



# CORPORATE GOVERNANCE REPORT

DECLARATION ON CORPORATE GOVERNANCE  
PURSUANT TO SECTIONS 289F, 315D OF  
THE GERMAN COMMERCIAL CODE (HGB)

Fiscal year 2025

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In this declaration, the Board of Management and Supervisory Board report on corporate governance in accordance with Sections 289f, 315d of the German Commercial Code (HGB) and Principle 23 of the German Corporate Governance Code.

## **I. FUNDAMENTALS OF CORPORATE GOVERNANCE**

### **1.1 GENERAL INFORMATION**

INDUS Holding AG (hereinafter also referred to as INDUS or the company) is an investment company that achieves sustained growth with a broad portfolio of SMEs. INDUS focuses on acquiring family-owned companies that excel in engineering and develops them internationally. The holding company ensures that managers act like true entrepreneurs in order to expand their businesses. INDUS pursues an evergreen perspective in this regard. Rooted in the SME sector of the German speaking countries, INDUS now owns and manages more than 40 companies with global activities. INDUS is headquartered in Bergisch Gladbach in North Rhine-Westphalia. The company is managed by a five-member Board of Management. The Board of Management consists of Dr.-Ing. Johannes Schmidt (chairman), Rudolf Weichert (deputy chairman), Gudrun Degenhart, Dr. Jörn Großmann and Axel Meyer.

### **1.2 CORPORATE AND GROUP STRUCTURE**

As a German stock corporation, INDUS has a dual management system. This is characterised by a strict separation of personnel between the Board of Management as the management body and the Supervisory Board as the advisory and supervisory body. Both bodies work together constructively and in a trusted relationship in the interests of the company and the Group.

For INDUS and its portfolio companies, good and sustainable corporate governance is of particular importance and is seen as a central management task.

### **1.3 DECLARATION OF THE BOARD OF MANAGEMENT AND SUPERVISORY BOARD ON THE GERMAN CORPORATE GOVERNANCE CODE PURSUANT TO SECTION 161 OF THE GERMAN STOCK CORPORATION ACT (AKTG)**

In accordance with Section 161 of the German Stock Corporation Act (AktG), the Board of Management and Supervisory Board of a listed German stock corporation are obliged to declare once a year whether the recommendations of the German Corporate Governance Code have been and are being complied with and, if applicable, which recommendations have not been or are not being applied and why not. The Board of Management and Supervisory Board of INDUS Holding AG hereby declare after due examination in accordance with Section 161 of the German Stock Corporation Act:

Since the last Declaration of Conformity was issued on 4 December 2024, INDUS Holding AG has complied with all recommendations of the version of the German Corporate Governance Code dated 28 April 2022 published by the Federal Ministry of Justice in the official section of the Federal Gazette on 27 June 2022 and will continue to comply with them in the future.

Bergisch Gladbach, 1 December 2025

For the Board of Management

For the Supervisory Board

Dr.-Ing. Johannes Schmidt

Rudolf Weichert

Jürgen Abromeit

## **II. BOARD OF MANAGEMENT**

### **2.1 BOARD OF MANAGEMENT AND MEMBERS OF THE BOARD OF MANAGEMENT**

The members of the Board of Management are appointed by the Supervisory Board. The INDUS Board of Management consists of five members, Dr.-Ing. Johannes Schmidt (Chairman of the Board of Management and Labour Director), Rudolf Weichert (Chief Financial Officer and Deputy Chairman of the Board of Management), Gudrun Degenhart (Member of the Board of Management and responsible for the Materials Solutions segment), Dr. Jörn Großmann (Member of the Board of Management and responsible for the Infrastructure segment) and Axel Meyer (Member of the Board of Management and responsible for the Engineering segment). Further information can be found at [www.indus.eu/about-us/#board-of-management](http://www.indus.eu/about-us/#board-of-management) and in the current annual report. The annual report also contains information on the mandates that the members of the Board of Management hold outside this body and that they may only assume with the approval of the INDUS Supervisory Board.

The Supervisory Board's stipulation regarding the age limit for members of the Board of Management which provides for termination of the mandate upon reaching the age of 67, was complied with in the 2025 reporting year.

#### **A. EXPERTISE PROFILE AND SUCCESSION PLANNING FOR THE BOARD OF MANAGEMENT**

Succession planning is a permanent item on the agenda of the Supervisory Board's Personnel Committee meetings. The Personnel Committee prepares any necessary Supervisory Board resolution on Board of Management matters and informs the Supervisory Board of its discussions. In addition to basic suitability criteria in the selection process for a Management Board position, such as age, education and professional background as well as personality requirements, the Supervisory Board also pays attention to diversity. The Supervisory Board works together with the Board of Management to ensure long-term succession planning. To this end, a process has been established whereby the Chairman of the Supervisory Board regularly consults with the Chairman of the Board of Management on ideas and plans regarding foreseeable vacancies on the Board of Management and their replacement.

In the event of a vacancy on the Board of Management, the Supervisory Board, after preparation by the Personnel Committee, defines a requirements and skills profile for the vacant position that complements the existing profiles of the other members of the Board of Management or, in the event of the departure of a member of the Board of Management, replaces their profile. The Board of Management should have all the skills and experience that are considered essential for the management of INDUS. The Supervisory Board decides specific appointments in the interest of the company and considering all circumstances of the individual case. Strategic development and the resulting new requirements are also taken into account.

## **B. DIVERSITY CONCEPT**

Mrs. Gudrun Degenhart has been a member of the Board of Management of INDUS Holding AG since October 2023. She is responsible for the Materials Solutions segment. The minimum participation requirement is therefore fulfilled.

Since Section 76 (3a) Sentence 1 of the German Stock Corporation Act (AktG) came into force, INDUS, as a listed company with co-determination on a parity basis, has been subject to the binding minimum participation requirement for the Board of Management standardised therein

### **2.2 ACTIVITIES AND WORKING METHODS OF THE MANAGEMENT BOARD**

The INDUS Board of Management manages the company and conducts its business on its own responsibility and in the company's best interest with the aim of ensuring the company's economically successful and long-term value-creating development. In doing so, it takes into account the interests of all stakeholders, especially the shareholders and the Group's employees. It fulfils its management duties as a collegial body with joint responsibility. The tasks of the Board of Management are divided into individual departments according to functional aspects. The allocation of responsibilities to the individual members of the Board of Management is based on a schedule of responsibilities.

The Board of Management develops the company's strategic orientation and ensures its implementation. In addition, the Board of Management determines INDUS's corporate goals, annual and multi-year planning, controlling for the individual business segments, the internal control and risk management system, the compliance management system and the internal auditing system. Another duty of the Board of Management is to prepare the financial reports and the annual and consolidated financial statements of INDUS.

Cooperation within the Board of Management is governed by the rules of procedure issued by the Supervisory Board. The rules of procedure also include the schedule of responsibilities for the Board of Management as an attached document. The Board of Management generally meets once a week in face-to-face meetings, which are chaired by the Chairman of the Board of Management and passes the necessary resolutions. The Board of Management is informed about upcoming issues by the respective departments. Thanks to its lean organisation, the Board of Management can also coordinate outside of face-to-face meetings by circular resolution if necessary. The members of the Board of Management work together as colleagues and keep each other informed of important measures and events in the departments assigned to them in the schedule of responsibilities.

## 2.3 CORPORATE GOVERNANCE PRACTICES OF INDUS

The regularly published annual, half-yearly and quarterly reports provide information on the activities of the Board of Management. The publication dates of these publications can be found in the financial calendar at [www.indus.eu/investors/financial-publications/](http://www.indus.eu/investors/financial-publications/). INDUS also provides information on events in the Group that are of significance to the capital market.

### A. GERMAN CORPORATE GOVERNANCE CODE

Beyond the statutory requirements of German stock corporation, co-determination and capital market law, INDUS has complied and continues to comply with the recommendations of the German Corporate Governance Code.

### B. COMPLIANCE MANAGEMENT SYSTEM

The Board of Management ensures that an appropriate compliance management system is in place at company level. The Board of Management has appointed a Compliance Officer who reports directly to the member of the Board of Management responsible for compliance. In addition, a Compliance Board has been established, which is made up of employees from the Compliance, Legal and Sustainability departments as well as the responsible member of the Board of Management.

The corresponding risk-orientated measures include, in particular, communicating and implementing a code of conduct for all employees of the company, which goes beyond legal requirements as a voluntary commitment. This code outlines principles for conscious and responsible dealings with business partners, shareholders and employees. The INDUS Code of Conduct is available on the company's website at [www.indus.eu/investors/governance-documents](http://www.indus.eu/investors/governance-documents).

The cornerstones of the INDUS culture are a shared understanding of values and risk minimisation in the interests of sustainable corporate development as well as the division of central requirements and their independent implementation and management in the portfolio companies. The portfolio companies organise their compliance on a decentralised basis. The managing directors of each portfolio company are responsible for the appropriate organisation of the respective compliance management system.

The company also offers a standardised, legally compliant whistleblower system for itself and all affiliated companies. This is intended to help identify and deal with breaches of the law and serious misconduct at an early stage and remedy them as quickly as possible. With an easily accessible reporting centre, a clearly defined structure for reporting and handling reports and a transparent escalation process, it creates additional trust and provides the security of being able to report misconduct in a protected manner. The whistleblower system is thus intended to contribute to the INDUS Group's long-term success and prevent damage. It is available not only to employees, but also to business partners or other stakeholders who wish to contribute to the positive development of INDUS. It enables anyone who has knowledge or reasonable

suspicion of significant misconduct/malpractice (e.g. violation of the law or unethical behaviour contrary to our Code of Conduct) to submit a report - anonymously if necessary.

In addition to the Code of Conduct, INDUS has published a Declaration of Principles on Respecting Human Rights. This declaration supplements and specifies the Code of Conduct with regard to human rights, good working conditions and environmental protection and forms a binding basis for the implementation of human rights standards at INDUS. This declaration of principles is made available to all INDUS Group employees and their employee representatives in a suitable form and is published on the INDUS Holding AG website at [www.indus.eu/investors/governance-documents](http://www.indus.eu/investors/governance-documents). A system of effective processes and measures is central to the success of INDUS's commitment. To this end, INDUS Holding AG works closely with the management teams of INDUS portfolio companies to identify risks to human rights and the environment posed by their business activities at an early stage and to take preventive action to counter them before they occur. The effectiveness of the corresponding processes at the portfolio companies is regularly reviewed and the integration of this review into the INDUS Group's processes is promoted.

### **C. TRANSACTIONS WITH RELATED PARTIES**

In accordance with Section 111a (2) sentence 2 of the German Stock Corporation Act (AktG), the company has established an internal procedure that applies to related party transactions. In particular, certain transactions of the company with related parties require the approval of the Supervisory Board in accordance with Section 111b German Stock Corporation Act (AktG).

The requirements of Sections 111a et seq. of the German Stock Corporation Act (AktG) regarding the approval and disclosure requirements for transactions with related parties are set out in the rules of procedure for the management of the individual portfolio companies. Transactions with related parties require the approval of the relevant shareholders' meeting.

### **D. SELF-HOLDING D&O INSURANCE FOR THE MANAGEMENT BOARD**

The company has taken out D&O insurance (pecuniary loss liability insurance) for the members of the Board of Management and Supervisory Board, which provides for a deductible for the members of the Board of Management of 10 percent of the loss up to the amount of one and a half times the fixed annual remuneration of the respective insured member of the Board of Management.

### **E. SUSTAINABILITY**

The continuous improvement of INDUS' sustainability performance is managed and further developed by the Board of Management. INDUS recognised early on how important it is to act responsibly and continuously improve what has already been achieved. INDUS believes that true corporate success is meas-

ured not only in quarterly figures, but also in the successful long-term development. In this context, corporate factors beyond the economic dimension also count: Environmental concerns, employee concerns, social concerns, respect for human rights and combating corruption and bribery.

In addition to the achievement of economic targets, relevant sustainability aspects, non-financial performance indicators and the achievement of the subsidiaries' self-imposed targets are the subject of dialogue between the Board of Management and the management teams of the subsidiaries. In addition, topics from the corporate social responsibility environment are repeatedly highlighted and discussed at the annual entrepreneurs' conferences (Unternehmertagung). Since 2016, INDUS has integrated incentives for progress in the area of sustainability into the Board of Management's compensation system.

## **F. RISK MANAGEMENT**

Another basic requirement of good corporate governance is that risks are systematically recorded, assessed and managed. In accordance with legal requirements, the Board of Management has set up a professional risk management system and internal control system. The current annual report provides information on how these systems are organised and which significant risks and opportunities currently exist.

## **G. INTERNAL AUDIT**

§ Section 91 (3) German Stock Corporation Act (AktG) specifies the duty of care of the Board of Management of listed companies with regard to the establishment of appropriate and effective internal control systems (ICS) and risk management systems (RMS). This also includes the implementation of an internal audit

In accordance with the "three lines" model, the Board of Management has established an Internal Audit Department that reports directly to the Chairman of the Board of Management and reviews the effectiveness of the INDUS Group's management systems independently of the respective departments.

The INDUS Group's Internal Audit Department is an important instrument of internal corporate monitoring whose activities are based on the binding elements of the International Standards for the Professional Practice of Internal Auditing (the Basic Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the Standards and the Definition of Internal Auditing).

The purpose of the INDUS Group's Internal Audit Department is to provide independent and objective auditing and, if necessary, related consulting services aimed at creating added value and improving the INDUS Group's business processes.

The mission of Internal Audit is to protect the INDUS Group through risk-oriented and objective auditing.

Internal Audit supports the INDUS Group in achieving its goals by using a systematic and targeted approach to evaluate the effectiveness of risk management, controls and management and monitoring processes and to help improve them.

Working closely with the Compliance Department, Internal Audit supports INDUS's executive bodies in particular in performing control and monitoring tasks independently of line functions, creating transparency and a decision-oriented overview of significant risks and their management, especially in connection with assets, compliance, the environment, business processes and management information, and ensuring compliance with rules and regulations.

#### **2.4 COOPERATION OF THE BOARD OF MANAGEMENT AND SUPERVISORY BOARD**

The Supervisory Board advises and monitors the Board of Management in its management of the company and is involved in decisions of fundamental importance to the company.

The Board of Management informs the Supervisory Board regularly, promptly and comprehensively, in particular, about all relevant issues relating to corporate planning, strategic development, the earnings and financial position, the risk situation, risk management, compliance and internal auditing. More precisely, deviations from targets and plans in the course of business as well as the strategic direction at company level and the further development of the portfolio structure are also presented. In addition, there is an intensive exchange of information with the Chairman of the Supervisory Board. In accordance with the provisions of the catalogue of transactions requiring approval issued by the Supervisory Board, decisions of fundamental importance to INDUS' business performance require the approval of the Supervisory Board. Furthermore, certain transactions of the company with related parties (related party transactions) require the approval of the Supervisory Board in accordance with Section 111b of the German Stock Corporation (AktG). The Board of Management and Supervisory Board work closely together for the benefit of the company. Discussions and debates between the Board of Management and Supervisory Board are conducted openly and in a trusted environment.

Members of the Board of Management shall immediately disclose any conflicts of interest that may arise to the Supervisory Board (via the Chairman of the Supervisory Board) and the Chairman of the Board of Management and inform the other members of the Board of Management accordingly.

#### **2.5 REMUNERATION SYSTEM AND REMUNERATION OF THE MEMBERS OF THE BOARD OF MANAGEMENT**

The compensation system for members of the Board of Management applicable in the 2025 financial year, which was approved by the Supervisory Board in December 2020, is in line with the legal requirements and the German Corporate Governance Code. This compensation system was presented to the Annual

Shareholders' Meeting on 26 May 2021 and approved by it. The new compensation system for members of the Board of Management, which was approved by the Supervisory Board in March 2025, also complies with legal requirements and the German Corporate Governance Code. This new compensation system was presented to the Annual Shareholders' Meeting on 27 May 2025 and was approved by the meeting. The resolution and the compensation system for members of the Board of Management are published at [www.indus.eu/investors/governance-documents](http://www.indus.eu/investors/governance-documents). The compensation reports and the associated auditor's reports are made publicly available at the same Internet address in accordance with Section 162 German Stock Corporation Act (AktG).

### **III. SUPERVISORY BOARD**

#### **3.1 MEMBERS AND CHAIRMANSHIP**

The Supervisory Board of INDUS consists of 12 members with Mr. Jürgen Abromeit as Chairman and Mr. Wolfgang Lemb as his deputy. In accordance with the German Co-Determination Act (MitbestG), the Supervisory Board is composed of an equal number of shareholder and employee representatives. The terms of office of the current Supervisory Board members end at the end of the 2028 Annual Shareholders' Meeting, except for Mr. Carl Martin Welcker, whose term of office ends at the end of the 2026 Annual Shareholders' Meeting. However, the Supervisory Board decided last year to allow Mr. Carl Martin Welcker to stand for re-election for a further two-year term, running until the end of the 2028 Annual Shareholders' Meeting. We will provide information on the members of the Supervisory Board and their CVs in the 2025 Annual Report, which will be available on our website from 24 March 2026. The members' CVs can also be viewed on the company's website at [www.indus.eu/investors/supervisory-board/](http://www.indus.eu/investors/supervisory-board/). The 2025 Annual Report and the website at [www.indus.eu/investors/supervisory-board/](http://www.indus.eu/investors/supervisory-board/) contain information on how long the individual members have been members of the Supervisory Board, what additional mandates on supervisory boards and other comparable supervisory bodies and management mandates they hold.

Further details on the activities and composition of the Supervisory Board and its committees in the 2025 financial year can be found in the Report of the Supervisory Board in the current 2025 Annual Report.

#### **3.2 COMPOSITION AND DIVERSITY**

##### **A. EXPERTISE PROFILE AND DIVERSITY CONCEPT FOR THE SUPERVISORY BOARD**

The Supervisory Board must be composed adequately so that its members have the knowledge, skills and professional experience required to properly fulfil their duties. In doing so, the INDUS Supervisory Board ensures that its composition reflects successful entrepreneurship and entrepreneurial thinking sufficiently.

The Supervisory Board has defined basic individual suitability criteria such as age, education and professional background as well as personality requirements. It has also adopted a diversity concept for the entire Board. The Supervisory Board has also set specific targets for its composition and defined a profile of skills and expertise for the entire Board.

For the shareholder representatives on the Supervisory Board, the Nomination Committee ensures that the objectives of its composition and the requirements of the German Stock Corporation Act and the German Corporate Governance Code regarding the composition of the Supervisory Board are observed. The Nomination Committee of the Supervisory Board discusses suitable candidate proposals for the election of new shareholder representatives to the Supervisory Board by the Annual Shareholders' Meeting. In addition to the profile of skills and expertise, the objectives set by the Supervisory Board with regard to its composition are also taken into consideration. The profile of skills and expertise and the diversity concept of the Supervisory Board as well as the other objectives for its composition are as follows:

Target fields	Comment
Independence	<ul style="list-style-type: none"> <li>• At least four members of the Supervisory Board representing the shareholders should be independent.</li> <li>• The Supervisory Board should include a maximum of two former members of the Board of Management.</li> <li>• No member of the Supervisory Board performs executive or advisory functions for INDUS' major competitors, and no member of the Supervisory Board has a personal relationship with a major competitor.</li> </ul>
No overboarding	<ul style="list-style-type: none"> <li>• Each member of the Supervisory Board ensures that sufficient time is available to properly fulfil their Supervisory Board mandate. The statutory restrictions on mandates and the recommendations of the German Corporate Governance Code are taken into account.</li> </ul>
Term of office	<ul style="list-style-type: none"> <li>• The term of office of the individual members of the Supervisory Board should end at the latest at the end of the Annual Shareholders' Meeting following the date on which the respective member has been a member of the Supervisory Board for an uninterrupted period of 15 years, i.e. generally three full terms of office.</li> </ul>
Maximum age	<ul style="list-style-type: none"> <li>• An absolute age limit of 70 years is set for membership of the Board. Appointments may be made up to the Annual Shareholders' Meeting following the member's 70th birthday.</li> </ul>

Diversity policy	<ul style="list-style-type: none"> <li>• In addition to basic suitability criteria such as age, education and professional background as well as personality requirements, the Supervisory Board also takes diversity into account.</li> <li>• The members of the Supervisory Board should complement each other in terms of their background, professional experience, knowledge and skills, international experience based on origin and/or professional activity, so that the Board can draw on the broadest possible range of experience, which benefits the work of the Supervisory Board.</li> <li>• The Supervisory Board is composed of at least 30 % women and at least 30 % men.</li> </ul>
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Area of skills/expertise	Comment
Technology & Innovation	<ul style="list-style-type: none"> <li>• Knowledge and experience in the technology fields relevant to the portfolio companies as well as in the definition of innovation strategies and their implementation</li> </ul>
Mergers & Acquisitions	<ul style="list-style-type: none"> <li>• Knowledge and experience in the implementation of M&amp;A processes</li> </ul>
Corporate management (with international experience)	<ul style="list-style-type: none"> <li>• Sustained successful management experience at management/ board level, especially in SMEs, as well as proven experience in the development of corporate strategies and their implementation</li> </ul>
Accounting & Auditing	<ul style="list-style-type: none"> <li>• Knowledge and experience accounting, financial reporting and external auditors of complex groups of companies</li> </ul>
Corporate Finance	<ul style="list-style-type: none"> <li>• Knowledge and experience as a banking and finance expert, in controlling and with regard to financial risks as well as capital market experience</li> </ul>
Corporate Governance	<ul style="list-style-type: none"> <li>• Knowledge and experience in the design and monitoring of risk management systems, practical experience in the design and application of performance-related remuneration systems as well as basic knowledge of stock exchange and stock corporation law and financial markets</li> </ul>
Sustainability & ESG	<ul style="list-style-type: none"> <li>• Experience and knowledge in sustainable corporate management, resource conservation and the promotion of environmental efficiency measures as well as in sustainability reporting</li> </ul>
Digitalization	<ul style="list-style-type: none"> <li>• Experience and knowledge of digital transformation and Industry 4.0</li> </ul>
Human Resources & Social Affairs	<ul style="list-style-type: none"> <li>• Experience and knowledge in personnel management and development as well as in the areas of co-determination and employee matters</li> </ul>

Areas of expertise	Jürgen Abromeit	Wolfgang Lemb	Dr. Dorothee Becker	Dorothee Diehm	Pia Fischinger	Cornelia Holzberger	Gerold Klausmann	Jan Klingelberg	Stefan Müller	Barbara Schick	Carl Martin Welcker	Prof. Dr. Isabell M. Welpé
Technology & Innovation	✓	✓	✓	–	✓	✓	✓	✓	✓	✓	✓	✓
Mergers & Acquisitions	✓	–	✓	–	–	–	✓	✓	–	✓	✓	✓
Corporate Management (with international experience)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Accounting & Auditing	✓	✓	✓	–	–	–	✓	✓	✓	✓	✓	✓
Corporate Finance	✓	✓	✓	–	–	✓	✓	✓	–	✓	✓	✓
Corporate Governance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sustainability & ESG	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Digitization	✓	✓	✓	–	✓	✓	✓	✓	✓	✓	✓	✓
Human Resources & Social	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

#### Qualification matrix Supervisory Board

### B. GENDER QUOTA

In accordance with Sections 96 (1), 101 (1) AktG and Section 7 (1) sentence 1 no. 1 MitbestG, the Supervisory Board must consist of six shareholder representatives and six employee representatives and, in accordance with Section 96 (2) sentence 1 AktG, at least 30% women and at least 30% men. In principle, the gender quota must be fulfilled by the Supervisory Board as a whole, unless the shareholder or employee representatives object to overall fulfilment in accordance with Section 96 (2) sentence 3 AktG. The shareholder representatives on the Supervisory Board and the employee representatives on the Supervisory Board have objected to the overall fulfilment of the statutory gender quota. The Supervisory Board therefore had to be composed of at least two women and at least two men on both the shareholder side of the Supervisory Board and the employee side of the Supervisory Board.

There are currently three women and three men on the Supervisory Board representing the shareholders and three women and three men on the Supervisory Board representing the employees, thus fulfilling the statutory gender quota

### C. INDEPENDENCE

No member of the Supervisory Board exercises or has executive or advisory functions at any of INDUS' major competitors. Furthermore, no member of the Supervisory Board had or has a personal relationship with a major competitor. Recommendation C.11 of the German Corporate Governance Code that the Supervisory Board should not include more than two former members of the Board of Management is also observed; there is currently one former member of the Board of Management on the Supervisory Board.

The Supervisory Board should include at least four independent shareholder representatives. According to their assessment, no shareholder representative is considered dependent on the company or the Board of Management. Accordingly, Mr. Jürgen Abromeit, Dr. Dorothee Becker, Mr. Jan Klingelberg, Ms. Barbara Schick, Mr. Carl Martin Welcker and Prof. Dr. Isabell M. Welpé are independent. All shareholder representatives on the Supervisory Board have consistently demonstrated the critical distance required for their supervisory role. Dr. Dorothee Becker and Mr. Carl Martin Welcker have been members of the Supervisory Board for more than twelve years; this is to be taken into account as an indicator in Recommendation C.7 of the German Corporate Governance Code when assessing the independence of the members of the Supervisory Board. Despite their membership of more than twelve years, there are no indications of a lack of independence on the part of either Dr. Dorothee Becker or Mr. Carl Martin Welcker. The Supervisory Board is convinced that Dr. Dorothee Becker and Mr. Carl Martin Welcker will continue to perform their duties objectively and critically as before and will continue to contribute their economic expertise to the discussions. In contrast, the mere length of their membership of the INDUS Supervisory Board appears to be of secondary importance. Therefore, in the opinion of the shareholder representatives on the INDUS Supervisory Board, Dr. Dorothee Becker and Mr. Carl Martin Welcker should continue to be considered independent.

#### **D. WORKING METHODS OF THE SUPERVISORY BOARD**

The Supervisory Board of INDUS appoints the Board of Management, advises it on the management of the company and monitors its conduct of business. It also fulfils all other duties assigned to it by law. Information on the focal points of the Supervisory Board's activities in the past year can be found in the Report of the Supervisory Board in the current Annual Report 2025. Monitoring and advice also include sustainability issues.

The Supervisory Board regularly assesses the effectiveness of its activities, most recently in 2024. For this purpose, the Chairman of the Supervisory Board distributed comprehensive, legally reviewed questionnaires to the Board, which were answered by all Supervisory Board members. The questionnaires sent to the members of the Supervisory Board contained a total of 45 questions from eight subject areas. In addition, analogue self-assessments were carried out by the Personnel Committee, the Audit Committee, the Nomination Committee and the Strategy and ESG Committee. The catalogue of questions for the Personnel Committee comprised ten questions from two areas. The members of the Audit Committee answered 26 questions from five subject areas. The questionnaires of the Nomination Committee comprised nine questions from two subject areas and those of the Strategy and ESG Committee eight questions from two subject areas. Following evaluation of the completed questionnaires by the Chairman of the Supervisory Board, he presented the respective results of the self-assessments for discussion at a Supervisory Board meeting. The results were and will be considered in the further work of the Supervisory Board and committees.

This document is a convenience translation of the German original. In case of discrepancy between the English and the German version, the German version shall prevail.

The Supervisory Board has adopted rules of procedure, which are available on the company's website at [www.indus.eu/investors/supervisory-board](http://www.indus.eu/investors/supervisory-board).

### **3.3 ACTIVITIES OF THE SUPERVISORY BOARD IN THE REPORTING YEAR**

In 2025, the Supervisory Board once again performed all of the tasks incumbent upon it by law or under the Articles of Association. It advised the Board of Management on the management of the company and monitored its actions; at the same time, it was involved in all fundamental decisions. It was informed regularly, comprehensively and promptly by the Board of Management about the key aspects of strategy, planning and business development, about the earnings situation, risks and their management as well as compliance and the key aspects of internal auditing

The Supervisory Board made its decisions on the basis of comprehensive reports and, where applicable, the resolutions proposed by the Board of Management. It had sufficient opportunity to discuss the reports and proposed resolutions of the Board of Management in plenary sessions and in the committees. The Board of Management also provided the Supervisory Board with comprehensive information on projects and matters of particular importance or urgency outside of committee meetings. The Chairman of the Supervisory Board maintained a constant exchange of information and ideas with the Board of Management. The Supervisory Board passed all resolutions required by law or the Articles of Association.

In the past year, the Supervisory Board held five ordinary meetings and one extraordinary meeting. In addition, a resolution was passed by the Supervisory Board outside of a face-to-face meeting. The five regular meetings of the Supervisory Board were held in the form of a face-to-face meeting with the option of connecting individual Supervisory Board members via video conference. The extraordinary Supervisory Board meeting was held as a video conference. In addition, on 29 January 2025, the shareholder representatives on the Supervisory Board passed resolutions on independence in a face-to-face meeting. With the exception of the extraordinary Supervisory Board meeting, all Supervisory Board meetings were attended by the Board of Management, although the Supervisory Board also regularly discussed agenda items without the Board of Management being present. The Board of Management generally does not attend meetings of the Supervisory Board or the Audit Committee in the presence of the auditor unless the Supervisory Board or the Audit Committee deems this to be absolutely necessary. Further information on the meetings, e.g. on the topics discussed, can be found in the report of the Supervisory Board in the current 2025 Annual Report. There you will also find an individualised overview of the members' attendance at the meetings of the Supervisory Board and the Supervisory Board committees.

### **3.4 COMMITTEES AND THEIR WORKING METHODS**

In the reporting year, the committees of the twelve-member Supervisory Board with equal representation were the Mediation Committee in accordance with Section 27 (3) of the German Co-Determination Act

(MitbestG), the Personnel Committee, the Audit Committee, the Nomination Committee and the Strategy and ESG Committee.

#### **A. AUDIT COMMITTEE**

The Audit Committee consists of three members. It is chaired by Ms. Barbara Schick, with Prof. Dr. Isabell M. Welpé as an additional shareholder representative and Mr. Gerold Klausmann as an employee representative. The Chairwoman of the Audit Committee is independent and, as a financial expert, has specialised knowledge and experience the application of accounting principles and internal control procedures, is familiar with external auditors and has expertise in sustainability reporting. The two other members are also financial experts with expertise in the areas of accounting, external auditors and sustainability reporting. The Audit Committee prepares the Supervisory Board's decisions on the annual and consolidated financial statements as well as the proposal to the Annual Shareholders' Meeting for the appointment of the external auditor. It is also responsible for issuing the audit mandate to the external auditor, determining the focal points of the audit and concluding the fee agreement. There is regular dialogue with the external auditor on relevant topics, including outside of meetings. The Audit Committee also monitors the independence of the auditor and deals with the additional services provided by the auditor and compliance. The Audit Committee of the Supervisory Board monitors the audit of the financial statements, including with regard to the quality of the audit. It advises and monitors the Board of Management in matters relating to accounting, the effectiveness of the internal control system, the risk management system and the internal audit system. The Audit Committee is entitled to all statutory rights to information, including the rights to information in accordance with Section 107 (4) sentence 4 German Stock Corporation Act (AktG).

#### **B. PERSONNEL COMMITTEE**

The Personnel Committee consists of four members. It consists of the Chairman of the Supervisory Board, Mr. Jürgen Abromeit (Committee Chairman), Dr. Dorothee Becker as an additional shareholder representative and Ms. Dorothee Diehm and Mr. Wolfgang Lemb as employee representatives. In accordance with the rules of procedure, the Human Resources Committee prepares the resolutions of the Supervisory Board on the appointment and dismissal of members of the Board of Management. The same applies to the conclusion, amendment and termination of employment contracts as well as resolutions on the Board of Management remuneration system and the remuneration of individual Board of Management members. Decisions in this regard are made by the full Supervisory Board.

#### **C. NOMINATION COMMITTEE**

The Nomination Committee is composed of the Chairman of the Supervisory Board, Mr. Jürgen Abromeit (Committee Chairman), as well as Ms. Barbara Schick and Mr. Carl Martin Welcker as further shareholder

representatives. It prepares proposals for the Supervisory Board for the election of shareholder representatives to the Supervisory Board for its election proposals to the Annual Shareholders' Meeting, considering the objectives adopted by the Supervisory Board and the approved profile of skills and expertise, potential conflicts of interest and the diversity concept.

#### **D. STRATEGY AND ESG COMMITTEE**

The Strategy and ESG Committee is made up of the Chairman of the Supervisory Board, Mr. Jürgen Abromeit (Committee Chairman), Mr. Jan Klingelberg as a further shareholder representative and Ms. Cornelia Holzberger and Mr. Wolfgang Lemb as employee representatives. The members of the Strategy and ESG Committee have proven expertise in the field of strategic planning and/or sustainability. The committee's tasks include, in particular, preparing processes for planning, implementing, assessing and adjusting the business strategy, monitoring the Board of Management's approach to integrating ESG aspects into the corporate strategy and advising the Board of Management on setting strategic goals as well as sustainability and other ESG goals.

#### **E. MEDIATION COMMITTEE**

The Mediation Committee entrusted with the tasks in accordance with Section 31 (3) sentence 1 of the German Co-Determination Act (MitbestG) only meets when necessary. At the time of issuing this declaration, the Mediation Committee consists of the Chairman of the Supervisory Board, Mr. Jürgen Abromeit (Committee Chairman and shareholder representative), his deputy Mr. Wolfgang Lemb (employee representative), Ms. Pia Fischinger (employee representative) and Ms. Barbara Schick (shareholder representative). It makes proposals for the appointment of members of the Board of Management if the required two-thirds majority is not achieved in the first ballot.

#### **F. MODE OF OPERATION**

The committee meetings are generally held in person. Some committee meetings were also held as video conferences. As with the Supervisory Board, committee resolutions require a simple majority, unless otherwise stipulated by law. The respective committee chairmen report to the Supervisory Board on resolutions and key aspects of the committees' deliberations in a timely manner, usually at the following Supervisory Board meeting.

### **3.5 COMPENSATION OF THE MEMBERS OF THE SUPERVISORY BOARD**

The remuneration of the Supervisory Board is regulated in the INDUS Articles of Association; available at [www.indus.eu/investors/governance-documents](http://www.indus.eu/investors/governance-documents). Detailed information on the remuneration of the Supervisory Board and the amount of remuneration paid to its individual members can be found in the current remuneration report, which is published with the auditor's report in the annual report and at

[www.indus.eu/investors/governance-documents](http://www.indus.eu/investors/governance-documents) in accordance with Section 162 of the German Stock Corporation Act (AktG). The remuneration report for the 2024 financial year was approved by the Annual Shareholders' Meeting on 27 May 2025.

### **3.6 OWN-ACCOUNT TRANSACTIONS BY SUPERVISORY BOARD MEMBERS**

In accordance with Article 19 of the EU Market Abuse Regulation, the members of the Supervisory Board are obliged to inform the public if they engage in transactions involving INDUS shares or related derivatives. The transactions carried out by Supervisory Board members in 2025 can be viewed [www.indus.eu/investors/announcements](http://www.indus.eu/investors/announcements).

## **IV. ACCOUNTING AND AUDITING**

### **4.1 DISCLOSURES ON FINANCIAL STATEMENTS AND MANAGEMENT REPORTS AND OTHER REPORTS**

In addition to the annual financial statements, INDUS also prepares a half-year report and quarterly reports. The separate financial statements of INDUS, which are relevant for the dividend payment, are prepared in accordance with the provisions of the German Commercial Code (HGB). The International Financial Reporting Standards (IFRS) are applied to the consolidated financial statements. In addition to the annual financial statements and the half-year report, INDUS also publishes management reports in accordance with Sections 289 and 315 of the German Commercial Code (HGB), which present the company's business performance and position. The non-financial group report is incorporated into the management report and is published annually.

The publication dates of the aforementioned publications can be found in the financial calendar, which can be accessed at [www.indus.eu/investors/#financial-calendar](http://www.indus.eu/investors/#financial-calendar).

### **4.2 AUDIT**

The Audit Committee of the Supervisory Board monitors the external auditors of the financial statements and ensures their quality. It reviews the independence of the external auditor and deals with the additional services provided by the auditor. It also prepares the proposal to the Annual Shareholders' Meeting for the election of the auditor and makes a recommendation in this regard. It is also responsible for issuing the audit mandate, determining additional focal points of the audit and reaching a fee agreement with the external auditor. During the audit, the Chairman of the Audit Committee is in constant contact with the external auditor and discusses the content of the audit with the external auditor. The external auditor is elected by the Annual Shareholders' Meeting for one financial year in accordance with statutory regulations.

On 27 May 2025, the Annual Shareholders' Meeting appointed PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, as external auditors for the company and the Group

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for the 2025 financial year, based on the proposal of the Supervisory Board. The Supervisory Board's proposal was in turn based on the recommendation and preference of its Audit Committee

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, ensures through internal rotation procedures that the audit procedures are carried out with the necessary distance to the company, in particular that the responsible audit partners end their participation in the external auditor no later than five years after their appointment.

Before the Audit Committee makes a recommendation to the Supervisory Board on the appointment of the external auditor, it obtains a declaration from the auditing firm as to whether and to what extent business, financial, personal or other relationships exist between the auditing company, its executive bodies and its audit managers on the one hand and the audited INDUS companies and their executive bodies on the other that could give rise to doubts about the independence of the external auditor.

Should any circumstances arise during the audit that justify the auditor's bias or exclusion and cannot be rectified immediately, the auditor must inform the Chairman of the Audit Committee without delay. The auditor must also report to the Supervisory Board on all matters of significance for the Supervisory Board's tasks of which it becomes aware during the external auditor's audit. In addition, the external auditor must inform the Supervisory Board or make a note in the audit report if it discovers facts that contradict the company's declaration of compliance.

## **V. SHAREHOLDERS/ANNUAL SHAREHOLDERS' MEETING**

The invitation to the Annual Shareholders' Meeting, including the required documents and reports, can be viewed online at [www.indus.eu/investors/shareholders-meeting](http://www.indus.eu/investors/shareholders-meeting).

### **5.1 SHAREHOLDERS' RIGHTS AT THE ANNUAL SHAREHOLDERS' MEETING**

INDUS shareholders exercise their rights at the Annual Shareholders' Meeting. INDUS shareholders can also exercise their voting rights by authorising company proxies, or third parties bound by instructions to exercise their voting rights. The Annual Shareholders' Meeting decides in particular on the appropriation of net retained profits, the discharge of the members of the Board of Management and the Supervisory Board, the appointment of the external auditor, amendments to the Articles of Association and certain capital measures, and elects shareholder representatives to the Supervisory Board.

In addition, the compensation system for members of the Board of Management and Supervisory Board is submitted to the Annual Shareholders' Meeting for approval in the event of significant changes, but at least every four years. This was last done at the 2025 Annual Shareholders' Meeting with regard to the compensation of the members of the Board of Management, and at the 2024 Annual Shareholders' Meeting with regard to the compensation of the members of the Supervisory Board. The Annual Shareholders'

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Meeting also decides annually on the approval of the compensation report. On 27 May 2025, it approved the compensation report for the 2024 financial year, which was prepared and audited in accordance with Section 162 of the German Stock Corporation Act (AktG).

## **5.2 DEALING WITH PRICE-SENSITIVE INFORMATION; INVESTOR RELATIONS**

INDUS publishes all material information relating to the company's situation on its website at [www.indus.eu](http://www.indus.eu). These include, in particular, annual financial statements, annual reports, half-yearly and quarterly reports, as well as press releases, ad hoc announcements and voting rights announcements.

INDUS maintains a lively exchange of information with financial analysts, investors and other capital market participants. A key tool in investor relations is face-to-face discussions during roadshows or conferences. In accordance with the recommendations of the German Corporate Governance Code, the Chairman of the Supervisory Board is involved in these activities at INDUS. In the 2025 financial year, meetings were also held at which the Chairman of the Supervisory Board discussed Supervisory Board-related topics with institutional investors.

## **5.3 RELATIONSHIPS WITH RELATED PARTIES**

No contracts were concluded between members of the Supervisory Board and INDUS in the 2025 financial year. Memberships of members of the Board of Management and Supervisory Board on the boards of other companies and transactions with related parties are disclosed in the current annual report.