

Corporate Governance Report

Austrian Corporate Governance Code

The Austrian Corporate Governance Code is a regulatory framework for the management and monitoring of Austrian joint-stock companies. This code contains common international standards and significant related regulations in this context, stipulated in the Austrian Stock Corporation, Stock Exchange and Capital Market Acts. The Austrian Corporate Governance Code is based on the EU recommendations on the tasks of supervisory board members and on the remuneration of directors as well as on the principles set out in the OECD Guidelines for Corporate Governance. The code is aimed at ensuring responsible management and supervision of individual companies and groups, with the goal of creating sustainable and long-lasting value. The code seeks to create a high level of transparency for all company stakeholders.

The code is applied through the voluntary commitment of companies to compliance with the guidelines set out in the current version of the Austrian Corporate Governance Code as amended. The version of the Corporate Governance Code that is applicable to the 2022 financial year was published in January 2021 and can be found online at www.corporate-governance.at.

Statement on corporate governance

The Semperit Group, as a publicly listed company that operates globally, hereby declares that it will voluntarily observe the Austrian Corporate Governance Code and that it also intends to observe the code in the future and justify any behaviour to the contrary. Semperit AG Holding complies with all legally binding L-Rules (legal requirements). Unless otherwise declared, the C-Rules (comply or explain) will be observed by the relevant bodies and the company.

Executive Board

Composition and function of the Executive Board

At the end of the 2022 financial year, the Executive Board consisted of three members – CEO Karl Haider, CFO Helmut Sorger and COO Kristian Brok. The Board has full responsibility for managing the company for the benefit of the business while considering the interests of shareholders and employees as well as the public interest.

The Executive Board's internal rules of procedure regulate the allocation of business responsibilities and the principles of cooperation between members of the Executive Board. Decisions of primary importance are taken by the Board as a whole. The Executive Board is solely responsible for all communications that have a significant impact on how the company is perceived by its stakeholders. Legally binding regulations, the Articles of Association, and the internal rules of procedure for the Executive Board and Supervisory Board laid down by the Supervisory Board form the basis for corporate management.

Cooperation between the Executive Board and Supervisory Board

The Executive Board and Supervisory Board are committed to managing the company in accordance with the principles of good corporate governance. This management takes place in an open dialogue between the Executive Board and the Supervisory Board as well as within these corporate bodies to ensure its continuous development. Among other things, the Executive Board's internal rules of procedure govern the Executive Board's ongoing reporting to the Supervisory Board. They also specify a catalogue of transactions and measures that, in addition to legal provisions, require the Supervisory Board's explicit authorisation. The Supervisory Board monitors the Executive Board and supports it in managing the company, particularly when decisions of fundamental importance are to be made.

The strategic direction of the company is determined in close cooperation between the Executive Board and the Supervisory Board and is discussed in Supervisory Board meetings held at regular intervals.

Organisational Structure Semperit Group 2022¹

Karl Haider Chief Executive Officer		Helmut Soger Chief Financial Officer		Kristian Brok Chief Operating Officer	
Business Sectors Industrial and Medical incl. US	Mergers & Acquisitions	Finance Sectors Industrial and Medical incl. US	Accounting & Tax	Production Operations Industrial and Medical incl. US	Manufacturing Engineering & Electronic Operational Maintenance
Group Brand Management, Communications	Corporate Development	Controlling	Information Technology	Mixing Operations	Health, Safety, Environment & Quality Management
Investor Relations	Customer Excellence	Internal Audit	Risk Management	Operational Excellence	ESG (Environment, Social, Governance)
		Treasury	CISO	Research & Development	Supply Chain Management & Procurement
		Legal	Compliance	Human Resources	

¹ As of 31 December 2022; Karl Haider was appointed CEO with effect from 11 January 2022, after Petra Preining and Kristian Brok had taken over the CEO responsibilities on an interim basis; after the early departure of Petra Preining, Helmut Soger was appointed CFO as of 1 October 2022.

Corporate bodies of Semperit AG Holding: Executive Board

Karl Haider

Chief Executive Officer (CEO) since 11 January 2022, term of office ends on 31 March 2025.

Karl Haider, born in 1965, started his career as a chemical lab technician. He went on to study Technical Chemistry and Economics, eventually completing his doctorate in Technical Chemistry at the Johannes Kepler University Linz in Austria. Following his studies, he worked in sales and project management at the voestalpine group before being promoted to Board Member within the Stainless Steel Division. Most recently, Karl Haider held the position of Chief Commercial Officer at Tata Steel Europe, one of the world's largest steelmaking companies. His achievements at Tata Steel, where he started off as Director Operations Downstream, included major mergers and acquisitions. A highly regarded industry expert and highly qualified manager, Karl Haider has gained extensive experience at major international industrial corporations throughout his career. In his previous functions, Karl Haider has also held a number of seats on Supervisory Boards at the respective group subsidiaries.

Currently, he does not hold Supervisory Board mandates in other companies that are not included in the consolidated financial statements pursuant to C-Rule 16 of the Austrian Corporate Governance Code.

Helmut Sorger

Member of the Executive Board since 1 October 2022, Chief Financial Officer (CFO), term of office ends on 31 December 2025.

Helmut Sorger was born in 1978 and holds a doctorate in social sciences and economics. He started his career as a research assistant and university lecturer at the Department for Quantitative Management at the Vienna University of Economics and Business. In 2007, he joined Wienerberger AG in the Corporate Controlling Department. In the same year, Helmut Sorger took over as Head of External Reporting. In summer 2010, he moved to the USA and served as Director Finance and IT of General Shale Brick Inc. In 2013, he returned to Vienna taking on responsibility as Head of Corporate Reporting of Wienerberger AG. At the beginning of 2015, Helmut Sorger assumed responsibility as CFO of the North America region for the American financial area of Wienerberger AG for the following seven years and supported the strategic realignment and the growth course of the division through acquisitions and their quick integration into the existing organisation.

He does not hold Supervisory Board mandates in other companies that are not included in the consolidated financial statements pursuant to C Rule 16 of the Austrian Corporate Governance Code.

Kristian Brok

Member of the Executive Board since 1 January 2020, Chief Operating Officer (COO), term of office ends on 31 December 2025.

Kristian Brok, born in 1965, studied Engineering at the Technical University of Denmark and pursued further education in innovation, product portfolio management and business insight at MIT in the USA and INSEAD in France. He has more than 20 years of managerial experience within the field of highly specialised manufacturing and engineering. Before joining Semperit, he spent ten years at Trelleborg Sealing Solutions (a division of Trelleborg AB) in several senior leadership positions, most recently spending nine years as a Member of the Divisional Board and President of the Global Operations Elastomers Business Unit. In parallel, he headed legal entities in the USA, Mexico, China and India, as well as several legal entities in Europe.

He does not hold Supervisory Board mandates in other companies that are not included in the consolidated financial statements pursuant to C Rule 16 of the Austrian Corporate Governance Code.

Petra Preining

Member of the Executive Board since 17 May 2021 (initially on a temporary basis before being officially appointed on 29 September 2021); Chief Financial Officer (CFO); term of office ends on 31 December 2022.

Petra Preining was born in 1973 and studied Business Administration at the Vienna University of Economics and Business. After graduating, she worked for Unilever (Austria Frost GmbH) and Kraft Jacobs Suchard in various finance positions before joining Wyeth in 2001. During her nine years at Wyeth, she held the positions of Finance Manager ECE/CIS/MEA and CFO Russia. From 2010 to 2013, she was Finance Director at TRC Ltd/Tiller JLT and served as CFO at Austrian Kurdish Oilfield Services LLC from 2013 to 2015. From 2016, Ms Preining was employed at B & C Industrieholding GmbH. From February 2017 she was Managing Director of B & C Innovation Investments GmbH and from September 2018 Senior Finance Expert at B & C Industrieholding GmbH. In parallel, she was a member of the Supervisory Board and the Audit Committee of Semperit AG Holding from May 2017. She has also been a member of the Supervisory Board of Frequentis AG since September 2019. Petra Preining's Supervisory Board duties at Semperit AG Holding were temporarily suspended on 17 May, before she finally left the Supervisory Board on 29 September 2021.

Petra Preining resigned from the Executive Board prematurely as of 30 September 2022, as she accepted a new professional challenge.

Remuneration of the Executive and Supervisory Boards

In accordance with Section 78c of the Stock Corporation Act and, as a result, in accordance with the amended reporting requirements in the Corporate Governance Code and AFRAC Statement 37 on the Compensation Report, Directive (EU) 2017/828 to promote long-term participation of shareholders was implemented in the 2019 Stock Corporation Law Amendment Act. Accordingly, the remuneration of the Executive Board and the Supervisory Board must be dealt with in a separate remuneration report and presented to the Annual General Meeting (please also refer to www.semperitgroup.com/investor-relations/reports-presentations/).

Directors and Officers (D&O) insurance

Directors and Officers (D&O) insurance has been taken out for the members of the Executive Board and senior executives within the Group. The company bears the related costs. In case of damage, deductibles were agreed for the event that Executive Board members are found to be in breach of duty.

Supervisory Board

At the end of 2022, the Supervisory Board consisted of six shareholder representatives and four employee representatives and has resolved to establish the following committees consisting of its own members to carry out specific functions: Audit Committee, Nominating and Remuneration Committee and Committee for Urgent Issues. The authority to make decisions and pass resolutions rests primarily in the hands of the entire Supervisory Board.

Meetings of the Supervisory Board and its committees in 2022

The Supervisory Board convened for nine meetings. In 2022, no member of the Supervisory Board attended less than 50% of the meetings. In 2022, Herbert Ortner was the Chairman of the Supervisory Board until 27 December. As in the previous year, Stefan Fida was the Deputy Chairman of the Supervisory Board. Following the premature resignation of Herbert Ortner, Stefan Fida has served as Chairman and Birgit Nogglner as Deputy Chairman of the Supervisory Board since 27 December 2022.

The **Audit Committee** led by finance expert Birgit Nogglner performs its duties in accordance with Article 92 Section 4a of the Austrian Stock Corporation Act and Rule 40 of the Austrian Corporate Governance Code. The Audit Committee held three meetings, focusing particularly on the preparation of the adoption of the annual and consolidated financial statements for 2021, 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 2022.

In eight meetings, the **Nominating and Remuneration Committee**, chaired by Herbert Ortner until 27 December 2022 and then by Stefan Fida, 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, which was adjusted in 2022 and subsequently approved at the Annual General Meeting. In addition, the committee dealt with the termination agreement with Petra Preining. This committee most notably also dealt with the appointment of a new CFO and CEO and the nomination of Supervisory Board members. In addition, potential and succession issues on the second management level as well as in greater detail talent management in the company were discussed with the Executive Board, as well as the results of the employee survey.

The **Committee for Urgent Issues**, headed by Herbert Ortner until 27 December 2022 and then Stefan Fida, did not hold any meetings.

In 2022, the Supervisory Board started an extensive **self-evaluation** based on qualitative and quantitative assessment in accordance with C-Rule 36 of the Austrian Corporate Governance Code which was finalised in the 2023 financial year. Based on these discussions, measures to increase the efficiency of the activities of the Supervisory Board will be derived and defined, and then implemented.

Corporate bodies of Semperit AG Holding: Supervisory Board

Composition of the Supervisory Board¹

	Year of birth	First appointed to the Supervisory Board	Current term of office ²	Supervisory board positions in other listed companies
Shareholder representative				
Stefan Fida Deputy Chairman until 26.12.2022, Chairman since 27.12.2022	^{3,4} 1979	29.04.2014	Until the Annual General Meeting, resolving upon the 2024 financial year	Lenzing AG
Birgit Noggler Member since 26.12.2022, Deputy Chairwoman since 27.12.2022	³ 1974	08.05.2019	Until the Annual General Meeting, resolving upon the 2024 financial year	Raiffeisen Bank International AG
Stephan Büttner, Member	^{3,5,6} 1973		Until the Annual General Meeting, resolving upon the 2023 financial year	–
Klaus Friedrich Erkes Member	^{3,5} 1958	23.05.2017	Until the Annual General Meeting, resolving upon the 2022 financial year	Chairman of the Supervisory Board of Simona AG (based in Kirn, Germany); Member of the Supervisory Board of PRÄZI-Flachstahl AG (based in Everswinkel, Germany) since 1 January 2022
Claus Möhlenkamp Member	^{3,5} 1965	22.07.2020	Until the Annual General Meeting, resolving upon the 2022 financial year	–
Astrid Skala-Kuhmann Member	³ 1953	29.04.2014	Until the Annual General Meeting, resolving upon the 2023 financial year	Lenzing AG
Employee representatives				Works council function
Herbert Ofner	1966	27.04.2021	–	Deputy Chairman of the Works Council for white-collar workers, Wimpassing
Monika Müller	1964	27.04.2021	–	Chairwoman of the Works Council for white-collar workers, Vienna
Michael Schwiegelhofer	1975	08.03.2017	–	Deputy Chairman of the Central Works Council of Semperit AG Holding, Chairman of the Works Council for blue-collar workers, Wimpassing, Chairman of the European Works Council
Markus Stocker	1979	01.01.2017	–	Chairman of the Central Works Council of Semperit AG Holding, Deputy Chairman of the European Works Council, Chairman of the Works Council for white-collar workers, Wimpassing

¹ As of 31 December 2022.

² According to regulations, each year at least two members of the Supervisory Board resign from their positions at the end of the Annual General Meeting.

³ Have declared their independence to the Supervisory Board in accordance with C-Rule 53 of the Austrian Corporate Governance Code.

⁴ In 2022, the Chairman of the Supervisory Board was Herbert Ortner. On 27 December 2022, he resigned from his position as Chairman of the Supervisory Board and left the Supervisory Board. Stefan Fida, Deputy Chairman of the Supervisory Board, took over as Chairman of the Supervisory Board, Birgit Noggler as Deputy Chairman of the Supervisory Board from 27 December 2022.

⁵ No representation by a shareholder over 10% (C-Rule 54 of the Austrian Corporate Governance Code).

⁶ Since 27 April 2022, Stephan Büttner has been an Executive Board member at AGRANA Beteiligungs-AG.

Resigned members of the Supervisory Board

	Year of birth	First appointed to the Supervisory Board	Current term of office
Shareholder representative			
Herbert Ortner Chairman	1968	22.07.2020	Resigned from office as of 27.12.2022

Guidelines for the independence of Supervisory Board members

The Supervisory Board adopted the guidelines for independence as per Appendix 1 of the Austrian Corporate Governance Code. According to this, all members of the Supervisory Board declared their independence from the company and its Executive Board. In addition, pursuant to C-Rule 54 of the Austrian Corporate Governance Code, the members Stephan Büttner and Claus Möhlenkamp were not shareholders of the company with an investment of more than 10% each nor did they represent the interests of such shareholders in 2022. There is D&O insurance for the Supervisory Board, with the associated expenses being borne by the company.

Composition of the Committees of the Supervisory Board¹

Committee	Members
Committee for Urgent Issues	Stefan Fida (Chairman) ² Birgit Noggler ² Markus Stocker
Nominating and Remuneration Committee	Stefan Fida (Chairman) ² Birgit Noggler ² Markus Stocker
Audit Committee	Birgit Noggler (Chairwoman) Stephan Büttner ³ Markus Stocker

¹ As of 31 December 2022.

² On 27 December 2022, Herbert Ortner resigned from his position as Chairman of the Supervisory Board and all committee positions (Chairman of the Committee for Urgent Issues and the Nominating and Remuneration Committee, member of the Audit Committee) with immediate effect and left the Supervisory Board. Stefan Fida, Deputy Chairman of the Supervisory Board, took over as Chairman of the Supervisory Board and Birgit Noggler as Deputy Chairwoman of the Supervisory Board as of 27 December 2022. Stefan Fida was also appointed Chairman of the Nominating and Remuneration Committee and the Committee for Urgent Issues as of 27 December 2022 (previously a simple member). Birgit Noggler was also elected to the Nominating and Remuneration Committee and the Committee for Urgent Issues with effect from 27 December 2022.

³ Since 27 April 2022.

Managers' transactions

There were no managers' transactions in the financial year. As a general rule, transactions in shares or debt instruments of the company or related derivatives or financial instruments carried out by members of the Executive Board and the Supervisory Board are published online in accordance with Article 19 of the Market Abuse Regulation: <https://issuerinfo.oekb.at>.

Equal opportunities and diversity

Respect, diversity, and inclusion are integral and indispensable elements of the corporate culture of Semperit AG Holding and are always considered when filling vacancies. When proposals are made to the Annual General Meeting for filling Supervisory Board mandates and when nominating Executive Board members, special importance is attached to expertise and diversity because this contributes significantly to the level of professionalism and efficiency delivered through the work of the Supervisory and Executive Boards. In addition to professional and personal qualifications, aspects such as age, ethnic origin, gender, education, and experience are factored in. The written version of a diversity concept of the Supervisory Board was adopted on 1 February 2018 and updated in the 2021 financial year.

At the same time, the topic of diversity and inclusion (D&I) is not just for filling managerial positions, but relevant for the entire Semperit Group. This applies to the existing workforce as well as for recruiting and hiring new employees. Here flow – how for the Management Board and the Supervisory Board - in addition to professional and personal qualifications, also aspects such as age, origin, gender, education and background experience. In 2022, one Diversity and inclusion strategy developed. In the course of various workshops, four dimensions and defined goals that are crucial for Semperit in the area of D&I:

- **Age:** By the end of 2025, Semperit will ensure equal treatment of all age groups in policies and company practices in recruitment, promotion and development. This will be achieved through a change in corporate culture by implementing at least 5 defined initiatives with a focus on removing systematic barriers and prejudices against all age groups.
- **Gender:** In a step-by-step process, Semperit will take the following path towards gender balance at all hierarchical levels of the Group as of 2023. Starting in 2023, each Semperit location will implement a local action plan with at least 2 defined initiatives to eliminate relevant local gender barriers. In addition, Group HR will report on the current gender ratio in senior Semperit management on an ongoing basis starting in 2023. Subsequently, the Executive Board members commit to develop and track a progress plan for gender balance in senior management in the second half of 2023.
- **People with disabilities:** By the end of 2023, initiatives will be implemented at all Semperit locations based on the model of the pilot project carried out in Austria in 2022; these initiatives will more closely identify and analyse the needs of employees with disabilities and implement improvements. The approach is based on the identification of local system barriers at the site and their targeted elimination (examples from the pilot project: introduction of barrier-free parking spaces and toilets, awareness-raising measures).
- **Intercultural competence:** By the end of 2025, Semperit will have strengthened the intercultural competence of all employees with continuous awareness-raising communication measures and will ensure that all white- and blue-collar workers complete awareness training to eliminate prejudices in the areas of culture, origin and inclusion.

Building on this, so-called "D&I Councils" were set up for each dimension at the beginning of 2022 called, in which a number of colleagues from different areas of the company, different locations, age groups and hierarchical levels were appointed to act as ambassadors and to act as change agents for the respective dimension. The D&I Councils also work as Thinktank-platforms where members analyze collected data, share ideas and design initiatives to work with the board and HR to promote diversity and inclusion in the workforce to advance.

Advancement of women

Semperit is committed to equal opportunities for all employees – regardless of age, gender, nationality, religion, skin colour, or sexual orientation. A person's skills and potential are what counts. The successive increase in the proportion of women in the Semperit Group, which – typically of an industrial company – is lower than in other sectors, is a central goal with regard to human resources. Measures to promote women include flexible working models such as flexitime and part-time work, as well as special parental part-time arrangements, and aim to continuously increase the proportion of female employees. As a traditional industrial company with a technical focus, the share of women was 23% across the Group in 2022 (compared to 23% in 2021) and 27% throughout Europe (compared to 26% in 2021), while in Asia the female proportion was 18.1% (2021: 18.2%) and in the USA 38.1% (2021: 37.9%). Since May 2017, Semperit AG Holding has met the 30% quota for women on the Supervisory Board, which has been required by law since 2018. There was one woman on the Executive Board until Petra Preining resigned from office in autumn. Overall, the share of women in management (Executive Board, Management Forum, department heads) was around 13% (compared to 10% in 2021).

Issuer Compliance Policy

In order to implement and ensure compliance with all relevant stock exchange regulations, Semperit AG Holding has issued its own Issuer Compliance Policy designed to prevent the misuse or dissemination of insider information. Compliance is monitored and administered by a specially designated Issuer Compliance Officer, who reports directly to the Executive Board.

Code of Conduct

Beyond issuer compliance, the Semperit Group has a compliance organisation that covers all corporate units. A Group Compliance Officer receives support in fulfilling their responsibilities from the Senior Group Compliance Manager and compliance coordinators working in the subsidiaries of the Semperit Group. The Senior Group Compliance Manager reports any incidents to the Compliance Board. The Compliance Board consists of the Executive Board and the Group Compliance Officer. The main focus is on ensuring compliance with regulations in the areas of anti-corruption, antitrust law, export control and sanctions as well as data protection. The Group Compliance Officer is also the deputy of the Issuer Compliance Officer.

The Code of Conduct, which applies to all employees and managers and is available in several languages, was updated and published in 2022. Its most important objectives are to avoid corruption, money laundering, human rights violations, insider trading, and breaches of competition law. In addition, it deals with aspects of data protection and export restrictions. These conduct requirements are further specified in thematic compliance guidelines. Employees receive in-depth and practical training with a focus on the matters referred to in the Code of Conduct. In addition, there is regular internal communication from the Executive Board and the relevant managers providing support on compliance-related topics. The Code of Conduct can be viewed online here: <https://www.semperitgroup.com/en/about-us/compliance/>.

In order to support the above-mentioned targets of the Code of Conduct, the information hotline "SemperLine" was set up in January 2018. Employees as well as external people are welcome to report infringements of the Code of Conduct: <https://www.semperitgroup.com/en/about-us/compliance/semperline/>.

Risk Management & Assurance

The "Group Risk Management & Assurance" department is responsible for the central coordination, moderation and monitoring of the structured risk process for the entire Group. Relevant risks are prioritised from various perspectives and their effects and probability of occurrence are assessed. Responsibilities are identified, measures are defined and tracking is ensured. The bottom-up identification and prioritisation process is supported by workshops with the relevant employees. This element ensures that potential new risks are put up for discussion at management level and are included in reporting if they are relevant. These risks are then coordinated with the segment and competence centre managers. The workshops take place on site or remotely.

The process is completed by reporting to the relevant stakeholders. Top-down risks are recorded, e.g. from the perspective of the segment and competence centre managers and the Executive Board, and backed up with measures. The regular reporting process is complemented by an ad-hoc reporting process to draw attention to critical issues in good time. At least once a year, a comprehensive risk report on the biggest group individual risks, including aggregation, is submitted to the Audit Committee and the Supervisory Board. Regular updates on risks and trends are provided at the other meetings of the Audit Committee and the Supervisory Board.

Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. audited and confirmed the functionality of the risk management system of the Semperit Group for the 2022 financial year in accordance with C-Rule 83 of the Austrian Code of Corporate Governance.

The purpose of the internal control system of the Semperit Group is to ensure the effectiveness and efficiency of business operations, the reliability of financial reporting, and adherence to applicable laws and regulations. It also supports the early recognition and monitoring of risks from inadequate monitoring systems and fraudulent actions and is revised and expanded on an ongoing basis by the Risk Management & Assurance department together with the relevant specialist departments. The management of the relevant subsidiary is responsible for the implementation and monitoring of the internal control system and the risk management system. The Executive Board of Semperit AG Holding stipulates cross-divisional framework conditions and regulations that are applicable throughout the Group. Follow-up audits are undertaken at the various locations on a regular basis to ensure sustainable implementation of these framework conditions and regulations.

External evaluation

In accordance with C-Rule 62 of the Austrian Corporate Governance Code, the Semperit Group commissioned an external organisation to evaluate its compliance with the stipulations contained in the code and the accuracy of the associated public reporting for 2022. This evaluation, which was performed by Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., did not identify any facts inconsistent with the declaration of the Executive Board and Supervisory Board found in the 2022 Corporate Governance Report with respect to its compliance with the C Rules of the Austrian Corporate Governance Code. In accordance with C-Rule 62, a new evaluation is planned for the year 2025.

Vienna, 20 March 2023

The Executive Board



Karl Haider
CEO



Helmut Sorger
CFO



Kristian Brok
COO