

Statement of JOST Werke AG on the recommendations of IVOX Glass Lewis regarding the proposed resolutions for the Annual General Meeting on May 5, 2022

JOST Werke AG ("JOST") comments on the following recommendations of IVOX Glass Lewis ("Glass Lewis") regarding the agenda of this year's Annual General Meeting as follows:

Agenda item 3: Approval of the actions of the Executive Board (abstain)

Glass Lewis: Current remuneration system received less than 75% approval, and the system is not submitted improved.

JOST: Reference is made to the remuneration system in force for the members of the Executive Board of JOST. In accordance with the statutory provisions, the Supervisory Board is exclusively responsible for determining the remuneration system for the members of the Executive Board and the associated resolution proposal for the submission of the remuneration system to the Annual General Meeting. JOST therefore does not see any link between a discharge of the Executive Board and the remuneration system for the members of the Executive Board.

For further information, please refer to the comments below on Glass Lewis' comments on agenda item 5 of the AGM.

Agenda item 4: Approval of the actions of the Supervisory Board (against)

Glass Lewis: No individualized information on attendance at meetings, although 100% attendance, but fundamental deviation from D.8 DCGK:

JOST: In its written activity report (Annual Group Report 2021, p. 22 ff), the Supervisory Board commented extensively on the attendance of Supervisory Board members at meetings. It states in detail:

About the Supervisory Board meetings (p. 22):

"The Supervisory Board held a total of seven meetings – some of them without the Executive Board – during the 2021 fiscal year, including five face-to-face meetings. Two resolutions were adopted by way of written circulation. All of the Supervisory Board members attended all meetings and resolutions. This means that the attendance rate was 100% both overall and with regard to the face-to-face meetings."

On the meetings of the Audit Committee (p. 22):

"The Audit Committee held a total of nine meetings, including four face-to-face meetings and five conference calls. All three committee members attended all meetings, which means that the overall attendance rate was 100%."

On the meetings of the Executive and Nominating Committee (p. 22):

"In accordance with their duties, the members of the Executive and Nominating Committee dealt with personnel planning for the Executive Board and Supervisory Board and discussed this matter in three face-to-face meetings and

five telephone meetings during the 2021 fiscal year. The overall attendance was 100%."

The Supervisory Board understands that having information regarding the individual participation rate of each member of the Supervisory Board is important to shareholders if the participation rate in the reporting period is below 100%.

However, the Supervisory Board is of the opinion that explicit individual information on all individual members is unnecessary and would represent superfluous formalism if – as stated in the current report of the Supervisory Board – all members attended all meetings, i.e. 100% of the meetings were attended. More than 100% attendance by all members at all meetings in the reporting period is not possible.

Moreover, there is no contradiction with the Declaration of Conformity of December 2, 2021 (<https://www.jost-world.com/de/corporate/investor-relations/corporate-governance.html>), which in its retrospective section covers not only the 2021 financial year (in which 100% of the meetings were attended), but also the previous period from December 2, 2020. In the Declaration of Conformity of December 2, 2021, the Supervisory Board commented on item D. 8 GCGC as follows:

"Insofar as individual members of the Supervisory Board or its committees did not participate in meetings of the Supervisory Board or the relevant committees in the past, they did exclusively so for important and comprehensible reasons. In such cases, these members were subsequently informed about the meeting proceedings. Therefore, the Supervisory Board considers it inappropriate to single out such members by name in its report."

Glass Lewis: Current remuneration system received less than 75% approval, and the system is not submitted improved.

JOST: In accordance with the requirements of the applicable remuneration system, the Supervisory Board reviewed the appropriateness of the remuneration components.

It continues to consider the remuneration system to be appropriate for the reasons set out below in its response to Glass Lewis' submission on agenda item 5 of the AGM agenda and does not currently see any need to revise the remuneration system.

Glass Lewis: Standard length of service for members of the Supervisory Board

JOST: In accordance with the requirements of the GCGC, JOST has disclosed the date of initial appointment of all Supervisory Board members (in each case June 23, 2017) both in the Annual Report 2021 (p. 25 f.) and on the internet at <https://www.jost-world.com/de/corporate/unternehmen/aufsichtsrat.html>. The date of initial appointment is also disclosed in the Annual Group Report 2021 (p. 25 f.). It is also disclosed until which Annual General Meeting the members of the Supervisory Board have been appointed.

As a precautionary measure, it is pointed out that a term of appointment of only one year will be proposed for the upcoming elections to the Supervisory Board.

Glass Lewis: Other deviations from the GCGC (B.1, Diversity)

JOST: When appointing members to the Executive Board, the Supervisory Board primarily considers personal suitability and professional qualifications. In addition, the Supervisory Board takes into account other aspects such as age, gender, educational background or professional experience and strives for a high degree of diversity. The strong international presence of JOST should also be taken into account when appointing members to the Executive Board. Different age groups shall be appropriately represented on the Executive Board. Special consideration shall also be given to female candidates for the Executive Board. Furthermore, members of the Executive Board shall bring with them the broadest possible range of educational and professional backgrounds. Nevertheless, the Company does not follow a concrete and rigid diversity concept, as the promotion of diversity cannot be achieved precisely through a uniform system.

In December 2020, the Supervisory Board adopted a target of 25% for the proportion of women on the Executive Board in accordance with statutory requirements. This target is to be met by December 31, 2025. There are currently no women on the Management Board.

For this reason, the Executive Board and Supervisory Board have declared a deviation from B.1 GCGC as a precautionary measure in the Declaration of Compliance of December 2, 2021:

"As a precautionary measure, a deviation from the recommendation regarding the composition of the board of directors is declared. The Supervisory Board pays attention to diversity when selecting members of the Board of Executive and has passed a quota of 25% female members for the Executive Board. At the same time, the Supervisory Board is of the opinion that the decisive factor for an appointment to the Executive Board should always be the personal and professional qualifications of the candidates. "

Agenda item 5: Resolution on the approval of the Remuneration Report for the 2021 fiscal year prepared and audited in accordance with Section 162 AktG (against)

Glass Lewis: Approval rate for Executive Board remuneration system only 50.59% and no resubmission incl. improvements; no application of the current remuneration system to incumbent Executive Board members, no Share Ownership Guidelines, Adjusted EBITDA as sole component in STI, Adjusted EBITDA as sole component in LTI as 2021 reconciled system does not apply; deviation from G.3 (no peer group), deviation from G.4 (ratio of Executive Board remuneration to remuneration of senior management and total workforce), deviation from G.8 (subsequent change of targets or comparison parameters not excluded), deviation from G.11 (extraordinary developments, claw-back).

JOST: The Supervisory Board has reviewed the appropriateness of the remuneration components in accordance with the requirements of the current remuneration system. It continues to consider the remuneration system appropriate and sees no need to

revise the remuneration system. The considerations on the remuneration system made by the Supervisory Board in 2021 continue to apply unchanged. In detail:

- No application of the current remuneration system to incumbent Executive Board members

In this regard, we refer to the explanations in the Remuneration Report for the fiscal year 2021 (p. 8 of this year's agenda, p. 64 Annual Report 2021):

"The current employment contracts of the Executive Board were concluded on the basis of the remuneration system effective as of the date of signing of these contracts ("old remuneration system") and are grandfathered. The current Executive Board employment contracts therefore deviate from the system newly resolved. The following reporting mainly focuses on the old remuneration system and compliance with this system, since the Executive Board's remuneration in the 2021 fiscal year has been provided according to the old remuneration system, on the basis of the currently applicable contracts." [underlining for purposes of this statement only].

- No Share Ownership Guidelines

As 55% of the variable remuneration of the Executive Board (so-called LTI component) is already invested virtually in shares of the Company (so-called stock awards), a large part of the remuneration of the Executive Board is already linked to the share performance and thus granted on a share-based basis in accordance with G.10. Any further obligation on the part of the Executive Board to invest parts of their fixed remuneration in shares of JOST Werke AG does not appear appropriate to the Supervisory Board.

Members of the Executive Board can invest in shares of the Company on a voluntary basis and have done so in the past. Thus, all members of the Executive Board are also shareholders of the Company.

- Adjusted consolidated EBITDA both criterion in STI and LTI

In the opinion of the Supervisory Board, the development of adjusted EBITDA combined with the development of the Company's share price (which is decisive for the payment of the LTI component) represents a suitable financial indicator for promoting JOST's corporate growth in both the short and long term and thereby increasing the enterprise value.

In the opinion of the Supervisory Board, the factors relevant for the valuation of STI and LTI cannot be clearly distinguished. Adjusted consolidated EBITDA as an overall figure contains connecting factors for STI and LTI and is therefore to be used for both compensation components.

Non-financial ESG components complete the picture and are also included in the variable compensation as STI and LTI, so that the Executive Board has an additional incentive for a value-based approach when growing the Company.

- Deviations from GCGC G.3 (no peer group), deviation from G.4 (ratio of Executive Board remuneration to remuneration of senior management and the workforce as a whole), deviation from G.8 (subsequent change of targets or comparison parameters not excluded), deviation from G.11 (extraordinary developments, claw back)

The reasons for the deviations from the GCGC have been explained by the Executive Board and Supervisory Board as part of JOST Werke AG's Declaration of Compliance. This can be found on our website at <http://ir.jost-world.com/entsprechenserklaerung>. In detail:

"Recommendation G.3: The Supervisory Board shall assess whether the remuneration of Executive Board members is appropriate based on an external comparison with the remuneration of members of management boards of comparable companies. The Supervisory Board made a deliberate decision not to define a fixed and static peer group, as the Supervisory Board is of the opinion that making such a link with a specifically defined peer group may lead to inappropriate outcomes."

"Recommendation G.4: When assessing whether the remuneration is appropriate, the Supervisory Board shall take account of the circumstances within the company itself. The Supervisory Board made a deliberate decision not to define a fixed group of senior managers, as the Supervisory Board is of the opinion that such a definition would not be appropriate in view of the heterogeneity of the remuneration structure within the company as a whole and internal remuneration practices within the company."

"Recommendation G.8: The Supervisory Board may make a positive or negative adjustment to all variable remuneration components if it is of the opinion that the respective variable remuneration components calculated do not appropriately reflect the company's business performance, the achievement of its strategic objectives and/or the Executive Board member's contribution thereto owing to extraordinary developments. The Supervisory Board has decided not to exclude the possibility of making retroactive adjustments to target values or comparison parameters, as such an exclusion may lead to inappropriate outcomes."

"Recommendation G.11 Sentence 2: The remuneration system shall specify that the Supervisory Board can stipulate in the Executive Board members' employment contracts that variable remuneration components may be retained or reclaimed in narrowly defined cases (compliance clawback; performance clawback). The existing employment contracts of Executive Board members Joachim Dürr, Dr. Christian Terlinde and Dr. Ralf Eichler currently do not include such a possibility."

With regard to recommendation G.8, the Supervisory Board would like to emphasize that adjusted remuneration is, of course, subject to all caps provided for in the remuneration system, i.e. the cap for the total bonus, the STI cap, the initial LTI cap and the total inflow cap.

Items 6.1 and 9.1: Resolution on the election of Prof. Bernd Gottschalk as a member of the Supervisory Board (against)

Glass Lewis: Overboarding

JOST: The Supervisory Board of JOST is convinced that Prof. Dr. Gottschalk is in a position to fully and successfully perform his duties as a member of the Supervisory Board of JOST Werke AG. Prof. Dr. Gottschalk is a member of a total of four other statutory supervisory boards and comparable supervisory bodies of companies, only three of which are listed on the stock exchange:

- Schaeffler AG, Herzogenaurach, Germany (listed), Member of the Supervisory Board
- Plastic Omnium S.A., Paris, France (listed), Member of the Supervisory Board
- AEye Inc., Dublin/California, USA (listed), Member of the Supervisory Board
- Benteler International AG, Salzburg, Austria (not stock-listed), Member of the Supervisory Board

The Supervisory Board is also of the opinion that his activity as Managing Director of Autovalue GmbH, Frankfurt am Main, which is not a listed company, does not conflict with this.

Against the background of Prof. Dr. Gottschalk's very high level of industry expertise and management experience, the Supervisory Board does not consider membership of four other supervisory bodies to be sufficient or appropriate grounds for voting against the appointment.

Overall, even in light of the Glass Lewis Guidelines, the Board cannot understand why there should be a case of overboarding.

Items 6.2 and 9.2: Resolution on the election of Ms. Natalie Hayday as a member of the Supervisory Board (against)

Glass Lewis: Overboarding

JOST: The Supervisory Board of JOST is convinced that Ms. Hayday is able to fully and successfully perform her duties as a member of the Supervisory Board of JOST Werke AG. Ms. Hayday is a member of a total of two other statutory supervisory boards and comparable supervisory bodies of companies, only one of which is listed on the stock exchange:

- Novem Group S.A., Contern, Luxembourg (listed), Member of the Supervisory Board
- SALUX Real Estate GmbH, Frankfurt am Main, Germany (not stock-listed), Member of the Advisory Board

The Supervisory Board is also of the opinion that her activities as Managing Director of 7Square GmbH, Frankfurt am Main, which is not a listed company, do not conflict with this.

Against the background of Ms. Hayday's very high level of financial expertise and management experience, the Supervisory Board does not consider membership of two other supervisory bodies to be sufficient or appropriate grounds for voting against the appointment.

Overall, even in light of the Glass Lewis Guidelines, the Board cannot understand why there should be a case of overboarding.

Items 6.4 and 9.4: Resolution on the election of Mr. Jürgen Schaubel as a member of the Supervisory Board (rejection)

Glass Lewis: Overboarding

JOST: The Supervisory Board of JOST is convinced that Mr. Schaubel is able to fully and successfully perform his duties as a member of the Supervisory Board of JOST Werke AG. Mr. Schaubel is a member of a total of four other statutory supervisory boards and comparable supervisory bodies of companies, none of which is listed on the stock exchange:

- Optimum Maritime Holding, Limassol, Cyprus (not stock-listed), member of the Supervisory Board and Chairman of the Audit Committee;
- MFD Rail Holding AG, Cham, Switzerland (not stock-listed), Member of the Board of Directors;
- Baiersbronn Frischfaser Karton Holding GmbH, Baiersbronn, Germany (not stock-listed), Member of the Advisory Board;
- Nextclinics International GmbH, Augsburg, Germany (not stock-listed), Member of the Advisory Board.

The Supervisory Board is also of the opinion that his activities as Chairman of the Audit Committee of Optimum Maritime Holding, Limassol, Cyprus (not listed on the stock exchange) do not conflict with this.

Against the background of Mr. Schaubel's very high level of financial expertise and management experience, the Supervisory Board does not consider membership of other supervisory bodies to be sufficient or appropriate grounds for voting against the appointment.

Overall, even in light of the Glass Lewis Guidelines, the Board cannot understand why there should be a case of overboarding.

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