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# Consolidated Corporate Governance Report

As a listed, internationally active company, the MM Group is committed to responsible Corporate Governance focusing on sustainable value added. We consider this to be an essential prerequisite for achieving our long-term corporate success. We therefore ensure that Corporate Governance is consistently practiced and further developed in all areas of the Company. This includes the whole management and control system of the Company with the approach of promoting trust in the MM Group among our employees, shareholders, business partners and the public and ensuring a high level of transparency.

This present report provides information on the disclosures required by sections 243 c and 267 b of the Austrian Commercial Code.

## COMMITMENT TO THE AUSTRIAN CORPORATE GOVERNANCE CODE

The MM Group has voluntarily committed to compliance with the Code in its respectively applicable version since the Austrian Corporate Governance Code (Österreichischer Corporate Governance Kodex – ÖCGK) became effective in 2002. The Code is based on the provisions of Austrian stock corporation, stock exchange and capital market laws, EU recommendations as well as the guidelines contained in the OECD Principles of Corporate Governance. The Code is regularly reviewed against the background of national and international developments and adjusted as necessary. The current Austrian Corporate Governance Code can be downloaded from the website of the Austrian Working Group for Corporate Governance at [www.corporate-governance.at](http://www.corporate-governance.at). The compliance with the Corporate Governance Code is subject to an annual internal evaluation provided by the MM Group. Furthermore, an external evaluation of compliance with C rules is carried out every three years, which was last performed in 2021 in order to rotation.

The implementation and evaluation for the business year 2023 is based on the Code's version of January 2023. The MM Group continues to comply with all legal provisions without any restrictions. Almost all additional C Rules and R Rules (Recommendations) contained in the Code, which do not require any explanation in case of deviations, have been complied with.

The Company gives the following explanations for deviations from C Rules for 2023:

Rule 27a      The Management Board contracts do not contain any provisions stipulating that the economic situation is to be taken into account in the event of the premature retirement of a Management Board member. However, due to the long-term profit-sharing scheme, future developments are taken into account by means of surcharges or deductions. When concluding new Management Board contracts, this requirement of the ÖCGK is to be taken into account.

## COMPOSITION OF THE BOARD

### The Management Board

#### **Peter Oswald**

<p>Chairman, CEO Member of the Management Board since April 1, 2020 appointed until March 31, 2025 born 1962</p>	<p>Strategic and profit-responsible management of the entire Group and in particular the areas:</p> <ul style="list-style-type: none"> <li>• Group strategy</li> <li>• Group organisation</li> <li>• Human resources of the Group and Board of the subsidiaries</li> <li>• External and internal communication and Investor Relations</li> <li>• Communication with the Presidium and the Supervisory Board members</li> <li>• Sustainability including occupational safety</li> <li>• Determination of representatives at associations</li> <li>• Primary profit responsibility for the division Board &amp; Paper (including sales and marketing, production, innovation and product development)</li> <li>• Primary profit responsibility for the division Packaging (including sales and marketing, production, innovation and product development)</li> <li>• Information management (IT)</li> </ul>
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#### **Franz Hiesinger**

<p>CFO Member of the Management Board since October 1, 2017 appointed until September 30, 2025 born 1965</p>	<ul style="list-style-type: none"> <li>• Finance and all financing matters</li> <li>• Group reporting and accounting as well as controlling</li> <li>• Merger and acquisition matters</li> <li>• Risk management, insurances</li> <li>• Legal and tax matters including compliance</li> <li>• Internal audit</li> <li>• Procurement</li> <li>• Information security</li> </ul>
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The members of the Management Board do not hold any mandates in Supervisory Boards outside the Group.

## The Supervisory Board

### **Wolfgang Eder**

Chairman since April 26, 2023 born 1952	Chairman of the Supervisory Board of voestalpine AG, Linz
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### **Rainer Zellner**

Chairman from April 29, 2015 until April 26, 2023 born 1947	Independent entrepreneur; Chairman of the Supervisory Board of Mayr-Melnhof Holz Holding AG, Leoben
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### **Nikolaus Ankershofen**

1 <sup>st</sup> Deputy Chairman since April 26, 2017 Member of the Supervisory Board since April 28, 2010 born 1969	Lawyer and partner at Ankershofen Goëss Hinteregger Rechtsanwälte OG; Supervisory Board member at Mayr-Melnhof Holz Holding AG, Leoben; Management Board member of several private trusts
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### **Johannes Goess-Saurau**

2 <sup>nd</sup> Deputy Chairman since May 7, 2008 Member of the Supervisory Board since May 18, 2005 born 1955	Manager of his own companies
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### **Alexander Leeb**

Member of the Supervisory Board since May 7, 2008 born 1959	Chairman of the Supervisory Board at Andritz AG, Graz; Deputy Chairman of the Supervisory Board at Plansee Holding AG, Reutte; Chairman of the Board of Trustees of LGT Venture Philanthropy Foundation, Vaduz
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### **Georg Mayr-Melnhof**

Member of the Supervisory Board since May 7, 2008 born 1968	Employee of the archdiocese of Salzburg
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### **Ferdinand Mayr-Melnhof- Saurau**

Member of the Supervisory Board since April 29, 2020 born 1987	Managing partner at various real estate investment and real estate development companies; Management Board member at Oskar Vogl Privatstiftung, Graz
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### **Klaus Rabel**

Member of the Supervisory Board since April 29, 2020 born 1961	Auditor and tax consultant, University Professor of Corporate Valuation and Value-Oriented Management at the Institute of Corporate Accounting and Taxation at the Karl-Franzens-University, Graz; Chairman of the Expert Committee for Business Valuation of the Chamber of Tax Consultants and Certified Public Accountants, Vienna; Member of the Europe MSR Board of the International Valuation Standards Council (IVSC), London; Management Board member of Austrian family trusts and Supervisory Board member in Austrian family-owned companies
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Delegated by the works council:

**Andreas Hemmer**

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Member of the Supervisory Board since October 20, 2009 Employee representative  
born 1968

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**Gerhard Novotny**

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Member of the Supervisory Board since May 10, 1995 Employee representative  
born 1963

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The current mandates of all members of the Supervisory Board elected by the Annual General Meeting will expire at the 31<sup>st</sup> Ordinary Shareholders' Meeting in 2025, which will resolve on the discharge for the financial year 2024. The mandates of the employees' representatives are awarded for an indefinite period of time.

**Members of the Committees of the Supervisory Board**

*Presidium (Committee for Management Board Issues)*

Wolfgang Eder, Chairman (since April 26, 2023)

Rainer Zellner, Chairman (until April 26, 2023)

Nikolaus Ankershofen

Johannes Goess-Saurau

*Audit Committee*

Klaus Rabel, Chairman

Wolfgang Eder (since April 26, 2023)

Rainer Zellner (until April 26, 2023)

Nikolaus Ankershofen

Johannes Goess-Saurau

Gerhard Novotny

**Members of the Supervisory Board with additional Supervisory Board mandates in publicly listed companies**

Wolfgang Eder

Chairman of the Supervisory Board of voestalpine AG, Linz

Alexander Leeb

Chairman of the Supervisory Board, Andritz AG, Graz

**Independence of the members of the Supervisory Board**

The Supervisory Board is committed to the guidelines set out in annex 1 of the Austrian Corporate Governance Code when determining the criteria of their independence:

A Supervisory Board member must not maintain, or have maintained in the past year, any business relations with the Company or any of its subsidiaries with significance for the member of the Supervisory Board. This also applies to relationships with companies in which a member of the Supervisory Board has a considerable economic interest, but not to the performance of institutional functions in the Group. The approval of individual transactions by the Supervisory Board in accordance with L Rule 48 (Company Contracts with Members of the Supervisory Board outside their activity in the Supervisory Board) does not automatically qualify the person as not independent.

The Supervisory Board member must not have acted as an auditor of the Company or have owned a share in the auditing company or have worked there as an employee in the past three years.

The Supervisory Board member must not be a member of the Management Board of another company in which a member of the Company's Management Board is a Supervisory Board member.

The Supervisory Board member must not be closely related (direct offspring, spouse, life partner, parent, uncle, aunt, brother, sister, niece, nephew) to a member of the Management Board or employees in leading positions, the auditor, or employees of the auditing company.

All members of the Supervisory Board have declared their independence in accordance with these criteria. Consequently this also applies to all members of the Committees of the Supervisory Board.

In addition, the members of the Supervisory Board deal with the provisions of the Austrian Corporate Governance Code regarding conflicts of interest at least once a year. Furthermore, new members of the Supervisory Board receive detailed information on the avoidance of conflicts of interest at the start of their activities.

This independence ensures that stakeholder concerns can also be taken into account on a regular basis, without any conflicts of interest.

#### **Representation of interests of a share > 10 % in Mayr-Melnhof Karton AG**

In the Supervisory Board of Mayr-Melnhof Karton AG, there are two independent members representing a shareholding of more than 10 %:

Nikolaus Ankershofen  
Ferdinand Mayr-Melnhof-Saurau

#### **Contracts between members of the Supervisory Board and the Company subject to approval**

In the financial year 2023, the following contracts between Mayr-Melnhof Karton AG and individual members of the Supervisory Board were subject to approval:

Nikolaus Ankershofen  
Ankershofen Goëss Hinteregger Rechtsanwälte OG, where Nikolaus Ankershofen is lawyer and partner, acts as a legal advisor to Mayr-Melnhof Karton AG on an ad-hoc basis. These mandates mainly relate to employment law matters between the Management Board and Mayr-Melnhof Karton AG. Ankershofen Goëss Hinteregger Rechtsanwälte OG charges on the basis of hourly rates customary for lawyers. In the financial year 2023, fees totalling thous. EUR 8 were charged.

## **REMUNERATION OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD**

Information on the remuneration of the Management Board and the main contact terms as well as the remuneration of the Supervisory Board have been included in the Company's remuneration report, which is presented annually to the Shareholders' Meeting, and in the remuneration policy. Weblink: <https://www.mm.group/en/about-us/responsibility/corporate-governance/>

## INFORMATION ON THE PROCEDURES OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD

The Management Board manages the business in accordance with the law, the bylaws and the Articles of Association of the Company. The latter are available on the Company's website at <https://www.mm.group/en/about-us/responsibility/corporate-governance/>. The bylaws of the Management Board govern the assignment of responsibilities as well as the cooperation within the Management Board and include a list of business cases which require the prior consent of the Supervisory Board. The members of the Management Board cooperate closely as colleagues, informing one another of all significant measures and occurrences within their respective areas of operation. The Management Board of Mayr-Melnhof Karton AG holds regular Board meetings to discuss material topics that are of relevance for the Group and the divisions. In developing and implementing the corporate strategy, the Management Board takes into account aspects of sustainability and associated opportunities and risks with regard to the environment, social issues and corporate governance. The Chairman of the Management Board is responsible for chairing and preparing the meetings and for exchanging information with the Supervisory Board.

### **Type and decision-making power of the Committees of the Supervisory Board**

The Supervisory Board has established the following Committees constituted by its members:

#### *Presidium (Committee for Management Board Issues)*

The principal task of the Presidium is to discuss the Company's strategy and orientation on a continuous basis and to prepare resolutions for the Supervisory Board concerning all strategic matters. Furthermore, this Committee decides on issues concerning the Management Board in accordance with statutory regulations and also fulfils the functions of the Nomination and Compensation Committee. The quality of the Committee's work is guaranteed by the long-standing experience and know-how of its members in the field of remuneration policy.

#### *Audit Committee*

The Committee's decision-making power derives from statutory regulations. The quality of the Committee's work is guaranteed by the long-standing experience and know-how of its members in the fields of finance, accounting and reporting.

It is guaranteed that the Supervisory Board and the Committees are able to take decisions promptly in urgent cases. The Chairmen of the Committees inform the Supervisory Board on a regular basis about the activities of the Committees.

### **Focus of the Supervisory Board**

The Supervisory Board has fulfilled its tasks in accordance with the law, the Articles of Association and the bylaws in the financial year 2023. Six plenary meetings were held, with all members attending at least five of them.

In the light of an unprecedented downturn on the European cartonboard and paper markets due to overcapacity and economic weakness, the Supervisory Board's activities focused on securing the Group's long-term competitiveness in terms of structure, technology, costs and financing. In particular, the loss of the Russian market and unexpected weakness in demand in customer industries traditionally regarded as largely crisis-proof, such as the food sector, necessitated extensive optimisation measures throughout the Group on both the capacity and cost side after years of growth. The fundamental positioning of the Company, with a growth-oriented well-balanced Packaging division alongside the cyclical Board & Paper segment, proved to be an important differentiator in the industry, particularly in times of earnings pressure.

Due to the challenging economic environment, the Supervisory Board's activities from mid-year onwards focused in particular on monitoring the Group-wide profit & cash protection plan and on measures to ensure a balanced long-term financing structure for the company. At MM Packaging, the successful integration of last year's acquisitions, Essentra Packaging and Eson Pac, proved to be a step with considerable potential for value enhancement. At MM Board & Paper, the focus in the past financial year was on supporting the most comprehensive capex programme so far for more efficiency, sustainability and new product qualities at the cartonboard mills Frohnleiten, Neuss and Kolicovo. In addition, as part of its responsibility for sustainability, the Supervisory Board generally dealt with technological options for increasing the share of renewable energy at various Group sites, with the largest single project currently under development at the Kwidzyn site in Poland.

In order to ensure that the Group has the appropriate management expertise in the long term, the Supervisory Board also addressed issues relating to the development of the management team, succession planning and talent management in 2023.

The Supervisory Board also dealt extensively with IT systems/cyber security, sustainability and risk management as well as corporate governance and compliance. An update session was held for the Supervisory Board regarding capital market compliance.

The Supervisory Board carried out a self-evaluation for the financial year 2023 based on a questionnaire, with the result that the activity of the Supervisory Board was assessed as generally efficient. The regular exchange of information as well as the discussion of major topics in cooperation with the Management Board and the Group Auditor contribute significantly thereto. Also in 2023, discussions and explanations in the Supervisory Board and Management Board meetings were characterised by a high degree of constructiveness and openness. All participants had sufficient opportunities to ask questions and participate in discussions.

#### **Focus of the Committees of the Supervisory Board**

In 2023, the Presidium (Committee for Management Board Issues) met fifteen times. It dealt especially with strategic development through investments, restructurings, the current corporate management control and matters relating to the Management Board as well as management succession and prepared the meetings of the Supervisory Board.

In addition, the implementation and review of the remuneration policy and the reporting on remuneration were taken care of (see remuneration report 2023 at <https://www.mm.group/en/for-investors/reports/>).

In 2023, the Audit Committee held two meetings and fulfilled its statutory duties. A focus was placed on dealing with the consolidated financial statements and the annual financial statements for 2022 as well as the preparation of the consolidated financial statements and the annual financial statements for 2023. In this context, the consolidated non-financial report according to section 267 a of the Austrian Commercial Code and its audit were also discussed as well as details concerning the scope of non-auditing services rendered by the auditors, and key audit matters were determined. Klaus Rabel, a financial expert, is Chairman of the Audit Committee.

Due to the regular exchange between the Chairman of the Audit Committee and the Group Auditor outside the meetings, a discussion during the meetings without the participating Management Board members was not necessary.



## MEASURES TO PROMOTE WOMEN AND DESCRIPTION OF THE CONCEPT OF DIVERSITY

As a sustainably operating company, we see diversity as a key driver for creating long-term corporate value. Inclusion and equality improve engagement and job satisfaction and thus contribute directly to the profitability and sustainability of the MM Group. We therefore actively promote diversity at all levels of the Company with the aim of creating an environment in which every individual feels valued, supported and empowered, regardless of their role or location. In doing so, we support the inclusion of a broad range of diversity aspects to ensure a sense of belonging for all. The MM Group's diversity concept is set out in the Code of Conduct and forms part of the Human Resource Guidelines. It is laid down there that we commit ourselves to creating a working environment throughout the Group that is characterised by openness and mutual respect. We monitor compliance with this obligation through various standards. In addition, we carefully monitor and respond to every case reported via the MM Integrity Line (Whistleblowing Hotline). We regard the diversity of our employees as an essential resource and as an enrichment that enables us to perform our tasks even more effectively and innovatively. We oppose any discrimination or harassment based on gender, ethnic origin, skin colour, religion, national origin, disability or sexual orientation. Employees and applicants are assessed in accordance with the principle of equal treatment.

When filling management positions in the Company, the MM Group generally follows the recommendation of the Equal Opportunities Act to pay attention to diversity and to strive in particular for an appropriate distribution of gender, age and competence. As a company in a strongly technically oriented industry, it is especially a strategic objective to further increase the proportion of women in management positions and to achieve the best possible diversity also at top management level. Women hold more and more top management positions within the MM Group for many years. These include in particular the areas of Human Resources, Information Management (IT) and Legal as well as the management of individual subsidiaries. Within the framework of internal management development, we attach great importance to further expanding the share of female participants. We support this with a variety of initiatives such as succession planning, mentoring and ensuring a healthy work-life balance, which promotes the compatibility of career and family through flexible working arrangements. The share of women in the MM Group amounted to around 25 % in 2023. Due to MM's activity in heavy industry and work in shifts, the share of women in the Group and in recruitment tends to be low. However, being an attractive employer for women in both technical and commercial occupations is our long-term aspiration. Every year, awareness is raised in this regard, in particular through various activities on International Women's Day. MM has also recently established a Group-wide human rights policy that documents our clear attitude to non-discrimination at the workplace.

At present, the Supervisory Board consists of nine men and the Management Board, who are the only employees of the listed holding company, consists of two. In the election of Supervisory Board members, attention is paid to the professional and personal qualifications, independence and impartiality of the candidates and to a well-balanced composition. Achieving a more balanced gender ratio of the Supervisory Board remains our objective.

Details on employee development can be found in the "People" section of the non-financial report.

## EXTERNAL EVALUATION

The Code (ÖCGK) provides for a regular (at least every three years) external evaluation of the Company's compliance with the C rules (Comply or Explain). The most recent evaluation was carried out by PwC Wirtschaftsprüfung GmbH, Vienna in the course of the 2021 annual audit. The review of compliance with the rules of the Code regarding the audit was conducted by Georg Eckert, professor at Innsbruck University. As a result of this evaluation, the auditors have determined that the declaration given by Mayr-Melnhof Karton AG regarding compliance with the Corporate Governance Code corresponds to the actual conditions. The next external evaluation is planned for the corporate governance report of the year 2024.

## EVENTS AFTER THE BALANCE SHEET DATE

There were no changes of matters requiring reporting between the reporting date and the preparation of the corporate governance report.

Vienna, March 11, 2024

### **The Management Board**

Peter Oswald m. p.

Franz Hiesinger m. p.

*The English version of this report is a translation of the original German text. In case of doubt, the German version takes precedence.*