

Report of the Supervisory Board

Dear Sir or Madam,

I am very pleased to report that the Semperit Group was able to achieve record results for the second consecutive year.

During the past financial year, the pandemic had an unprecedented impact on glove prices in the medical business and we also had to contend with the difficult market conditions worldwide. The Executive Board succeeded in managing the challenges caused by the global supply chain and logistics issues across all sectors and ultimately recorded the best results since the turn of the millennium. The major restructuring and transformation measures that have been implemented consistently since they were introduced back in 2018 seriously strengthened resilience across the segments and contributed to the good annual result. At the same time, the strategic focus was shifted to the next steps in the strategic transformation with the aim of ensuring that the company evolves and is in a strong position for the future.

The Supervisory Board supported the Executive Board in this process and was always open to discussion on the action to be taken by the company to mitigate the potentially negative impact of challenging market conditions and to further improve the key financial figures as well as the strategic shift to become an industrial rubber company and the future of the medical sector. There were eight meetings in total throughout 2021, during which the Executive Board reported to the Supervisory Board on the business development and the corresponding areas of focus.

Prior to Supervisory Board meetings, detailed written documents were made available. Furthermore, the Chairman of the Supervisory Board and his Deputy received reports on the business development and the Group's situation on a regular basis beyond the meetings.

The **Audit Committee** held four meetings, focusing particularly on the preparation of the adoption of the annual and consolidated financial statements for 2020, on risk management, the internal control system, internal auditing, the compliance organisation, IT security (cybersecurity), and the preparation of the annual and consolidated financial statements for 2021. Another area of focus was the tender to appoint a new auditor for the annual and consolidated financial statements as at 31 December 2022.

In seven meetings, the **Nominating and Remuneration Committee** first focused on the performance assessment and agreement of targets for the members of the Executive Board as well as the remuneration policy for members of the Executive Board and the Supervisory Board and the nomination of Supervisory Board Members. In the following meetings the committee also focused on the termination agreements for Gabriele Schalleger and Dr Martin Füllenbach and dealt with the appointment of a new CFO and CEO on the Executive Board, as well as with the contracts for the confirmed permanent Member Petra Preining and the extension of the mandate of Kristian Brok, COO. In addition, potential and succession issues on the second management level and Semperit Values were discussed with the Executive Board.

The **Strategy Committee** met once during the reporting year. The committee dealt in detail with the transformation of the Semperit Group into an industrial rubber specialist. The results were subsequently discussed and adopted by the entire Supervisory Board. The Strategy Committee was dissolved on 27 April 2021, at which point its agendas were transferred to the Supervisory Board as a whole.

The **Transformation Committee** held one meeting and focused on the ongoing evaluation and monitoring of key measures to improve the company's performance amongst other things. In addition, the Transformation Committee dealt with various cost-cutting measures. The Transformation Committee was dissolved on 27 April 2021 too, at which point its agendas were transferred to the Supervisory Board as a whole.

The **Committee for Urgent Issues** did not hold any meetings.

At the Annual General meeting on 27 April 2021, Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., Vienna, was appointed as the auditor of the annual and consolidated financial statements for



Herbert Ortner
Chairman of the
Supervisory Board

the 2021 financial year. The annual and consolidated financial statements of Semperit AG Holding as of 31 December 2021 were audited by Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., Vienna, which issued an unqualified audit opinion. The management report and the group management report are consistent with the annual and consolidated financial statements. An independent audit of statements and data was performed by Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., Vienna, on non-financial reporting (sustainability report) for the 2021 financial year.

In its meeting held on 15 March 2021, the Audit Committee of the Supervisory Board dealt in particular with the annual financial statements (including the management report), the consolidated financial statements (including the group management report), the corporate governance report, the sustainability report and the auditor's reports, with the results of the audit being discussed in detail with the auditor. On the basis of its own audit, the Audit Committee concurred with the auditor's results and prudently reported to the Supervisory Board. In addition, the Committee also recommended to propose to the AGM after a properly conducted selection procedure, to appoint either Ernst & Young Wirtschaftsprüfung GmbH or Deloitte Audit Wirtschaftsprüfung GmbH as the auditor for the financial year 2022, with a reasoned recommendation of Ernst & Young Wirtschaftsprüfung GmbH.

Having examined the annual financial statements, the consolidated financial statements, the management report, the group management report, the corporate governance report and the sustainability report, the Supervisory Board concurs with the conclusions of the auditor. The Supervisory Board formally approves the annual financial statements for 2021, which are consequently adopted in accordance with Article 96 Section 4 of the Austrian Stock Corporation Act. The corporate governance report, the sustainability report, the consolidated financial statements, and the group management report for 2021 have been approved by the Supervisory Board as has the remuneration report. The Supervisory Board is following the recommendation of the Audit Committee and proposing the appointment of either Ernst & Young Wirtschaftsprüfung GmbH or Deloitte Audit Wirtschaftsprüfung GmbH, with a reasoned recommendation of Ernst & Young Wirtschaftsprüfung GmbH, as auditor for 2022 to the Annual General Meeting.

The Supervisory Board agrees with the Executive Board's proposal for the distribution of profits, according to which a dividend of EUR 1.50 per dividend-bearing share is to be distributed from the reported net profit of Semperit AG Holding amounting to EUR 30,860 thousand and the remaining profit is to be carried forward.

The Supervisory Board members would like to thank the Executive Board, the Management Forum, and all employees of the Semperit Group for their extraordinary dedication and commitment. Special thanks also go to the shareholders, customers, and partners of Semperit for the trust they have placed in us.

Vienna, 22 March 2022



Herbert Ortner

Chairman of the Supervisory Board