

Report of the Supervisory Board

Dear Shareholders,

We are living in times of increasing global tensions and uncertainties. We see volatility in markets in different parts of the world, conflict hot spots and trade wars, inflation and disruptions in global supply chains. Technological progress is rapid: digital technologies, artificial intelligence and automation are just some of the significant developments here. Social changes are reflected in the public's new expectations of companies and the increased demand for sustainability, responsibility and ethical behaviour. Corporate strategy decisions have never been as complex as they are today.

In this phase of profound change, HENSOLDT is beginning a new chapter in its corporate history: HENSOLDT has already made a name for itself on the market - now it is a matter of tackling new challenges head on and making adjustments in the right places and to set a new course if necessary.

Against this backdrop, the Supervisory Board looked very closely at the appropriate Management Board structure for the company last year. We held in-depth discussions with Mr Dörre, who took over responsibility as the new CEO on 1 April 2024, on the transformation and thus the sustainable realignment of the company. In challenging times, dialogue between the Supervisory Board and the Chief Financial Officer is also crucial in order to maintain long-term financial stability. With this in mind, we maintained detailed, constructive contact with Mr Ladurner as CFO. In a phase of change, the Chief Human Resources Officer also has a central role to play in ensuring that the company can make the most of opportunities. The recruitment and development of specialists, the promotion of organisational flexibility and the creation of a culture that supports change and innovation were therefore elements of the discussions between the Supervisory Board and Dr Immisch as CHRO.

It is not only HENSOLDT's corporate strategy that has to adapt to the new global and economic landscape; our expertise as the Supervisory Board must also keep pace with these changes. In the midst of major transformation processes and far-reaching changes, we on the Supervisory Board ensure that we have the necessary expert knowledge and prudence to act optimally and support the Management Board both with sound advice and also with the necessary control.

From the Supervisory Board's perspective, we believe that HENSOLDT is at the best positioned to meet the future requirements arising out of geopolitics, supply chains, technological developments and a changing society and to play a leading role as a reliable partner in a constantly changing security landscape.

I would now like to report to you in more detail on the collaborative efforts of the Supervisory Board and the Management Board.

Cooperation with the Management Board

In 2024, the Supervisory Board of HENSOLDT AG diligently and dutifully carried out its obligations in accordance with the law, the company's Articles of Association and rules of procedure. We advised the Management Board on the management of the company on an ongoing basis and continuously monitored its activities. The Supervisory Board was directly involved at an early stage in all decisions of fundamental importance to the company. The Management Board informed us regularly, both verbally and in writing, promptly and comprehensively about all significant events, focusing on corporate planning, the course of business, strategic development and the current situation of the Group. Cooperation between the Supervisory Board and the Management Board was constructive, open and trusting at all times.

The Management Board agreed the company's strategic direction with us. We discussed the significant business transactions for the company in detail on the basis of the Management Board's reports.

The Supervisory Board, in particular the Chair of the Supervisory Board, was in regular contact with the Management Board beyond the Supervisory Board meetings and was informed about the current development of the business situation and material business transactions. This ensured that the Supervisory Board was always aware of the intended business policy, corporate planning including financial, investment and personnel planning, the course of business, profitability and the position of the Group.

As Chair of the Audit Committee, Ingrid Jägering, also regularly discussed current developments with the Chief Financial Officer, the auditor and selected central Group functions.

As Chair of the Compliance Committee, Hiltrud Werner regularly discussed current topics, important processes and compliance-relevant structures of the company with the heads of the risk-mitigating functions.

Corporate Governance and working methods of the Supervisory Board

Further information on corporate governance can be found in the corporate governance statement, which is part of the Combined Management Report for HENSOLDT AG and the HENSOLDT Group. It contains a detailed report on the working methods of the Supervisory Board and its committees. It also contains explanations of the current declaration by the Management Board and Supervisory Board pursuant to Section 161 German Stock Corporation Act (AktG), which the Supervisory Board adopted on 10 December 2024. The current declaration of the Management Board and Supervisory Board pursuant to Section 161 AktG is also permanently available to shareholders on the HENSOLDT website at <https://investors.hensoldt.net> in the Corporate Governance section.

The members of the Supervisory Board are responsible for their own training and development measures. The company supports the Supervisory Board in this to an appropriate extent.

Discussions and resolutions in plenary session of the Supervisory Board

The Supervisory Board of HENSOLDT AG held five meetings in the previous fiscal year.

At its meeting on 23 February 2024, the Supervisory Board resolved on the target values achieved for the fiscal year 2023 and the determination of the target values for 2024 for the variable remuneration of the Management Board following a report from the Presidial Committee.

At its meeting on 21 March 2024, the Supervisory Board addressed the annual financial statements of HENSOLDT AG and the Consolidated Financial Statements as of 31 December 2023, the combined management and Group management report and the sustainability report. The Supervisory Board also decided on the preparation of the remuneration report for 2023. Another topic of the meeting was the resolution on the preparation and holding of the fourth Annual General Meeting of HENSOLDT AG. The Supervisory Board discussed the transfer of the position of Chair of the Management Board from Mr Müller to Mr Dörre with both Management Board members and redefined the allocation of responsibilities for the Management Board. The Supervisory Board also focused on the upcoming closing of the acquisition of ESG Elektroniksystem- und Logistik-GmbH and its planned integration into the HENSOLDT Group. As part of the Management Board's report, the Supervisory Board also received reports on key topics, important campaigns, key projects and product developments in the Radar division.

On 7 May 2024, the Supervisory Board obtained an overview of the CEO's medium-term priorities as defined by Mr Dörre and discussed the topic of cyber security and the status of the Group-wide introduction of the S4/HANA software solution with the Chief Information Officer of the HENSOLDT Group.

On 26 July 2024, the Supervisory Board decided, at the proposal of the Presiding Committee, to extend Mr Ladurner's mandate as a member of the Management Board for a further five years. The meeting also focused on dialogue with the management of ESG Elektroniksystem- und Logistik-GmbH on the company's business model, key performance indicators and order intake. Mr Dörre then presented the Supervisory Board with the organisational changes that were to be implemented following the integration of ESG Elektroniksystem- und Logistik-GmbH.

In light of the departure of Celia Pelaz Perez from the Management Board of HENSOLDT AG on 31 August 2024, the Supervisory Board discussed the Management Board structure of HENSOLDT AG with the Presiding Committee on 10 December 2024 and agreed with the recommendation of the Presiding Committee to initially continue with a three-member Management Board consisting of CEO, CFO and CHRO. The Supervisory Board redefined the allocation of responsibilities for the Management Board. In addition, the Supervisory Board decided to adjust the remuneration of Oliver Dörre and to extend the Management Board mandate of Dr Lars Immisch from 1 October 2025 until 30 April 2029, as proposed by the Presiding Committee. In addition to the Management Board's report on the company's situation, the Supervisory Board was presented with the HENSOLDT Group's business plan for approval. The Supervisory Board instructed the Presiding Committee to prepare the targets for the variable remuneration of the Management Board in 2025. The Supervisory Board also resolved to issue the declaration of conformity with the German Corporate Governance Code.

Where necessary, the Supervisory Board also passed resolutions by written procedure. This concerned the approval of the submission of three offers by HENSOLDT Sensors GmbH and the issuance of corresponding securities by HENSOLDT AG, where necessary the approval of the submission of an offer by HENSOLDT Optronics GmbH, the issuance of corresponding securities by HENSOLDT AG and the approval of a resolution of the Management Board on the liquidation of a subsidiary of the HENSOLDT Group.

The members of the Management Board regularly attended Supervisory Board and committee meetings. Discussions on internal Supervisory Board matters and personnel issues relating to the Management Board took place without the presence of the Management Board.

Measures that require the approval of the Supervisory Board in accordance with the articles of association, the rules of procedure for the Supervisory Board or the rules of procedure for the Management Board were submitted in good time to the Supervisory Board for a decision. The Supervisory Board approved each of the resolutions proposed by the Management Board after thorough examination and consultation. Apart from the individual measures already explained, there are no other transactions requiring approval to report in the previous fiscal year.

Committees of the Supervisory Board

The Supervisory Board has established a Presidial Committee and five other committees in order to perform its duties efficiently. These committees prepare the resolutions of the Supervisory Board as well as the topics to be dealt with in the plenary session. To the extent permitted by law, decision-making powers of the Supervisory Board have been transferred to the relevant committees.

The Presidial Committee held six meetings in the reporting year.

At its meeting on 23 February 2024, the Presidial Committee assessed the targets achieved for the fiscal year 2023 and prepared a proposal to the Supervisory Board on the bonus for the Management Board for the fiscal year 2023 and on setting the targets for the Management Board for 2024.

At its meeting on 21 March 2024, the Presidial Committee discussed the possible extension of the expiring Management Board mandates and exchanged views on changing the allocation of responsibilities for the Management Board.

The meeting of the Presidial Committee on 5 July 2024 also dealt with personnel issues relating to the Management Board.

At the meeting on 26 July 2024, the Presidial Committee discussed the proposal to the Supervisory Board to extend Mr. Ladurner's Management Board mandate for a further five years from 1 July 2025.

On 2 October 2024, the Presidial Committee consulted a comparative study to analyse the Management Board structure of MDAX companies and evaluated the options for the composition of the Management Board of HENSOLDT AG. The Presidial Committee came to the decision to recommend the Supervisory Board of HENSOLDT AG to continue with a three-member Management Board for the time being.

At the meeting on 10 December 2024, the Presidial Committee discussed the proposal to the Supervisory Board to adjust the remuneration of Oliver Dörre and the proposal to the Supervisory Board to extend the Management Board mandate of Dr Lars Immisch from 1 October 2025 until 30 April 2029.

The Audit Committee held six meetings.

A key part of its work was the discussion of the preliminary key financial figures for the fiscal year 2023, the dividend proposal and the key financial figures for the year (quarterly statement 3M 2024, half-year financial report H1 2024 and quarterly statement 9M 2024). The Audit Committee consulted with the Chief Financial Officer on the key financial figures and, with regard to the half-year financial report, with the auditor to explain the results of the audit review.

The representatives of the auditor KPMG also took part in the discussion of the Annual and Consolidated Financial Statements. The Audit Committee also made recommendations to the Supervisory Board regarding the choice of auditor.

At each meeting of the Audit Committee, the Chair of the Audit Committee reported on her regular exchanges with the Management Board, the auditor and key functions within the company. The Chief Financial Officer also reported on current issues in the finance department and in other areas of responsibility.

The committee received regular reports from those responsible for the main control functions on current developments and the further development of the control systems. The committee also addressed financing and refinancing, capital market issues, the global finance organisation, finance governance in the group and individual local finance areas with a view to meeting global requirements.

The committee also discussed the audit results for 2024 and the audit planning for the fiscal year 2025 in the presence of the Head of Internal Audit.

The contents of the meetings were presented to the Supervisory Board as part of the oral reports from the committee meetings and – where necessary – submitted for a decision.

In addition, the Chair of the Audit Committee is in regular contact with the auditor – also outside of meetings. The auditor informs the Audit Committee without delay of all findings and events of significance to its duties that come to its attention.

during the performance of the audit. The auditor has declared to the Audit Committee that there are no circumstances that would give rise to the assumption that the auditor is biased. The Audit Committee obtained the required independence agreement from the auditor and reviewed the auditor's qualifications. Two proven financial experts, Ingrid Jägering and Giuseppe Panizzardi are permanently represented on the Audit Committee. Expertise in sustainability issues is also ensured on the Audit Committee and is continuously developed.

At the meeting on 22 February 2024, the Audit Committee discussed the preliminary key financial figures for the fiscal year 2023 and the dividend proposal with the Chief Financial Officer and the auditor.

With a view to the Annual General Meeting of HENSOLDT AG, the Audit Committee prepared the Supervisory Board's resolution on the Annual Financial Statements, Combined Management Report and other reporting, including non-financial reporting, at its meeting on 19 March 2024 and made a recommendation to the Supervisory Board on the appropriation of net retained profits.

On 6 May 2024, the Audit Committee discussed the quarterly statement for the first three months of the fiscal year 2024 and discussed the results of KPMG's review of the risk management system, the internal control system and the internal audit system with the Head of Internal Audit, ERM & ICS.

On 25 July 2024, the Audit Committee discussed the report for the first half of the fiscal year 2024, assured itself of the quality of the audit and discussed the execution of the audit plan by Internal Audit.

The discussion of the interim financial information for the first nine quarters was the subject of the Audit Committee meeting on 5 November 2024. In addition, the Audit Committee discussed with the Management Board the control and management of the subsidiaries of the HENSOLDT Group and dealt with the income tax consolidation of the HENSOLDT Group and the conclusion of a profit-and-loss-transfer agreement with HENSOLDT AG.

On 9 December 2024, the Audit Committee discussed the current status of the audit of the Annual and Consolidated Financial Statements for 2024 and the audit of sustainability reporting with the auditor. In this context, the Audit Committee discussed with the auditor and the Management Board in particular how the company was dealing with the uncertainty arising from the as yet unimplemented implementation of the new EU Directive on corporate sustainability reporting, the Corporate Sustainability Directive. The Audit Committee also ensured that the requirements of the German Corporate Governance Code were carefully examined by the Supervisory Board before issuing the declaration of conformity.

At its regular meetings throughout the year, the Audit Committee also received regular reports from senior employees and the Head of Internal Audit on audit activities and investigations as well as on current risk management issues. The Audit Committee ensured that all identified potential risks were addressed appropriately.

There were regular consultations between the Audit Committee and the auditor without the presence of the Management Board and consultations between the Audit Committee and the Management Board without the presence of the auditor.

The Compliance Committee held four meetings in the reporting year.

At its meetings, the Compliance Committee received regular reports from the Head of Compliance, the General Counsel and the Head of Internal Audit on the compliance dashboard, the status of the e-learning offerings, the compliance risk assessment and the OpenLine cases and discussed the results with the specialist functions and the Management Board. There was also a regular exchange with the Head of Internal Audit and the HENSOLDT Group's Data Protection Officer. The Compliance Committee also dealt with the plan to integrate ESG Elektroniksystem- und Logistik-GmbH for all compliance-relevant topics, the implementation of the European Union Artificial Intelligence act (AI Act) and the Regulation on harmonised rules for fair data access and use (Data Act) as well as the preparation of the Supervisory Board's decision to approve a contract with a distribution partner.

The Chair of the Compliance Committee also held regular individual discussions with the heads of the company's risk-mitigating functions and reported on this at the meetings.

The Nomination Committee held two meetings in the reporting year.

On 21 March 2024, the Nomination Committee evaluated the proposal to propose Giuseppe Panizzardi, who was appointed to the Supervisory Board by the court of registration, to the Annual General Meeting for election to the Supervisory Board. The Nomination Committee resolved to propose to the Supervisory Board that it propose to the Annual General Meeting that Mr Panizzardi be elected to the Supervisory Board.

Due to the resignation of Letizia Colucci as a member of the Supervisory Board, the Nomination Committee satisfied itself on 12 June 2024 that, with regard to the application for the appointment of Raffaella Luglini by the register court, there were no legal obstacles to her exercising the office of Supervisory Board member and that the appointment of Ms Luglini was in line with the requirements of the German Corporate Governance Code and the objectives resolved by the

Supervisory Board for its composition. The Nomination Committee therefore decided to support the Management Board's proposal to propose Ms Luglini as a shareholder representative on the Supervisory Board until the end of the Annual General Meeting in 2025.

The Mediation Committee and the Committee for Related Party Transactions were not convened in the fiscal year.

Presence of Supervisory Board members at the meetings

Information on the participation of Supervisory Board members in the meetings of the Supervisory Board and its committees that took place in the reporting year is provided below. The majority of meetings were held in hybrid form as face-to-face meetings with the participation of individual or several Supervisory Board members via video conference link-up, while other meetings of the Supervisory Board and its committees were held as 100% face-to-face meetings.

	Supervisory Board plenum		Audit Committee		Compliance Committee		Presidial Committee		Nomination Committee	
(Number of meetings / Presence in %)	Number	in %	Number	in %	Number	in %	Number	in %	Number	in %
Reiner Winkler (Chair)	5/5	100.0%	–	–%	–	–%	6/6	100.0%	2/2	100.0%
Armin Maier-Junker ¹ (Vice Chair)	5/5	100.0%	–	–%	–	–%	6/6	100.0%	–	–%
Dr. Jürgen Bestle ¹	5/5	100.0%	–	–%	4/4	100.0%	6/6	100.0%	–	–%
Jürgen Bühl ¹	4/5	80.0%	–	–%	–	–%	6/6	100.0%	–	–%
Letizia Colucci (until 31 May 2024)	3/3	100.0%	–	–%	2/2	100.0%	–	–%	–	–%
Marco R. Fuchs	5/5	100.0%	–	–%	–	–%	–	–%	2/2	100.0%
Achim Gruber ¹	5/5	100.0%	–	–%	4/4	100.0%	–	–%	–	–%
Ingrid Jägering	5/5	100.0%	6/6	100.0%	–	–%	–	–%	2/2	100.0%
Marion Koch ¹	5/5	100.0%	6/6	100.0%	–	–%	–	–%	–	–%
Giuseppe Panizzardi	5/5	100.0%	6/6	100.0%	–	–%	6/6	100.0%	2/2	100.0%
Raffaella Luglini (since 1 July 2024)	2/2	100.0%	–	–%	2/2	100.0%	–	–%	–	–%
Julia Wahl ¹	5/5	100.0%	6/6	100.0%	–	–%	–	–%	–	–%
Hiltrud D. Werner	5/5	100.0%	–	–%	4/4	100.0%	5/6	83.3%	–	–%

¹ Representative of the employees

Presence at the meetings of the Supervisory Board was therefore 98.6 % in the fiscal year.

Conflicts of interest on the Supervisory Board

No conflicts of interest of members of the Management Board or Supervisory Board requiring disclosure to the Supervisory Board were reported in the fiscal year.

Changes in the Management Board and Supervisory Board

The mandate of Thomas Müller as a member of the Management Board and Chair of the Management Board was terminated by mutual agreement by resolution of the Supervisory Board on 5 April 2023 with effect from 31 March 2024.

Oliver Dörre took up his position as a member of the Management Board for a term of three years with effect from 1 January 2024. With effect from 1 April 2024, he took over as Chair of the Management Board.

The mandate of Christian Ladurner as a member of the Management Board was extended on 26 July 2024 with effect from 30 June 2025 for a further five years, i.e. until 30 June 2030.

The mandate of Dr Lars Immisch as a member of the Management Board was extended on 10 December 2024 with effect from 1 October 2024 for a further three years and seven months, i.e. until 30 April 2024

Letizia Colucci resigned as a member of the Supervisory Board with effect from the end of 31 May 2024. Raffaella Luglini was appointed to the Supervisory Board in her place by the register court with effect from 1 July 2024.

Audit of the Annual and Consolidated Financial Statements

KPMG AG Wirtschaftsprüfungsgesellschaft was appointed as auditor for the fiscal year 2024 by resolution of the General Meeting on 17 May 2024. KPMG AG Wirtschaftsprüfungsgesellschaft had previously confirmed that there were no circumstances that could impair its independence as auditor or give rise to doubts about its independence. KPMG AG Wirtschaftsprüfungsgesellschaft also explained the extent to which non-audit services were provided to all companies of the HENSOLDT Group in the previous fiscal year.

The Management Board of HENSOLDT AG has prepared the Annual Financial Statements, the Combined Management Report of HENSOLDT AG and Group and the Consolidated Financial Statements for the fiscal year 2024.

KPMG AG Wirtschaftsprüfungsgesellschaft audited the Annual Financial Statements, the Combined Management Report of the HENSOLDT Group and the Consolidated Financial Statements for the fiscal year 2024 and issued an unqualified audit opinion on 24 March 2025. The Consolidated Financial Statements were prepared on the basis of the International Financial Reporting Standards (IFRS), as adopted by the EU, and the additional requirements of German law pursuant to Section 315e (1) German Commercial Code (HGB). The Annual Financial Statements and the Combined Management Report were prepared in accordance with German commercial law.

The auditor conducted the audit of the Annual and Consolidated Financial Statements in accordance with Section 317 HGB and the generally accepted German standards for the audit of Financial Statements promulgated by the Institut der Wirtschaftsprüfer (IDW).

The aforementioned documents were distributed to us by the Management Board in good time or were available at the balance sheet meeting. They were discussed in detail by the Audit Committee on 25 March 2025. The members of the Audit Committee reported in detail on these discussions to the full Supervisory Board at the balance sheet meeting on 26 March 2025. The full Supervisory Board discussed the Financial Statements and reports in detail – also in the presence of the Management Board. Both meetings were attended by the auditor, who reported on the key findings of their audit. The scope, focus and costs of the audit were also presented.

We concurred with the results of the audit. Following the final results of the audit by the Audit Committee and our own audit, there were no objections to be raised. The Supervisory Board approved the Annual Financial Statements prepared by the Management Board and the Consolidated Financial Statements prepared by the Management Board. The Annual Financial Statements are thus adopted. The Management Board proposes that, of the distributable profit totalling € 67,843,305.19, the amount of € 57,750,000 be used to pay a dividend of € 0.50 per dividend-bearing share. We approved this proposal.

As part of its review, the Supervisory Board also examined the non-financial Group statement as part of the Sustainability Report, which had to be prepared in accordance with Section 315b of the German Commercial Code (HGB), and came to the conclusion that it meets the existing requirements and that there are no objections to be raised. An external review by KPMG AG Wirtschaftsprüfungsgesellschaft had previously confirmed that no matters had come to the auditors' attention that would lead them to conclude that the non-financial Group statement had not been prepared in accordance with Section 315c HGB in all material respects.

Thanks to the Management Board and employees

The Supervisory Board would like to thank the members of the Management Board, the employees and the employee representatives of all Group companies for their work. They all have contributed to a very successful year for the HENSOLDT Group.

On behalf of the Supervisory Board

The Chair of the Supervisory Board