

Corporate Governance Report

Austrian Corporate Governance Code

The Austrian Corporate Governance Code, a regulatory framework for the management and monitoring of Austrian joint stock companies, has been established. This code contains internationally adopted, customary standards, as well as significant related regulations stipulated in the Austrian Stock Corporation-, Stock Exchange-, and Capital Markets Acts and 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 encompassed in the OECD Guidelines for Corporate Governance. The Code is aimed at ensuring a 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.

Companies voluntarily undertake to comply with the guidelines contained in the current version of the Austrian Corporate Governance Code as amended. The version of the Corporate Governance Code that is applicable to 2018 was issued in January 2018 and can be found on the website at www.corporate-governance.at.

Statement on Corporate Governance

The Semperit Group, as an internationally operating, publicly listed company, hereby declares that it will voluntarily observe the Austrian Corporate Governance Code and that it also intends to observe the Code in the future or justify any deviating behaviour. 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.

Management Board

Composition and function of the Management Board

The Management Board leads the company and consists of three members. It has full responsibility for managing the company for the benefit of the enterprise while considering the interests of shareholders and employees as well as the public interest.

The Management Board's internal rules of procedure regulate the allocation of business responsibilities and the principles of cooperation between members of the Management Board. Decisions of primary importance are taken by the Board as a whole. The Management Board comprehensively and autonomously assumes communication tasks 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 Management and Supervisory Board laid down by the Supervisory Board form the basis for corporate management.

Cooperation between the Management and Supervisory Boards

The Management Board and Supervisory Board are committed to managing the company in accordance with the principles of good corporate governance. This management takes place in open discussions between the Management Board and the Supervisory Board as well as within these corporate bodies. Among other things, the Management Board's internal rules of procedure govern the Management Board's ongoing reporting to the Supervisory Board. They also specify a catalogue of transactions and measures that, in addition to legal provisions, also require the Supervisory Board's explicit authorisation. The Supervisory Board controls the Management 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 Management Board and the Supervisory Board and is discussed in Supervisory Board meetings held at regular intervals.

Organisationsstruktur Semperit Gruppe

Martin Füllenbach Chief Executive Officer		Frank Gumbinger Chief Financial Officer		Felix Fremerey Member of the Management Board	
Business Sector Industrial	Business Development	Finance Sectors Industrial and Medical	Accounting & Tax	Business Sector Medical	Manufacturing Engineering
Communications & Sustainability	Compliance	Controlling	Information Technology		
Human Resources	Mixing	Internal Audit	Investor Relations		
Pricing	Quality Management	Legal	Procurement		
Research & Development	Safety, Health & Environment	Risk Management	Treasury		
SemperMOVE10	World Class Manufacturing				

Corporate bodies of Semperit AG Holding: Management Board

Martin Füllenbach

Chairman of the Management Board since 1 June 2017, period of office ends on 31. December 2020.

Martin Füllenbach studied economics and business organisation in Munich, and subsequently gained his doctorate in financial sciences at the University of Nuremberg. After more than ten years as an officer of the German Armed Forces with numerous international deployments, he took over tasks in the planning staff of the CEO and in programme planning of the military aircraft production at the aerospace company EADS at the beginning of his industrial career. From 2004 to 2007, Martin Füllenbach was Head of Corporate Development as well as from 2007 to 2012 Director of Voith Turbo, which is headquartered in Heidenheim, Germany: He was a member of the divisional management "drive technology" as well as CEO of the business unit "marine". Most recently, Martin Füllenbach was CEO of Oerlikon Leybold Vakuum in Cologne since 2012 and, in addition, an appointed member of the Group Management Board of OC Oerlikon AG in Pfäffikon, Switzerland, since 2014. He holds no 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. However, he exercises an Advisory Board mandate of the Gebr. Becker GmbH, Germany.

Frank Gumbinger

Member of the Management Board since 1 December 2016, Chief Financial Officer (CFO), period of office ends on 30 June 2022 (early extension of the mandate which was previously limited to 31 December 2019).

After completing his university degree in Business Administration at Goethe University in Frankfurt, Frank Gumbinger, born in 1968, worked as an auditor and consultant with PricewaterhouseCoopers from

1996 to 1998 prior to switching to Delton AG in Bad Homburg in 1999. He held various leading positions within the associated group companies until 2008. From 2001 to 2005 he was Head of the Corporate Development and Strategy Department as well as Head of Controlling with ERGO-PHARM Beteiligungsgesellschaft mbH/Heel GmbH. Then Gumbinger transferred within the group to become CFO of CEAG AG. Most recently, he was CFO of the Progroup AG in Landau. He holds no 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. He is a member of the Advisory Board in the paper processing company Hanns Julius Lichtenberger GmbH, Germany.

Felix Fremerey

Member of the Management Board since 10 September 2018; period of office ends on 9 September 2019.

Felix Fremerey studied Industrial Engineering at the Technical University of Karlsruhe and obtained his doctorate in Mechanical Engineering at the Technical University of Stuttgart in cooperation with the Fraunhofer Institute IAO. As a mechanical and industrial engineer, the German national Felix Fremerey is a proven industrial and technical expert and has worked in management positions for several international companies. He acted as Chief Technology Officer of the engineering and construction company GEA AG. Felix Fremerey was also Member of the Board for Product Supply Management at the medical and hygiene products company Paul Hartmann AG, Advisory Board member of the logistics service provider Logistics Group International (LGI) as well as Managing Director of the Kajo Neukirchen Group. Most recently, Felix Fremerey held the newly created position of Chief Technology Officer (CTO) at B&C Industrieholding.

After Michele Melchiorre stepped down from his position on 10 September 2018, the Supervisory Board newly appointed Felix Fremerey to the Management Board. Until the replacement of the Management Board position, the Management Board responsibilities that were previously assumed by Michele Melchiorre will be taken over on an interim basis by Felix Fremerey and Martin Füllenbach. The Supervisory Board mandate of Felix Fremerey in Semperit AG Holding will be suspended in this transition phase. He is holding a Supervisory Board mandate at Lenzing AG.

Michele Melchiorre

Michele Melchiorre was Chief Operating Officer (COO) since 1 June 2016. His period of office ended on 10 September 2018.

Remuneration of the Management Board

In consideration of the active Management Board members at the end of 2018, the remuneration paid to the Management Board members in 2018 totalled EUR 1,497 thousand (2017: EUR 771 thousand) of which EUR 1,052 thousand or 70% (2017: EUR 691 thousand or 90%) consisted of fixed remuneration and EUR 446 thousand or 30% (2017: EUR 80 thousand or 10%) of variable salary components.

In an overall assessment, the remuneration paid to all members of the Management Board in 2018 amounted to EUR 2,006 thousand (2017: EUR 4,606 thousand), of which EUR 1,349 thousand or 67% (2017: EUR 1,562 thousand or 34%) consisted of fixed remuneration and EUR 657 thousand or 33% (2017: EUR 3,045 thousand or 66%) of variable salary components.

The specified amounts in both approaches are not comparable with the previous year due to several changes in the team of the Management Board during the year.

Remuneration paid to the Management Board

in EUR thousand	2018			2017		
	Fixed remuneration (incl. Payments in kind and daily allowances)	Variable short-term remuneration	Total	Fixed remuneration (incl. Payments in kind and daily allowances)	Variable short-term remuneration	Total
Martin Füllenbach	519	141	659	301	80	381
Frank Gumbinger	393	255	648	390	0	390
Felix Fremerey	140	50	190	–	–	–
Subtotal active Management Board Members (as of end of 2018)	1,052	446	1,497	691	80	771
Michele Melchiorre	298	211	509	394	73	466
Thomas Fahnmann	–	–	–	142	1,720	1,862
Johannes Schmidt-Schultes	–	–	–	35	521	556
Richard Ehrenfeldner ¹⁾	–	–	–	126	424	550
Declan Daly	–	–	–	175	226	401
Total	1,349	657	2,006	1,562	3,045	4,606

¹⁾ Richard Ehrenfeldner was entitled to additional severance payments amounting to EUR 555.4 thousand in 2017.

In 2017, payments amounting to EUR 556.3 thousand were made to former Management Board member Johannes Schmidt-Schultes, of which EUR 30.6 thousand were current earnings and EUR 521.4 thousand were payments on the occasion of employment termination. Payments totalling EUR 401.3 thousand were made to former Management Board member Declan Daly in 2017, of which EUR 171.3 thousand were current earnings and EUR 226.0 thousand were payments due to the termination of employment.

The above table shows the remunerations for former Management Board members Thomas Fahnmann and Richard Ehrenfeldner in 2017 until the dates of resignation (15 March 2017 and 15 April 2017 respectively). In addition, payments amounting to EUR 1,720.2 thousand were made to former Management Board member Thomas Fahnmann in 2017 on the occasion of the termination of employment. Moreover, former Management Board member Richard Ehrenfeldner received payments of EUR 979.9 thousand (including EUR 555.4 thousand severance payment) due to the termination of employment.

Variable remuneration model for the Management Board for 2018

The remuneration of the Management Board consists of a fixed salary component, a short-term variable and a long-term variable component, as well as remuneration in kind. In 2018, remuneration of the Management Board is based on qualitative criteria.

A long-term variable bonus component (LTI/long-term incentive) that is linked to the achievement of sustainable, long-term and multi-year performance criteria/targets has been agreed for Martin Füllenbach and Franz Gumbinger. After determination of the objectives by the Remuneration Committee of the Supervisory Board, the amount of the annual LTI remuneration is determined every year according to the extent of objectives achieved and is credited to the LTI account ("remuneration"). Due to a change of the remuneration model for these two Management Board Members as of 1 January

2019, the proportionate LTI claims for 2017 and 2018 will be determined and paid out at the beginning of 2019.

The upper limits for variable, performance-based remuneration components (short- and long-term components) for Martin Füllenbach are at 197% of the annual fixed remuneration. The relevant upper limit for Frank Gumbinger is at 128% and for Felix Fremerey at 33% and is calculated from the short-term variable share plus the proportionate long-term bonus share in relation to the current fixed annual remuneration.

Variable remuneration model for the Management Board as of 1 January 2019

The remuneration regulations in the Management Board contracts were revised and standardised in 2018. The variable remuneration (short-term and long-term bonuses) will be replaced by the revised remuneration model with effect from 1. January 2019.

The aim of the revision was to define ambitious and relevant goals for the Management Board in the interest of our stakeholders. The new remuneration model provides incentives for a sustainable corporate development and continues to comply with all legal requirements of the Stock Corporation Act as well as the recommendations of the Austrian Corporate Governance Code. Total remuneration continues to consist of a current fixed remuneration, a short-term variable (performance-related) share ("short-term Incentive" or "STI") as well as a long-term variable (performance-related) share ("long-term incentive" or "LTI").

The STI depends on the company's success in the past financial year and, due to the ongoing transformation, takes into account the financial targets of corporate free cash flow and corporate EBITDA margin in 2019. In addition to the financial targets, the Remuneration Committee performs an annual assessment of non-financial criteria which may increase or decrease the bonus amount calculated from the financial targets by 20%. Prerequisite for a bonus claim is the achievement of a threshold value for at least one of the two financial targets. Payment is made in cash after the end of the respective financial year. The STI cannot exceed 150% of the STI target value.

The new LTI is granted on a rolling basis, i.e. in annual tranches with a three-year assessment period, and therefore provides incentives for a long-term and sustainable corporate success. For this purpose, the targets corporate annual net profit and corporate ROCE are assessed during the term of a tranche. In addition, the capital market performance of the company is rated in comparison with a selected group of publicly listed companies. For this purpose, the so-called total shareholder return – i.e. the share price development including dividend pay-out – is determined and opposed to the comparative group. The prerequisite for a bonus claim is the achievement of a threshold value for at least one of the three target values. Payment will be made in cash at the end of the three-year assessment period. The LTI cannot exceed 200% of the (absolute) LTI target value. If a member of the Management Board resigns prior to the end of the appointment period or if the member of the Management Board is dismissed for important reasons within the meaning of article 75 of the Stock Corporation Act, all claims from current LTI tranches whose assessment periods have not elapsed will expire.

Contributions to pensions

A defined-contribution pension agreement and/or an obligation to it has been established for the Management Board members Martin Füllenbach and Frank Gumbinger. Annually, the company pays 1/14 of the respective fixed remuneration into a pension fund (APK Pensionskasse AG) for Martin Füllenbach and Frank Gumbinger. The amount of the pension is based on the capital available in the pension fund. The pay-out is made in accordance with the pension fund agreement. For Martin Füllenbach, the contractual implementation was made in 2018. All provisions made up to this point were paid in 2018 – as seen in the table below the values are accrued appropriately. There is no pension agreement for Felix Fremerey.

In addition, pension payments are made to previous Management Board members or their widows in accordance with the contractual commitments made by the company in the past.

Contributions to pensions

in EUR thousand	2018	2017
Martin Füllenbach	48	28
Frank Gumbinger	27	27
Michele Melchiorre	20	27
Thomas Fahnenmann	–	10
Johannes Schmidt-Schultes	–	2
Declan Daly	–	12
Total	95	106

Termination benefits – severance payments

The Management Board members Martin Füllenbach, Frank Gumbinger and Felix Fremerey are subject to the Austrian Corporate Employee and Self-Employed Pension Act (Betriebliches Mitarbeiter- und Selbstständigenvorsorgegesetz – BMSVG). This Act stipulates that 1.53% of the individual's total remuneration (which includes all current remuneration, remuneration in kind and special payments) has to be paid to BONUS Vorsorgekasse AG.

Upon premature termination of the Management Board mandate, the framework conditions for premature termination of contracts, pursuant to C-rule 27a of the Austrian Corporate Governance Code, will be considered adequately.

Termination benefits amounting to EUR 555.4 thousand were paid to Richard Ehrenfeldner in 2017. The total amount of provisions for severance payments was EUR 0 thousand as of 31 December 2017, since all Management Board members are subject to the Austrian Corporate Employee and Self-Employed Pension Act (Betriebliches Mitarbeiter- und Selbstständigenvorsorgegesetz – BMSVG) and therefore provisions for severance payments are not necessary. In 2017, income of EUR 133.0 thousand resulted from the release of provisions and netting with the severance payments to Richard Ehrenfeldner.

Directors- and Officers- (D&O) Insurance

A Directors and Officers (D&O) insurance has been taken out for the members of the Management Board and senior executives. The company bears the related costs. In case of damage, deductibles were agreed for the Management Board members.

Supervisory Board

The Supervisory Board consists of eight shareholder representatives and four employee representatives. The Supervisory Board mandate of Felix Fremerey is suspended due to his appointment as Management Board member of the Semperit AG Holding as of 10 September 2018. The Supervisory Board has resolved to establish the following committees consisting of its own members to carry out specific functions: Audit Committee, Remuneration Committee, Nominating Committee, Strategy and Transformation Committee, Committee for Urgent Issues, Sempermed Committee. The authority to make decisions and pass resolutions rests in the hands of the entire Supervisory Board.

Meetings of the Supervisory Board and its committees in 2018

The Supervisory Board convened for seven meetings. In 2018, no member of the Supervisory Board attended less than 50% of the meetings. Christoph Kollatz (as of 25 April 2018, after Veit Sorger) is Chairman of the Supervisory Board, his Deputy is Stefan Fida (Patrick Prügger was first Deputy Chairman until 25 April 2018, Stefan Fida was second Deputy Chairman until 25 April 2018).

The **Audit Committee**, led by the financial expert Christoph Trentini (as of 25 April 2018, after Patrick Prügger), 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 and specifically dealt with the preparation of the resolution for the 2017 annual and consolidated financial statements, risk management, the internal control system, internal auditing, the compliance organisation, corporate governance and the preparation for the audit of the annual and consolidated financial statements for 2018.

The **Remuneration Committee**, chaired by Christoph Kollatz (as of 25 April 2018, after Veit Sorger), held nine meetings dealing primarily with the performance assessment and the objectives of the members of the Management Board as well as further general remuneration topics of the Management Board. In addition, the remuneration model was revised in the reporting year. The Remuneration Committee also dealt with the termination agreements relating to the former Management Board member Michele Melchiorre, the remuneration system for the newly appointed Management Board member Felix Fremerey, the monitoring of the execution of the employment agreements of the Management Board as well as the bonus system for blue-collar and white-collar workers.

The **Nominating Committee**, under the chairmanship of Christoph Kollatz (as of 25 April 2018, after Veit Sorger), held six meetings to deal, among other things, with initiating and ensuring a management assessment process, succession planning for the levels below the Management Board, and employee turnover. In addition to the talent development process, the focus was on employee diversity. Furthermore, in the course of the resignations of Veit Sorger and Michele Melchiorre, the Nominating Committee dealt with the definition of the qualification profile for further members of the Management Board.

The **Strategy and Transformation Committee**, under the chairmanship of Christoph Kollatz, dealt in detail with the transformation and restructuring of the company in a meeting in 2018.

The **Committee on the Sempermed segment**, chaired by Christoph Kollatz, held one meeting dealing with the restructuring of the Sempermed segment.

The **Committee for Urgent Issues**, chaired by Christoph Kollatz, did not hold any meetings dealing with the management of time-sensitive investment projects. However, circular resolutions relating to urgent business cases were made.

In 2018, the Supervisory Board discussed in plenary a **self-evaluation** conducted in the form of a questionnaire and in accordance with C-Rule 36 of the Austrian Corporate Governance Code. Measures were picked up and derived from it for the efficiency enhancement of the Supervisory Board activities. The results of the self-evaluation showed that the activities of the Supervisory Board have been assessed as good.

Corporate bodies of Semperit AG Holding: Supervisory Board

Composition of the Supervisory Board¹⁾

		Year of birth	First appointed	End of current term of office ⁴⁾	Supervisory board position in other listed companies
Shareholder representative					
Christoph Kollatz, Chairman	³⁾	1960	25/04/2018	Until the Annual General Meeting resolving upon the 2018 financial year	Lenzing AG
Stefan Fida Deputy Chairman	³⁾	1979	29/04/2014	Until the Annual General Meeting resolving upon the 2020 financial year	–
Klaus Erkes Member	^{3) 4)}	1958	23/05/2017	Until the Annual General Meeting resolving upon the 2022 financial year	–
Felix Fremerey Member	³⁾	1961	25/04/2018	Until the Annual General Meeting resolving upon the 2018 financial year; suspended mandate as of 10/09/2018, due to appointment to the Management Board of Semperit AG Holding	Lenzing AG
Walter Koppensteiner Member	^{3) 4)}	1959	23/04/2012	Until the Annual General Meeting resolving upon the 2022 financial year	–
Petra Preining Member	³⁾	1973	23/05/2017	Until the Annual General Meeting resolving upon the 2019 financial year	–
Astrid Skala-Kuhmann Member	³⁾	1953	29/04/2014	Until the Annual General Meeting resolving upon the 2020 financial year	Lenzing AG
Christoph Trentini Member	³⁾	1968	25/04/2018	Resignation from the mandate on 08/05/2019 (date of Annual General Meeting)	–
Employee representative					Works council function
Sigrid Haipl		1960	26/03/2012	–	Member of the Central Works Council of Semperit AG Holding, Member of the European Works Council, Chair of the Works Council – White-collar workers, Vienna
Michaela Jagschitz		1961	29/04/2014	–	Deputy Chairman of the Works Council – White-collar workers, Wimpassing
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 – White-collar workers, Wimpassing
Michael Schwiegelhofer		1975	08/03/2017	–	Deputy Chairman of the Central Works Council of Semperit AG Holding, Chairman of the Works Council – Blue-collar workers, Wimpassing

¹⁾ As of 21 March 2019

²⁾ Pursuant to the Articles of Association, at least two members of the Supervisory Board automatically leave their positions every year at the end of the Annual General Meeting.

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

⁴⁾ No representation by a shareholder over 10% (C-Rule 54 of the Austrian Corporate Governance Code).

Resigned members of the Supervisory Board

	Year of birth	First appointed to the Supervisory Board	End of term of current office
Shareholder representative			
Veit Sorger Chairman	1942	26/05/2004	Resigned the mandate on 25/04/2018
Patrick Prügger First Deputy Chairman	1975	14/04/2011	Resigned the mandate on 25/04/2018
Felix Strohbichler Member	1974	28/05/2015	Resigned the mandate on 25/04/2018

Guidelines for the independence of Supervisory Board members

The Supervisory Board has adopted the guidelines for independence according to appendix 1 of the Austrian Corporate Governance Code. Thereafter, all members of the Supervisory Board declared that their independency of the company and its Management Board. According to C-Rule 54 of the Austrian Corporate Governance Code, the members Klaus Erkes and Walter Koppensteiner have declared that they have not been shareholders of the company with an investment of more than 10 percent, respectively, nor represented the interests of such shareholders.

Composition of the Committees of the Supervisory Board¹⁾

Committee	Members
Committee for Urgent Issues	Christoph Kollatz (Chairman) Markus Stocker Christoph Trentini
Committee for the Sempermed segment	Christoph Kollatz (Chairman) Stefan Fida Markus Stocker
Nominating Committee	Christoph Kollatz (Chairman) Stefan Fida Felix Fremerey ²⁾ Sigrid Haipl Markus Stocker Christoph Trentini
Audit Committee	Christoph Trentini (Chairman, financial expert) Felix Fremerey ²⁾ Christoph Kollatz Walter Koppensteiner Petra Preining Michael Schwegelhofer Markus Stocker
Strategy and Transformation Committee	Christoph Kollatz (Chairman) Klaus Erkes Felix Fremerey ²⁾ Sigrid Haipl Walter Koppensteiner Astrid Skala-Kuhmann Michael Schwegelhofer Markus Stocker Christoph Trentini
Remuneration Committee	Christoph Kollatz (Chairman) Stefan Fida Felix Fremerey ²⁾ Sigrid Haipl Markus Stocker Christoph Trentini

¹⁾ As of 21 March 2019

²⁾ The Supervisory Board mandate of Felix Fremerey is suspended as of 10 September 2019 due to his switch to the Management Board of Semperit AG Holding.

Remuneration of the Supervisory Board

On 25 April 2018, the Annual General Meeting approved the remuneration structure for the members of the Supervisory Board for 2017. Remunerations totalling EUR 519.3 thousand were paid to Supervisory Board members in 2018 (EUR 488.7 thousand in 2017 for 2016). A Directors and Officers (D&O) insurance has been taken out for the members of the Supervisory Board; the company bears the related costs.

Remuneration paid in 2018 for 2017 to shareholder representatives in the Supervisory Board ¹⁾

in EUR	Base remuneration	Remuneration for membership of the committee	Attendance fee	Total
Veit Sorger, Chairman	50,000	36,667	27,000	113,667
Stefan Fida, second Deputy Chairman ²⁾	28,750	11,667	19,000	59,417
Patrick Prügger, first Deputy Chairman ³⁾	28,750	53,750	17,000	99,500
Felix Strohbichler, Deputy Chairman ⁴⁾	26,250	37,083	21,000	84,333
Klaus F. Erkes	11,667	5,833	6,000	23,500
Walter Koppensteiner	20,000	10,000	15,000	45,000
Andreas Schmidradner ⁵⁾	8,333	10,417	15,000	33,750
Astrid Skala-Kuhmann	20,000	5,000	7,000	32,000
Petra Preining	11,667	5,833	9,000	26,500
Stephan B. Tanda ⁶⁾	1,667	–	–	1,667
Summe	207,083	176,250	136,000	519,333

¹⁾ Employee representatives receive no remuneration.

²⁾ Second Deputy Chairman from 23/05/2017 to 25/04/2018, since then Deputy Chairman

³⁾ First Deputy Chairman from 23/05/2017 to 25/04/2018 (resignation)

⁴⁾ Deputy Chairman from 26/04/2016 to 23/05/2017, then member until 25/04/2018 (resignation)

⁵⁾ Member until 23/04/2018

⁶⁾ Member from 26/04/2016 to 01/02/2017

Managers' transactions

Transactions with shares or debt instruments of the company or related derivatives respectively financial instruments carried out by members of the Management Board or the Supervisory Board are published in accordance with Article 19 of the Market Abuse Regulation: <http://issuerinfo.oekb.at/startpage.html>.

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 recruiting people for functions. When proposals are made to the Annual General Meeting for filling Supervisory Board mandates and nominating Management Board members, special importance is attached to a professional and diversity-related balance, because it contributes significantly to professionalism and efficiency in the work of the Supervisory and Management Boards. In addition to professional and personal qualifications, aspects such as the age structure, origin, sex, education and background experience are integrated. A written diversity concept was agreed on 1 February 2018. Already since May 2017, the Supervisory Board of Semperit AG Holding has met the women's quota of 30%, which is legally required as of 2018.

Advancement of women

Semperit is committed to equal opportunities for all employees – regardless of age, gender, nationality, religion, skin colour or sexual orientation. It is the abilities and potentials within people that count. Using flexible work models such as flexitime and part-time work, as well as special parental part-time arrangements, the group aims at continuously increasing the proportion of female employees. As a traditional industrial company with a technical focus, the share of women in Austria and Group-wide was 21% in 2018. The share of female employees amounted to 25% throughout Europe. The share of women in the Supervisory Board was 33%. There were no women in the Management Board. Overall, the share of women in management (Management Board, Executive Committee, Management Forum, department heads) was around 10%.

Issuer compliance directive

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 Management Board.

Code of Conduct

Beyond stock exchange compliance, Semperit Group has a compliance organisation that covers all corporate units. A Group Compliance Officer receives support in fulfilling his responsibilities from compliance officers working in the subsidiaries of the Semperit Group. The Group Compliance Officer reports any incidents to the Compliance Board.

The Code of Conduct applies to all employees and managers and is available in several languages. Its most important objectives are to avoid corruption, money laundering, human rights violations and insider trading. In addition, it deals with aspects of data protection, export restrictions and the protection of the interests of all stakeholders. These requirements for behaviour are further specified in thematic compliance guidelines that are available to all employees on the Intranet. Employees receive an in-depth and practical training on the matters referred to in the Code of Conduct. In addition, the relevant employees are regularly updated about current issues, or when appropriate. The Code of Conduct can be viewed at the following website: 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 after obtaining the necessary authorisations for data protection. Employees as well as external people are welcome to report significant infringements of the Code of Conduct: www.semperitgroup.com/en/about-us/compliance/semperline/.

Risk Management & Assurance

The Group Risk Management & Assurance department assumes the central coordination, moderation and monitoring of the structured risk management process for the group as a whole. Relevant risks are prioritised from various perspectives and later their effects and probability of occurrence are assessed. Responsibilities have been identified, measures defined, and the tracking ensured. The bottom-up identification and prioritisation process is supported by workshops with the management of the respective Semperit company. This top-down element ensures that potential new risks are put up for discussion on management level and are included in reporting afterwards in case of relevance. These risks are discussed and coordinated with the managing directors of the segments (top-down). Individual reports are made immediately after visiting the respective Semperit company. At least once a year, an extensive risk report is made on individual risks including aggregation to the Audit Committee and the Supervisory Board. The regular reporting process is complemented by an ad-hoc reporting process to escalate critical issues in time.

Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. has audited and confirmed the effectiveness of Semperit's risk management system for 2018 according to the C-Rule 83 of the Corporate Governance Code.


The purpose of the internal control system of Semperit 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 respective business units is responsible for the implementation and monitoring of the ICS and the risk management system. Cross-sectoral, group-wide standards and regulations are determined by the Management Board of Semperit AG Holding. Follow-up audits are undertaken at the various locations to ensure a sustainable implementation of the standards and regulations.

External evaluation

In accordance with C-Rule 62 of the Austrian Corporate Governance Code, the Semperit Group engaged an external organisation to evaluate its compliance with the stipulations contained in the Code and the accuracy of the associated public reporting for 2016. This evaluation, which was performed by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, did not identify any facts inconsistent with the declaration of the Management Board and Supervisory Board found in the Corporate Governance Report 2016 of the company with respect to its compliance with the C-Rules of the Austrian Corporate Governance Code. In accordance with C-Rule 62, a new evaluation will take place for 2019.

Vienna, 21 March 2019

The Management Board



Martin Füllenbach
CEO



Frank Gumbinger
CFO



Felix Fremerey
Member of the Management Board