

# 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 Corporate Governance Code can be accessed on the website of the Austrian Working Group for Corporate Governance ([www.corporate-governance.at](http://www.corporate-governance.at)).

During the 2020 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 C-Rule 62 and C-Rule 83. According to C-Rule 62, the company should allow the regular evaluation of adherence to the C-Rules of the code by an external institution at least every three years and to date this has not taken place. In addition, C-Rule 83 states that on the basis of the documentation presented, the auditors should adjudge risk management functionality and report their findings to the Board of Directors. The company justifies the failure to implement these two rules with the related high costs, but is nonetheless convinced that adherence to the C-Rules and transparency are secured through internal audits and measures. The Corporate Governance Report for the 2020 financial year is publicly available on POLYTEC Holding AG's corporate website ([www.polytec-group.com](http://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 conducts the business of 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. Details concerning the competences of the individual board members are provided in their functional descriptions.

The members of the Board of Directors are in constant, close exchange with each other in order to assess information of the corporate progress and take any necessary decisions in a timely manner. As a rule, the POLYTEC Holding AG Board of Directors meets every two weeks in order to discuss current developments of the POLYTEC GROUP. On a regular basis, at least once a quarter, the Board of Directors provides the Supervisory Board with assessments of the course of business including the risk situation and risk management as well as 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 also in regular contact with the Chairman of the Board of Directors. Ongoing discussions are also held regarding strategy, business development and risk management of the company.

All of the serving members of the Board of Directors in 2019 were granted a unanimous discharge at the 20<sup>th</sup> Ordinary Annual General Meeting held on 7 August 2020. The 20<sup>th</sup> Ordinary Annual General Meeting, which was originally scheduled for 18 May 2020 had to be postponed until 7 August 2020 owing to the COVID-19 pandemic.

## MEMBERS OF THE POLYTEC HOLDING AG BOARD OF DIRECTORS

### Markus Huemer (CEO)



- Born: 1981
- Chairman of the Board of Directors
- Date of initial appointment: 1 January 2014
- End of current term of office: 31 December 2022
- Areas of responsibility: M&A, investment management, corporate strategy, corporate communications, purchasing, IT, legal affairs, human resources
- Supervisory Board mandates: GlobeAir AG

### Peter Haidenek (CFO)



- Born: 1965
- Member of the Board of Directors
- Date of initial appointment: 1 February 2011
- End of current term of office: 31 December 2022
- Areas of responsibility: finance, controlling, accounting, investor relations, internal auditing
- Supervisory Board mandates: none

### Heiko Gabbert (COO)



- Born: 1968
- Member of the Board of Directors
- Date of initial appointment: 1 January 2019
- End of current term of office: 31 December 2022
- Areas of responsibility: operations, innovation, industrial engineering
- Supervisory Board mandates: none

### Peter Bernscher (CSO)



- Born: 1968
- Member of the Board of Directors
- Date of initial appointment: 1 August 2018
- End of current term of office: 31 December 2022
- Areas of responsibility: sales, engineering, marketing
- 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 supervising the Board of Directors in regards to the management of the company. The laws and regulations that apply to listed companies in Austria, 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 2019 financial year were granted a unanimous discharge at the 20<sup>th</sup> Ordinary Annual General Meeting on 7 August 2020.