

Dependency Report

With respect to the legal transactions described in the section on related parties and based on the circumstances known at the time the transactions were executed, our Company received appropriate compensation for every transaction and was not disadvantaged as a result.

Takeover-related Disclosures Pursuant to Sections 289 a and 315 a HGB

The information required under Sections 289 a and 315 a HGB is detailed and explained below.

The share capital of PWO AG is EUR 9,375,000.00 and is divided into 3,125,000 no-par value bearer shares. They carry identical rights and convey one vote each at the Annual General Meeting. Reference is made to the provisions of the German Stock Corporation Act regarding the rights and obligations related to the holding of shares.

There are no restrictions on the voting rights or the transfer of shares, and the Executive Board is not aware of any such arrangements agreed between shareholders. There is no participation of employees who do not exercise their control rights directly.

Consult Invest Beteiligungsberatungs-GmbH, Böblingen, Germany, has notified us of its interest exceeding 10 percent of the voting rights in

PWO. As of December 31, 2021, it held 46.73 percent of the voting rights (unchanged on the previous year) and is the main shareholder.

The appointment and dismissal of the members of the Executive Board are determined in accordance with Sections 84 and 85 AktG in conjunction with Article 6 of PWO's Articles of Association.

Pursuant to Section 179(1) and Section 119(1), No. 6 AktG, each amendment to the Articles of Association requires a shareholder resolution of the Annual General Meeting. In deviation from Section 179(2), sentence 1 AktG, Article 15 of the Articles of Association states that Annual General Meeting resolutions can be approved by a simple majority of votes cast and – if a capital majority is required – a simple majority of the capital stock, unless otherwise stipulated by law or the Articles of Association.

The Supervisory Board is authorized to adopt amendments to the Articles of Association that relate only to their wording.

Subject to the consent of the Supervisory Board, the Executive Board is authorized to increase the Company's share capital once or several times by up to a total of EUR 4,687,500.00 (Authorized Capital 2020) by issuing new no-par bearer shares against contribution in cash and/or in kind until and including the date of July 27, 2025. Generally, subscription rights must be granted to shareholders. Further details of the authorization are contained in the resolution of the Annual General Meeting of July 28, 2020.

In the case of a change in control resulting from a takeover offer, no other agreements have been made except for the usual extraordinary rights of termination contained in credit agreements and agreements with customers. Compensation agreements that favor the Executive Board or employees do not exist.

Corporate Governance Statement Pursuant to Sections 289 f and 315 d HGB

The Corporate Governance Statement is published on the Company's website at

→ <https://www.progress-werk.de/en/group/corporate-governance/>.

The Corporate Governance Statement is an unaudited segment of the management report.

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