning as well as the results of the audit of the annual and consolidated financial statements. In addition, the Audit Committee intensively addressed new regulatory developments, in particular regarding sustainability reporting.

The Audit Committee also discussed with the Management Board the half-year and quarterly financial reports prior to their publication.

The committee monitored the selection, independence, qualifications and efficiency of the auditor as well as the services performed by the auditor, and addressed the review of the quality of the audit of the financial statements.

Another key area for the Audit Committee in this reporting year was an invitation to tender for the audit of the consolidated and annual financial statements in accordance with the EU Audit Regulation as the previous auditor had reached the maximum term of service under the EU Regulation. The Audit Committee, with the Company's support, conducted the selection procedure and, with its recommendation, preference and reasons, prepared the resolution of the Supervisory Board on a recommendation for the Annual General Meeting. Finally, the Audit Committee assessed the amendments to the German Corporate Governance Code and revised its Rules of Procedure accordingly.

The Strategy Committee met three times in the reporting year. All meetings were held in person. The Strategy Committee discussed the future of printing, developments in the printing industry, the relevant markets for HEIDELBERG and the current software landscape in the printing sector. Furthermore, the Strategy Committee discussed further possibilities for ongoing strategic development at HEIDELBERG, both for its core activities and the establishment of new business areas and HR development at HEIDELBERG.

The Nomination Committee met once in the reporting year in the form of a video conference and addressed the proposal for election to the Supervisory Board by the Annual General Meeting on July 26, 2023. The Nomination Committee took into account the requirements and objectives deriving from the updated skills profile for the Supervisory Board and the achievement of goals which would result from the possible reelection of Mr. Rüesch to the Supervisory Board. The Nomination Committee came to the conclusion that the Supervisory Board satisfies requirements as currently composed, and that additional skills can be developed by training if necessary. The Nomination Committee moreover came to the conclusion that preserving the experience with the Company and its business activities embodied by the Supervisory Board as currently composed is important in the current situation, and therefore advocated the nomination of Mr. Rüesch as a candidate for election to the Supervisory Board.

The Management Committee met twice in the reporting year. Both meetings were held as video conferences. The Management Committee focused on the specific issues of the reporting year, both actively and on an ad hoc basis, including in particular the situation in Russia and the supply of gas as well as measures relating to higher costs and inflation. Moreover, the Management Committee addressed the planning process and the key data of planning in preparation.

The Mediation Committee in accordance with section 27 (3) of the German Codetermination Act did not need to convene in the reporting year.

Audit of the annual and consolidated financial statements

The Annual General Meeting on July 21, 2022, appointed PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt/Main, as the auditor of the single-entity and consolidated financial statements. This company audited the single-entity financial statements for the financial year 2022/2023 in accordance with the German Commercial Code (HGB) and the German Stock Corporation Act (AktG), the consolidated financial statements and the combined management report of Heidelberger Druckmaschinen Aktiengesellschaft and the HEIDELBERG Group in accordance with IFRSs as applicable in the European Union (EU) as prepared by the Management Board on May 24, 2023, and issued each with unqualified opinions. The auditor responsible for the audit was Dr. Bernd Roesse, who held this position for the third year. The single-entity financial statements, the consolidated financial statements, the combined management report of the Company and the HEIDELBERG Group, and the separate combined non-financial report were submitted to all of the members of the Supervisory Board immediately after their preparation. The reports of the auditor were also distributed to all of the members of the Supervisory Board in good time. At the meeting of the Audit Committee on June 5, 2023, the auditor responsible presented the results of the audit and the Audit Committee discussed the single-entity and consolidated financial statements, the combined management report for the Company and the HEIDELBERG Group, and the audit documentation in the presence of the auditor in order to prepare discussion thereof by the full Supervisory Board. The auditor likewise discussed the key audit matters in the annual and consolidated financial statements, which included the measurement of equity investments and the recoverability of goodwill. The auditor answered all ques-

tions in full. The auditor was also represented at the Supervisory Board meeting on June 6, 2023, by the two auditors who signed the audit opinions. During the meeting of the full Supervisory Board, they reported on the results of their audit and on the fact that there are no significant weaknesses in the internal controlling and risk management system with regard to the (Group) accounting process. They were available to the members of the Supervisory Board to answer questions and answered all of these questions in full. The auditor also informed the meeting about the services provided in addition to the audit of the financial statements and confirmed that there were no circumstances giving rise to concerns over its impartiality. The audit report does not include any comments or indications of any inaccuracies in the declaration of compliance with the German Corporate Governance Code. The Chairwoman of the Audit Committee reported to the Supervisory Board on the key contents and findings of the examination by the Audit Committee and gave recommendations for the resolutions by the Supervisory Board, including the approval of the single-entity and consolidated financial statements as prepared. In line with the Audit Committee's proposal, the Supervisory Board then concurred with the audit findings. On the basis of its own examination of the single-entity financial statements, the consolidated financial statements, the combined management report of Heidelberger Druckmaschinen Aktiengesellschaft and the HEIDELBERG Group, the Supervisory Board came to the conclusion that it had no reservations. The Supervisory Board approved the single-entity financial statements of Heidelberger Druckmaschinen Aktiengesellschaft for the year ended March 31, 2023, as prepared by the Management Board and the consolidated financial statements of the HEIDELBERG Group for the year ended March 31, 2023. The single-entity financial statements were therefore adopted.

The Supervisory Board also examined the separate combined non-financial report for the financial year 2022/2023. This was reviewed by the auditor, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, on the basis of a voluntary content review resolved by the Supervisory Board. The Supervisory Board discussed the separate combined non-financial report with the auditors and came to the conclusion that it had no reservations. The separate combined non-financial report will be published on the Company's website on June 14, 2023.

Conflicts of interest

Every Supervisory Board member discloses potential conflicts of interest in accordance with the German Corporate Governance Code.

The members of the Management Board and the Supervisory Board did not experience any conflicts of interest in the period under review that would have required disclosure in accordance with the German Corporate Governance Code.

Basic and advanced training

The members of the Supervisory Board undertake the basic and advanced training they need to carry out their duties, such as on corporate governance issues or new products, autonomously and are supported by the Company where necessary. New regulatory developments were regularly presented at meetings in financial year 2022/2023, in particular regarding corporate governance issues and new reporting standards. Given the complexity of the issue, separate training on CSR reporting was offered by an external service provider and performed. As part of their induction, new members of the Supervisory Board can meet with the members of the Management Board to discuss current topics in the respective Management Board divisions in order to obtain an overview of the relevant topics at the Company.

Corporate governance

The Supervisory Board continuously addressed the standards of good corporate governance in the course of financial year 2022/2023. Information on corporate governance at the Company and related activities by the Supervisory Board can also be found in the corporate governance declaration. This can be found on our website at www.heidelberg.com under Company > About Us > Corporate Governance > Corporate Governance Declaration.

Corporate governance at Heidelberger Druckmaschinen Aktiengesellschaft is discussed in detail in the Corporate Governance Declaration on pages 198 to 209 of the Annual Report.

Personnel changes in the Supervisory Board and the Management Board

There were the following changes in the Management Board in the reporting year: Mr. Marcus A. Wassenberg stepped down as a member of the Management Board as of December 31, 2022. Mr. Wassenberg left the Company by mutual arrangement and joined the management board of another listed industrial enterprise. Ms. Tania von der Goltz was appointed as a member of the Management Board effective January 1, 2023, since when she has held the position of Chief Financial Officer.

The Supervisory Board especially wishes to thank the member of the Supervisory Board who has now stepped down for his work.

The reelection of Mr. Jung to the Supervisory Board meant that there was no change to its lineup.

The Supervisory Board will continue to monitor the Company's interests and its long-term development and work towards its well-being.

Thank you from the Supervisory Board

The Supervisory Board would like to thank the members of the Management Board, all the employees of the HEIDELBERG Group around the world and their representatives on the Supervisory Board, the members of the Works Councils and the Representative Committee for their commitment in the financial year 2022/2023 and their achievements in a challenging environment.

The Supervisory Board would like to conclude by thanking you, the shareholders, for the confidence you have placed in the Company and in the shares of Heidelberger Druckmaschinen Aktiengesellschaft.

Heidelberg, June 6, 2023

On behalf of the Supervisory Board



Dr. Martin Sonnenschein
Chairman of the Supervisory Board