

CORPORATE GOVERNANCE

1. COMMITMENT TO THE AUSTRIAN CORPORATE GOVERNANCE CODE

The key elements in an active corporate governance culture consist of a high degree of transparency for all stakeholders and a long-term and sustainable increase in corporate value. Their realisation necessitates efficient teamwork between the company's governing bodies, the protection of shareholders' interests and open corporate communications.

Since its IPO, POLYTEC Holding AG has committed itself to compliance with the Austrian Corporate Governance Code in its respective current form. The information and statements provided in this report pursuant to § 243c and 267b of the Austrian Commercial Code (UGB) are based on this edition. The complete text of the Austrian Commercial Code can be accessed from the website of the Austrian Working Committee for Corporate Governance www.corporate-governance.at.

During the 2024 financial year, POLYTEC Holding AG complied with all the compulsory L-Rules ("Legal Requirements") and all the C-Rules ("Comply or Explain") contained in the Austrian Corporate Governance Code with the exception of the C-Rules 53, 54, 62 and 83. In accordance with the guidelines for the classification of the independence of the Supervisory Board set out in Appendix 1 of the Code, four members of the Supervisory Board declared that they were not independent. Of these, three members did so owing to the length of their Board membership. In this sense, contrary to C-Rule 53 the majority of the members of the Supervisory Board elected by the Annual General Meeting are not independent.

Due to the above postponement, the criteria of C-Rule 54 have also no longer been met since the 2022 financial year, as only Reinhard Schwendtbauer was appointed as an independent member during the 2024 financial year - until he resigned from his Supervisory Board mandate with effect from 16 December 2024. As a result, the Supervisory Board no longer includes at least two independent

members who do not also hold more than 10% of the company's shares.

In addition, according to C-Rule 62, the company is to have compliance with the C-Rules of the Code evaluated regularly, but at least every three years, by an external institution, which has not yet been done. The Company justifies the non-implementation of this rule with the associated costs, but at the same time is convinced that the internal controls and measures ensure compliance with C-Rule 62 and the necessary transparency. Furthermore, on the basis of the documents submitted, the auditor is to assess the functionality of risk management in accordance with C-Rule 83 and report to the Board of Directors on this matter. The company had originally commissioned the audit of the risk management system for the first time in 2024. Due to the double materiality analysis carried out in the 2024 financial year and its voluntary audit review by the auditor, the current risk management manual and the risk matrix are currently being revised and updated; in 2025, the audit of the functionality of the risk management system by the auditor is planned.

The Corporate Governance Report for the 2024 financial year is publicly available via the POLYTEC Holding AG's corporate website www.polytec-group.com, which is entered in the Austrian Company Register.

2. POLYTEC HOLDING AG GOVERNING BODIES

BOARD OF DIRECTORS

ORGANISATION AND WORKING METHODS

In accordance with the Articles of Association, the Board of Directors of POLYTEC Holding AG consists of one, two, three, four or five members. The Supervisory Board appoints the members of the Board of Directors. The Board of Directors manages the company in accordance with the relevant laws, the Articles of Association and the internal rules of procedure, which are subject to Supervisory Board approval. In addition to other items, the

internal rules of procedure regulate the collaboration and distribution of responsibilities amongst the members of the Board of Directors, as well as business transactions requiring approval. The distribution of competences amongst the Board members is specified in the descriptions of their individual functions.

The members of the Board of Directors are in constant, close contact with each other in order to exchange information, adjudge corporate progress and take any necessary decisions in a timely manner. As a rule, the POLYTEC Holding AG Board of Directors holds meetings every two weeks in order to discuss current POLYTEC GROUP development. At least once a quarter, the Board of Directors provides the Supervisory Board with regular, comprehensive and prompt assessments of the course of business that incorporate the risk situation, risk management and the status of the company within the context of future group development. The Chairman of the Supervisory Board is informed immediately of significant events and is in regular contact with the Chairman of the Board of Directors. Ongoing discussions are also held regarding strategy, business trends and company risk management. When developing and implementing corporate strategy, the Board of Directors takes into

account sustainability aspects and the associated opportunities and risks in relation to the environment, social issues and corporate governance. All of the serving members of the Board of Directors in the 2023 financial year were granted a discharge with the required majority at the 24th Annual General Meeting held on 21 June 2024.

CHANGES TO THE POLYTEC HOLDING AG BOARD OF DIRECTORS

At its extraordinary meeting on 18 November 2024, the Supervisory Board of POLYTEC Holding AG appointed Martin Resch to the Board of Directors with effect from 1 January 2025. As COO, Martin Resch will take over the Operations area previously held by Markus Huemer on an interim basis. Martin Resch brings valuable experience in operations and lean management from Magna Powertrain, where he was responsible for manufacturing plants with more than 3,000 employees as General Manager and Managing Director. In the 2024 financial year, Martin Resch was already managing key production companies of the POLYTEC GROUP as Managing Director Operations North. The term of office of Board member Martin Resch ends on 31 December 2027, and the terms of office of all other Board members on 31 December 2026.

MEMBERS OF THE POLYTEC HOLDING AG BOARD OF DIRECTORS

Markus Huemer (CEO/COO)



- Born: 1981
- Chairman of the Board of Directors
- Date of initial appointment: 1 January 2014
- End of current term of office: 31 December 2026
- Areas of responsibility: corporate strategy, investment management, legal affairs, IT, corporate communications, operations, sustainability, project management, operational excellence
- Supervisory Board mandates: GlobeAir AG

Peter Bernscher (CCO)



- Born: 1968
- Deputy Chairman of the Board of Directors
- Date of initial appointment: 1 August 2018
- End of current term of office: 31 December 2026
- Areas of responsibility: sales, engineering, marketing, purchasing, human resources
- Supervisory Board mandates: none

Markus Mühlböck (CFO)



- Born: 1986
- Member of the Board of Directors
- Date of initial appointment: 17 July 2023
- End of current term of office: 31 December 2026
- Areas of responsibility: finance, controlling, treasury, accounting, investor relations
- Supervisory Board mandates: none

SUPERVISORY BOARD

ORGANISATION AND WORKING METHODS

The Supervisory Board advises the Board of Directors with regard to its strategic planning and projects. It has the task of monitoring the Board of Directors' management of the company. The laws and regulations that apply to listed companies in Austria and in particular, the Austrian Stock Corporation Act and the Austrian Stock Exchange Act, govern the Supervisory Board's scope of activities. In addition, the Supervisory Board is obliged to comply with the rules of the Austrian Corporate Governance Code. As far as internal company regulations are concerned, the Articles of Association and the rules of internal procedure are of primary importance. In accordance with the POLYTEC Holding AG Articles of Association, the Supervisory Board consists of at least three and no more than six members, elected by the Annual General Meeting.

The members of the Supervisory Board are obliged to conduct an annual self-assessment of their activities.

All five serving members of the Supervisory Board in the 2023 financial year were granted a discharge with the required majority at the 24th Annual General Meeting on 21 June 2024.

CHANGES TO THE POLYTEC HOLDING AG SUPERVISORY BOARD

Reinhard Schwendtbauer has resigned from the Supervisory Board of POLYTEC Holding AG with effect from 16 December 2024 due to the assumption of the function as Managing Director of Raiffeisenlandesbank Oberösterreich AG and the associated Fit & Proper requirements. Reinhard Schwendtbauer has been a member of the Supervisory Board of POLYTEC Holding AG since 2010 and in this function has made a significant contribution to the positive development of the company

MEMBERS OF THE POLYTEC HOLDING AG SUPERVISORY BOARD

**Friedrich
Huemer**



- Born: 1957
- Chairman of the Supervisory Board
- Year of initial appointment: 2021
- End of current term of office: Annual General Meeting regarding the 2024 financial year
- Other Supervisory Board mandates: none
- Not independent

**Fred
Duswald**



- Born: 1967
- Deputy Chairman of the Supervisory Board
- Year of initial appointment: 2006
- End of current term of office: Annual General Meeting regarding the 2024 financial year
- Other Supervisory Board mandates: none
- Not independent

**Manfred
Trauth**



- Born: 1948
- Member of the Supervisory Board
- Year of initial appointment: 2007
- End of current term of office: Annual General Meeting regarding the 2024 financial year
- Other Supervisory Board mandates: none
- Not independent

**Viktoria
Kicking**



- Born: 1952
- Member of the Supervisory Board
- Year of initial appointment: 2006
- End of current term of office: Annual General Meeting regarding the 2024 financial year
- Other Supervisory Board mandates: none
- Not independent

**Reinhard
Schwendtbauer**



- Born: 1972
- Member of the Supervisory Board
- Year of initial appointment: 2010
- Resignation from office with effect from 16 December 2024
- Other Supervisory Board mandates: none
- Independent

INDEPENDENCE OF THE SUPERVISORY BOARD

Members of the Supervisory Board are deemed to be independent if they have no business or personal relationships with the company or its Board of Directors that could result in a material conflict of interest and thus influence the members' conduct. Pursuant to C-Rule 53, the majority of the members of the Supervisory Board elected by the Annual General Meeting must be independent.

In assessing the independence of a member of the Supervisory Board, the Supervisory Board is guided by the following guidelines, which correspond to those contained in the Annex to the Austrian Corporate Governance Code as amended:

- The Supervisory Board member shall not have been a member of the Board of Directors or a senior executive of the company or a company subsidiary in the past five years.
- The Supervisory Board member shall not maintain or have maintained in the past year any business relations with the company or a subsidiary of the company to an extent that is significant for the Supervisory Board member. This shall also apply to business relationships with companies in which the Supervisory Board member has a significant economic interest, but not to the exercise of board functions within the group. The approval of individual transactions by the Supervisory Board pursuant to L-Rule 48 does not automatically lead to qualification as not independent.
- The Supervisory Board member shall not have been an auditor of the company, or a participant in, or employee of, the auditing company in the last three years.
- The Supervisory Board member shall not be a member of the Board of Directors of another company in which a member of the Board of Directors of the company is a supervisory board member.
- The Supervisory Board member shall not be a member of the Supervisory Board for longer than 15 years. This shall not apply to Supervisory Board members who are shareholders with an entrepreneurial interest or represent the interests of such a shareholder.
- The Supervisory Board member shall not be a close relative (direct offspring, spouse, partner, parent, uncle, aunt, sibling, niece, nephew) of a member of the Board of Directors, or of persons who hold one of the positions described above.

The members of the Supervisory Board are committed to the criteria of independence in accordance with C-Rule 53. The Chairman of the Supervisory Board does not declare themselves independent due to his relationship to the Chairman of the Board of Directors of the Company and Fred Duswald, Manfred Trauth and Viktoria Kickingner due to the length of their membership of the Supervisory Board. As a result, the criteria of C-Rule 54 were also not met in the 2024 financial year, as only Reinhard Schwendtbauer (until his resignation from the Supervisory Board of POLYTEC Holding AG on 16 December 2024) was appointed as an independent member who is not a shareholder of the company with a stake of more than 10%. However, the principles of good corporate governance are not impaired by the high level of professional competence of these members.

BUSINESS TRANSACTIONS OF THE SUPERVISORY BOARD MEMBERS REQUIRING PRIOR APPROVAL

As part of the refinancing of significant promissory note loans of POLYTEC Holding AG in the 2023 financial year, Huemer Invest GmbH, a company affiliated with the Chairman of the Supervisory Board Friedrich Huemer, had committed to Raiffeisenlandesbank Oberösterreich to acquire the fixed assets of POLYTEC Immobilien GmbH, mainly consisting of the plant or property in Hörsching, for a purchase price of at least EUR 20 million.

The purchase and assignment agreement for the acquisition of the shares of POLYTEC Immobilien GmbH at an enterprise value of EUR 21 million was concluded indirectly through the acquisition of the shares of PH Immobilien GmbH by Huemer Immobilien GmbH on 15 April 2024. The Supervisory Board had already approved the conclusion of these agreements at its meeting on 25 October 2023. In the 2024 financial year, no further transactions requiring approval were concluded by members of the Supervisory Board in accordance with L-Rule 48. The lease of office space in Hörsching by Huemer Invest GmbH and the leasing of a photovoltaic system on the roof of the plant in Hörsching by HI Solar GmbH, both companies close to the Chairman of the Supervisory Board, have been and are being used at arm's length.

In the 2024 financial year, the Company did not conclude any material transaction with related parties pursuant to Section 95a of the Austrian Stock Corporation Act.

SUPERVISORY BOARD COMMITTEES

In accordance with the Austrian Stock Corporation Act, the Supervisory Board of POLYTEC Holding AG has set up an Audit Committee to perform the scheduled supervisory and control functions. This must include at least two members. The Chairman of the Audit Committee, who retired on 16 December 2024, had relevant knowledge and practical experience in finance and accounting and reporting (financial expert), but committee member Fred Duswald can also demonstrate corresponding expertise.

In addition to auditing the accounting process and the process of auditing the financial statements and consolidated financial statements, the proposal for the appropriation of profits, and the planning of the audit of the financial statements, the Audit Committee monitored in particular the effectiveness of the internal control and risk management system. In addition, the strategic priorities of the audit work and the working methods of the Committee in the light of new legal requirements were discussed. Ultimately, the committee was responsible for reviewing the corporate governance report and reporting in relation to the Austrian Sustainability and Diversity Improvement Act.

During the 2024 financial year, the Audit Committee met twice, each of which was attended by the (Group) auditor. A total of four ordinary and two extraordinary Supervisory Board meetings were held in the reporting period.

In addition to the mandatory Audit Committee, the Company has established a Nomination Committee, which also performs the duties of the Compensation Committee. The Nomination Committee is responsible in particular for the negotiation, content, conclusion, implementation and, if necessary, termination of employment contracts with members of the Board of Directors, in compliance with the relevant rules of the Austrian Corporate Governance Code. It prepares the draft remuneration report for members of the Board of Directors every year and reviews the company's remuneration policy at least every fourth financial year. No Supervisory Board member was absent from more than half of the meetings. The majority of committee members do not meet the criteria for independence under C-Rule 53.

The functional responsibilities of the Supervisory Board members in the respective committees during the 2024 financial year are presented in the following table:

COMPOSITION OF THE COMMITTEES IN 2024

Comittees	Chairman	Members
Audit committee	Reinhard Schwendtbauer*	Viktoria Kickingner, Fred Duswald
Nomination committee	Friedrich Huemer	Viktoria Kickingner, Fred Duswald

* until 16 December 2024 due to resignation

3. OTHER INFORMATION

REMUNERATION OF THE SUPERVISORY BOARD AND THE BOARD OF DIRECTORS

With the entry into force of the 2019 Amendment Act to Stock Corporation Law in the 2020 financial year, the Supervisory Board and the Board of Directors established a new remuneration policy, which was adopted with the necessary majority at the 20th Annual General Meeting on 7 August 2020. In accordance with Section 78b (1) in conjunction with Section 98a of the Austrian Stock Corporation Act (AktG), the remuneration policy must be submitted to the Annual General Meeting for a vote at least every fourth financial year. The remuneration policy, which was revised in the 2023 financial year, was therefore put to the vote at the 24th Annual General Meeting on 21 June 2024 and approved by the required majority.

Reporting on the compensation of the Board of Directors and Supervisory Board in the 2024 financial year is carried out as part of the compensation report to be prepared in accordance with Section 78c and Section 98a of the Austrian Stock Corporation Act (AktG). The remuneration report will be submitted for resolution at the 25th Annual General Meeting of POLYTEC Holding AG and will subsequently be available on the company's website www.polytec-group.com in the Investor Relations section.

CODE OF CONDUCT AND COMPLIANCE

Lawful conduct that meets high ethical standards is a matter of course for the POLYTEC GROUP. Compliance means more than the implementation of applicable rules and guidelines – compliance is a question of corporate culture. The assumption of responsibility and acting according to ethical principles have therefore been unmistakably included in the corporate values and mission statement of the POLYTEC GROUP and set out in the Code of Conduct; this was revised in the 2024 financial year and can be accessed on the company's website.

As a listed corporation POLYTEC Holding AG is obliged to fulfil the complete range of stipulations regarding adherence to capital market legislation. In order to prevent insider dealings, employees and other persons acting on behalf of POLYTEC Holding AG are informed continually of the ban on the misuse of insider information and internal guidelines have been issued for the transfer of information within the company. Adherence to the latter is monitored and suitable organisational measures have been taken in order to prohibit the improper use or passing on of insider information. The related tasks constitute a major element

within the company's compliance organisation. During the year under report, the members of the Supervisory Board and the Board of Directors received comprehensive information regarding compliance measures at regular intervals.

In addition to capital market compliance content, the POLYTEC GROUP holds regular coaching regarding data protection, anti-corruption and anti-trust law. The awareness levels of employees are raised with respect to issues of data protection, competition and anti-trust law relevance, as well as correct conduct when dealing with data, gifts and invitations. The aim is to protect both employees and the group against infringements of the law and to offer practice-related support during the application of the relevant regulations. No breaches of compliance were determined during the period under review.

DIVERSITY AND THE ADVANCEMENT OF WOMEN

The POLYTEC GROUP now has a workforce of around 3,800 on four continents. As a result of this internationality, diversity, respect, equality of opportunity and the integration of employees from differing cultures represent integral elements within corporate culture. Any form of personal discrimination whether due to origin, gender, skin colour, age, religion, sexual orientation or handicap is strictly rejected. The employees of the POLYTEC GROUP are regularly trained on these requirements as part of the Code of Conduct.

During recruitment for vacant positions, a focus is placed on a performance orientation, knowledge, skills, equal opportunity and treatment. New team members are selected primarily on the basis of the best possible qualifications and experience, which the candidates can then contribute to the POLYTEC GROUP.

When electing members of the Supervisory Board, the Annual General Meeting has to account for requirements relating to professional and personal qualifications, as well as the balanced specialist composition of the board. Furthermore, diversity aspects have to be taken into reasonable account with regard to the representation of all genders, age structure and internationality. Newly elected Supervisory Board members must inform themselves appropriately regarding the structure and activities of the company and their tasks and responsibilities.

The POLYTEC Holding AG Supervisory Board has had a female member for over 18 years, who during the 2024 financial year occupied one of the five Supervisory Board positions. This corresponded with a share of female membership of 20%. L-Rule 52 is thus fulfilled, as at present the POLYTEC Holding Supervisory Board does not consist of at least six persons.

In the 2024 financial year a woman was not represented on the POLYTEC Holding AG Board of Directors.

On the 31 December 2024, women accounted for some 52.5% (previous year: 48.6%) of the POLYTEC Holding AG workforce. On the same balance sheet date, at the POLYTEC GROUP's companies women held around 14.5% of the managerial posts (previous year: 12.2%) bearing long-term personnel responsibility. On 31 December 2024, the quota of female employees in the POLYTEC GROUP (excluding leasing personnel) amounted to 25.5% (previous year: 26.0%).

AUDITOR

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Linz was recommended by the Supervisory Board as the auditor of POLYTEC Holding AG's financial statements and consolidated financial statements for the 2024 financial year. This proposal was approved with the necessary majority at the 24th Ordinary Annual General Meeting held on 21 June 2024. In 2024, total expenses for auditing purposes amounted to EUR 373 k (previous year: EUR 308 k). A more detailed breakdown of these expenses into the single fields of activity is available in the notes to the consolidated financial statements.

CHANGES AFTER THE REPORTING DATE

Between the balance sheet date and the preparation of the Corporate Governance Report, there were no changes in reportable items.

Hörsching 1 April 2025

The Board of Directors of POLYTEC Holding AG

Markus Huemer
Chairman of the Board of Directors – CEO

Peter Bernscher
Deputy Chairman of the Board of Directors – CCO

Martin Resch
Member of the Board of Directors – COO

Markus Mühlböck
Member of the Board of Directors – CFO