



GROWING TOGETHER

Consolidated Corporate Governance Report

As an internationally active, listed 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 corporate goals. 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. 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 again performed in 2021 in order to rotation.

The implementation and evaluation for the business year 2021 is based on the Code's version of January 2021. 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 2021:

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 should also be taken into account.

COMPOSITION OF THE BOARD

The Management Board

Peter Oswald

Chairman, CEO

Member of the Management Board

since April 1, 2020

appointed until March 31, 2025

born 1962

Strategic and profit-responsible management of the entire Group and in particular the areas:

- Group strategy
 - Group organization
 - Human resources of the Group and Board of the subsidiaries
 - External and internal communication and Investor Relations
 - Communication with the Presidium and the Supervisory Board members
 - Sustainability including occupational safety
 - Determination of representatives at associations
 - Primary profit responsibility for the division Board & Paper (including sales and marketing, production, innovation and product development)
 - Procurement
-

Franz Hiesinger

CFO

Member of the Management Board

since October 1, 2017

appointed until September 30, 2025

born 1965

- Finance and all financing matters
 - Group reporting and accounting as well as controlling
 - Merger and acquisition matters
 - Risk management, insurances
 - Legal and tax matters including compliance
 - Information management (IT)
 - Internal Audit
-

Andreas Blaschke

Management Board member Packaging

Member of the Management Board

since May 14, 2002

appointed until April 30, 2025

born 1961

- Primary profit responsibility for the division Packaging (including sales and marketing, production, innovation and product development)
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The members of the Management Board do not hold any mandates in Supervisory Boards outside the Group.

The Supervisory Board

Rainer Zellner

Chairman since April 29, 2015 born 1947	Independent entrepreneur; Chairman of the Supervisory Board of Mayr-Melnhof Holz Holding AG, Leoben
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Johannes Goess-Saurau

1 st 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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Nikolaus Ankershofen

2 nd 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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Alexander Leeb

Member of the Supervisory Board since May 7, 2008 born 1959	Deputy Chairman of the Supervisory Board at Plansee Holding AG, Reutte; Deputy Chairman of the Supervisory Board at Andritz AG, Graz; 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; Deputy Chairman of the Professional Committee for Business Administration of the Chamber of Advisors and Auditors, 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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Franz Rappold

Member of the Supervisory Board since April 29, 2020 born 1952	Managing partner at RAFRA Consulting GmbH; Supervisory Board member at Polo Handels AG, Vienna; Supervisory Board member at Mayr-Melnhof Holz Holding AG, Leoben; Management Board member of a private trust; former Management Board member at Mayr-Melnhof Karton AG
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Delegated by the works council:

Andreas Hemmer

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

Gerhard Novotny

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

The current mandates of all members of the Supervisory Board delegated by the shareholders will expire at the 31st 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)

Rainer Zellner, Chairman
Johannes Goess-Saurau
Nikolaus Ankershofen

Audit Committee

Klaus Rabel, Chairman
Rainer Zellner
Johannes Goess-Saurau
Nikolaus Ankershofen
Gerhard Novotny

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

Alexander Leeb
Deputy 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.

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 2021, 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 2021, fees totaling thousand EUR 23 were charged.

Franz Rappold
RAFRA Consulting GmbH provides consulting services on the basis of a consulting agreement with Mayr-Melnhof Karton AG, which are outside the activities of Franz Rappold as a member of the Supervisory Board. The consulting agreement has a total term of 3 years and ends on June 30, 2022. The contractually agreed consulting fee amounts to thousand EUR 100 per calendar year plus any cash expenses.

REMUNERATION OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD

Since the financial year 2020, information on the remuneration of the Management Board and the main contractual conditions, as well as the remuneration of the Supervisory Board have been included in the Company's remuneration report which is presented annually to the Annual General Meeting and in the remuneration policy.

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

The Management Board manages the business in accordance with the law, the Articles of Association and the bylaws 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 Group- and division-relevant topics. 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 fulfills 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 convened in seven meetings in the financial year 2021, with the participation of the Management Board, and fulfilled its tasks and obligations in accordance with the law, the Articles of Association and the bylaws. All members of the Supervisory Board attended at least six meetings. As a result of Covid-19 restrictions, participation was partially virtual.

In addition to the challenging developments in the current business in view of coping with an unprecedented cost inflation for raw materials and energy, the discussions focused in particular on structural and strategic measures to strengthen competitiveness for further growth. In this context, a major focus was placed on the acquisition and integration of the large board and paper sites Kwidzyn, Poland, and Kotkamills, Finland. This not only significantly expanded MM's position in virgin fiber-based cartonboard, but also included kraft paper and uncoated fine paper as new core products of the division MM Board & Paper. As part of the transformation, the two smaller cartonboard mills, Baiersbronn and Eerbeek, have been disposed of after cartonboard production in Hirschwang, which had no longer been competitive, had been discontinued in the previous year. Furthermore, the so far most comprehensive investment program to strengthen the competitiveness and growth capability of selected sites of both divisions was discussed and approved. In the course of the structural changes and future orientation, the Supervisory Board dealt in depth with matters related to post-merger

integration, organization, human resources (incl. succession planning) as well as the change of MM's IT landscape. Furthermore, topics related to financing (in particular the issuance of Schuldschein loans), risk evaluation, Corporate Governance, compliance, and the increased focus on sustainability were discussed. The Supervisory Board paid particular attention to the Covid-19 pandemic and its impact on business performance, the personnel situation, and the value added chain.

The Supervisory Board carried out a self-evaluation for the financial year 2021 based on a questionnaire, with the result that the activity of the Supervisory Board was assessed to have been 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 to this. Moreover, digital reporting and voting management ensures a high level of efficiency in the organization of the Supervisory Board.

Discussions in the Supervisory Board and Management Board meetings were characterized by openness and a high degree of constructiveness also in 2021. All participants had sufficient opportunities to ask questions and participate in discussions.

Focus of the Committees of the Supervisory Board

In 2021, the Presidium (Committee for Management Board Issues) met eight times. It dealt especially with strategic transformation through acquisitions, investments, divestments, restructuring, 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 2021 at <https://www.mm.group/en/for-investors/reports/>).

In 2021, the Audit Committee held two meetings and fulfilled its statutory duties. A focus was placed on dealing with the Group financial statements and the individual financial statements for 2020 as well as the preparation of the Group financial statements and the individual financial statements for 2021. In this context, the consolidated non-financial report according to section 267a 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, the MM Group is more than ever committed to taking diversity into account as a long-term success factor. The MM Group's concept of diversity is stated in the Code of Conduct. It is laid down there that we commit ourselves to creating a working environment throughout the Group that is characterized by openness and mutual respect. We are convinced that with a background of different perspectives and experiences, which we consider to be an enrichment, we can perform our tasks even more effectively and innovatively. In our Group-wide, uniform, inclusive human resource policy, we are committed to equal opportunities, irrespective of national/ethnic origin, gender, age, religion or life situation, and assess employees and applicants 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. In line with our strategic objective to achieve the best possible diversity at the top management level and to further increase the proportion of women in management positions, we are pleased to report on progress in 2020/2021. Since 2021, one woman has been appointed to a divisional executive board. In addition, women hold more and more top management positions within the MM Group. These include in particular the areas of Human Resources, Information Management (IT), Strategy/Continuous Improvement, Marketing Communication and Legal. Within the framework of internal management development, we attach great importance to further expand the share of female participants. More flexible work arrangements help to increase the compatibility of career and family. Overall, the share of women in the MM Group amounted to 22.3 %. However, 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. Being an attractive employer for women in both technical and commercial occupations is our long-term aspiration.

At present, the Supervisory Board consists of ten men and the Management Board, the only employees of the listed holding company, of three. 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 external evaluation of the Company's compliance with the C rules (Comply or Explain) was carried out in the course of the annual audit of the financial statements 2021 by PwC Wirtschaftsprüfung GmbH, Vienna. 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 14, 2022

The Management Board

Peter Oswald m. p.

Andreas Blaschke 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.