
DECLARATION CONCERNING THE AUSTRIAN CORPORATE GOVERNANCE CODE

The Austrian Corporate Governance Code (ÖCGK) provides domestic stock corporations with a framework for the management and supervision of companies. The Code aims to establish corporate governance and controlling that is oriented towards responsibility, as well as towards sustainable and long-term value creation. This in turn is intended to create a high level of transparency for all stakeholders in the company.

The Code is publicly accessible at www.corporate-governance.at. The Code is based on the guidelines of the Austrian Stock Corporation Act (UGB), the Stock Exchange Act and the Capital Market Act, European Union recommendations on tasks of supervisory board members and remuneration of management board members, and the principles of the OECD guidelines on corporate governance. It is based on a voluntary commitment.

The Management and Supervisory Boards of AMAG Austria Metall AG recognised and implemented the Code in the 2020 financial year. AMAG Austria Metall AG is consequently committed to adhering to the Austrian Corporate Governance Code in its latest version.

The Corporate Governance Code contains the following rules:

-
- > “L rules” (legal), these are legally prescribed measures;
 - > “C rules” (comply or explain), where a failure to comply must be explained;
 - > “R rules” (recommendations) are recommendations that AMAG Austria Metall AG largely follows.
-

AMAG Austria Metall AG adheres to all “L rules” and “C rules”.

Pursuant to Rule 62 of the Austrian Corporate Governance Code, compliance with the Code’s provisions should be evaluated externally on a regular basis, in other words, at least every three years. This evaluation was carried out for C Rules during the audit of the 2020 financial statements by the

Group’s auditor. As a result of the evaluation, the auditors found that the statement that AMAG Austria Metall AG issued relating to compliance with the Corporate Governance Code in the version dated January 2020 corresponds to actual circumstances. The Corporate Governance Report and the audit report of the external evaluation are available on the website www.amag-alu4u.com. In accordance with Rule 62 of the Austrian Corporate Governance Code, the next external evaluation is planned for the 2023 financial year.

MANAGEMENT AND SUPERVISORY BOARDS’ WORKING METHODOLOGIES

AMAG Austria Metall AG is a public stock corporation established under Austrian law with a Management Board and a Supervisory Board as its management bodies (dualistic system).

The Management Board consisted of three members at the end of 2020. The Supervisory Board appoints the members of the Management Board.

The Management Board conducts business based on the law, the Austrian Corporate Governance Code, the articles of incorporation and the rules of business procedure. These set out regulations for the collaboration between the Management Board members and the allocation of responsibilities. The Management Board members constantly exchange information with each other. At Management Board meetings, they discuss the current course of business, make decisions and pass resolutions. Meetings are to be held at regular intervals, if possible at least every two weeks.

The Management Board informs the Supervisory Board concerning all issues of relevance to financial and strategic business development. This includes the risk position and risk management of both the company and its significant Group companies. Information is provided promptly and comprehensively at regular meetings. Moreover, ongoing coordination occurs between the Supervisory Board Chairman and the Management Board Chairman (CEO).

The Supervisory Board supervises the company’s Management Board and supports it in the executive management of the company, especially in relation to decisions of fundamental significance.

COMPOSITION OF THE MANAGEMENT BOARD

In 2020, no changes were made to the AMAG Austria Metall AG Management Board team. The composition of the Management Board is thereby unchanged compared with the previous year.

	Mag. Gerald Mayer Chief Executive Officer	Priv.-Doz. Dipl.-Ing. Dr. Helmut Kaufmann Chief Operating Officer	Victor Breguncci, MBA Chief Sales Officer
Year of birth	> 1971	> 1963	> 1975
First appointed as Management Board member	> March 1, 2019: Appointment as Management Board Chairman (Chief Executive Officer) > February 18, 2011: Appointment as Chief Financial Officer > November 2007: Initial appointment to the predecessor company Austria Metall AG	> February 18, 2011: Appointment as Chief Operating Officer > September 2007: Initial appointment to the predecessor company Austria Metall AG	> June 1, 2019: Appointment as Chief Sales Officer
End of the current term of office	> December 31, 2022	> December 31, 2022	> May 31, 2022
Allocated Group functions	> Strategy, M&A, Organisation > Personnel > Communications > Investor Relations/Issuer Compliance > Purchasing > Legal > Controlling > Financial Accounting/Tax > Financial Management > Metals Management	> Production Rolling/Casting > Research/Corporate Technology > Innovation Management > Management Systems > AMAG Service GmbH > Information Technology	> Strategic Sales Development > Sales Rolling/Casting > Supply Chain Management > Marketing > Market Monitoring and Development
Supervisory board mandates at other companies	> none	> none	> none

COMPOSITION OF THE SUPERVISORY BOARD

At the Annual General Meeting on July 21, 2020, which was held as a virtual meeting in accordance with the Austrian Corporation Law COVID-19 Directive (COVID-19-GesV), Univ.-Prof. Dr. Sabine Seidler and Mag. Patrick F. Prügger were re-elected to the Supervisory Board of AMAG Austria Metall AG.

The Supervisory Board of AMAG Austria Metall AG subsequently reconstituted itself by means of circular resolution. Both the Chairman of the Supervisory Board and his deputies were re-elected on an unchanged basis.

All Supervisory Board members participated in at least half of the meetings.

SUPERVISORY BOARD MEMBERS AS OF DECEMBER 31, 2020

Dipl.-Ing. Herbert Ortner (1968)

Supervisory Board Chairman

First appointed: April 17, 2018

Mandate duration: until the AGM that passes a resolution concerning the discharge for FY 2020

Supervisory board mandates at other listed companies: Semperit AG Holding

Dipl.- Betriebswirt Peter Edelmann (1959)

First Deputy Supervisory Board Chairman

First appointed: April 10, 2019

Mandate duration: until the AGM that passes a resolution concerning the discharge for FY 2020

Supervisory board mandates at other listed companies: Lenzing AG (Chairman)

Dr. Heinrich Schaller (1959)

Deputy Supervisory Board Chairman

First appointed: May 16, 2012

Mandate duration: until the AGM that passes a resolution concerning the discharge for FY 2020

Supervisory board mandates at other listed companies: voestalpine AG (First Deputy Chairman), Raiffeisen International AG (Deputy Chairman)

Dr. Wolfgang Bernhard (1960)

Supervisory Board member

First appointed: April 10, 2019

Mandate duration: until the AGM that passes a resolution concerning the discharge for FY 2021

Supervisory board mandates at other listed companies: Andritz AG

Mag. Patrick F. Prügger (1975)

Supervisory Board member

First appointed: May 16, 2012; Reappointment: July 21, 2020

Mandate duration: until the AGM that passes a resolution concerning the discharge for FY 2022

Supervisory board mandates at other listed companies: Lenzing AG

Univ.-Prof. Dr. Sabine Seidler (1961)

Supervisory Board member

First appointed: May 16, 2012; Reappointment: July 21, 2020

Mandate duration: until the AGM that passes a resolution concerning the discharge for FY 2023

Supervisory board mandates at other listed companies: -

Dipl.-Ing. Franz Viehböck (1960)

Supervisory Board member

First appointed: April 16, 2015

Mandate duration: until the AGM that passes a resolution concerning the discharge for FY 2022

Supervisory board mandates at other listed companies: -

Mag. Thomas Zimpfer (1983)

Supervisory Board member

First appointed: April 10, 2019

Mandate duration: until the AGM that passes a resolution concerning the discharge for FY 2021

Supervisory board mandates at other listed companies: -

WORKS COUNCIL DELEGATES

Martin Aigner (1968)

Supervisory Board member

Delegated: January 1, 2017

Max Angermeier (1958)

Supervisory Board member

Delegated: April 14, 2011

Robert Hofer (1977)

Supervisory Board member

Delegated: December 31, 2011

Günter Mikula (1966)

Supervisory Board member

Delegated: August 1, 2014

(GRI 405-1)

DISCLOSURES ON THE INDEPENDENCE OF SUPERVISORY BOARD MEMBERS

The Supervisory Board determines the criteria for its independence. This is based on Annex 1 of the Corporate Governance Code. All Supervisory Board members confirmed that they consider themselves independent (Rule 53). This applies to all Supervisory Board members elected by the Shareholders' General Meeting.

Rule 54 is not applicable to AMAG at present. The reason for this is the low free float of less than 20 %.

SUPERVISORY BOARD COMMITTEES

The articles of incorporation authorise the Supervisory Board to form committees from among its members. They also define their tasks and rights. Furthermore, they can delegate to the committees the right to take decisions. The employee representatives on the Supervisory Board are entitled to delegate members to the Supervisory Board's committees. This is based on Section 110 (1) of the Austrian Work Organisation Act (ArbVG). This does not apply to committees that handle relationships between the company and its Management Board members.

AUDIT COMMITTEE

The Audit Committee performs the tasks assigned to it in accordance with Section 92 (4a) AktG. It is responsible for the auditing and preparation of the adoption of the separate annual financial statements, the proposal for distributing profit, the management report, the corporate governance report and the examination of the risk management system. It is also required to examine the consolidated financial statements. Furthermore, it makes a proposal for the election of the auditor of the financial statements, checks and monitors its independence, and approves and controls the provided non-audit services. The chairman of the Audit Committee determines the mutual communication between the auditor and the Audit Committee (C Rule 81a ÖCGK). The committee has to report to the Supervisory Board on its activities.

Members of the Audit Committee as of December 31, 2020:

- > Mag. Patrick F. Prügger (chair and finance expert)
 - > Dipl.-Ing. Herbert Ortner (deputy chair)
 - > Dr. Heinrich Schaller
 - > Mag. Thomas Zimpfer
 - > Max Angermeier
 - > Robert Hofer
-

NOMINATION COMMITTEE

The tasks of the Nomination Committee include succession planning, the submission of proposals to the Supervisory Board for filling vacant Management Board mandates and the submission of proposals to the Annual General Meeting for filling vacant Supervisory Board mandates. The committee is also required to give its agreement to appointing and dismissing Group companies' CEOs.

Members of the Nomination Committee as of December 31, 2020:

- > Dipl.-Ing. Herbert Ortner (chair)
 - > Dipl.-Betriebswirt Peter Edelmann (deputy chair)
 - > Dr. Heinrich Schaller
 - > Dipl.-Ing. Franz Viehböck
 - > Max Angermeier
 - > Robert Hofer
-

STRATEGY COMMITTEE

The Strategy Committee's tasks include discussing the corporate strategy, current strategy implementation controlling, and strategy process controlling.

Members of the Strategy Committee as of December 31, 2020:

- > Dipl.-Ing. Herbert Ortner (chair)
 - > Mag. Thomas Zimpfer (deputy chair)
 - > Dr. Heinrich Schaller
 - > Dr. Wolfgang Bernhard
 - > Max Angermeier
 - > Robert Hofer
-

REMUNERATION COMMITTEE

The Remuneration Committee is responsible for drafting and concluding as well as amending and terminating employment agreements with Management Board members. In addition, it is responsible for the preparation and review of the remuneration policy for Management Board and Supervisory Board members and for monitoring the implementation of the remuneration policy for Management Board members. Furthermore, it controls the processing and execution of Management Board contracts and supports the Management Board in preparing the remuneration report. The Remuneration Committee was expanded to include a member of the employee representative body.

Members of the Remuneration Committee as of December 31, 2020:

- > Dipl.-Ing. Herbert Ortner (chair)
 - > Dipl.-Betriebswirt Peter Edelmann (deputy chair)
 - > Max Angermeier
-

COMMITTEE FOR URGENT MATTERS

The Committee for Urgent Matters is authorised to make decisions. The precondition for this is that the decision cannot be postponed until the next ordinary Supervisory Board meeting.

Members of the Committee for Urgent Matters as of December 31, 2020:

- > Dipl.-Ing. Herbert Ortner (chair)
 - > Dipl.-Betriebswirt Peter Edelmann (deputy chair)
 - > Dr. Heinrich Schaller
 - > Mag. Thomas Zimpfer
 - > Max Angermeier
 - > Robert Hofer
-

(GRI 102-18)

NUMBER AND MAIN FOCUSES OF SUPERVISORY BOARD AND COMMITTEE MEETINGS

The tasks of the Supervisory Board are set out in both the company's articles of incorporation and the law. The Supervisory Board performed its duties at four ordinary meetings. The AMAG Group's current business and financial position was reported on an ongoing basis at these meetings. The current developments in the COVID-19 pandemic and its effects on the company played a central role. Comprehensive reports were also made to the Supervisory Board on the current COVID-19 situation between the meetings. Furthermore, the Supervisory Board dealt with the implementation of the concept adopted in 2019 for the company's further strategic orientation, the majority acquisition of Aircraft Philipp including the appointment of the Management Board, as well as further investments for the continuous expansion project. In addition to planning for the 2021 financial year and medium-term planning up to 2025, other focus areas of Supervisory Board meetings included, in particular, the company's personnel development as well as topics relating to research & development and digitalisation.

Moreover, new appointments were made to the management boards of AMAG rolling GmbH and AMAG metal GmbH, and the reappointment of the Management Board of AMAG casting GmbH was approved.

The Audit Committee held three meetings. At these, the committee focused on the preparation and examination of the company's consolidated and separate financial statements, the audit results for 2019 and the auditor's planning for 2020. Further topics included the effectiveness and functioning of the internal control system, risk management and specific financial accounting issues.

The Nomination Committee met three times in 2020, and dealt with the appointment of managing directors at AMAG rolling GmbH, AMAG metal GmbH, AMAG casting GmbH and Aircraft Philipp, and the election proposals to the Supervisory Board.

The Remuneration Committee convened twice during the 2020 financial year. The focus areas included the target agreements with the members of the Management Board and the development of AMAG's remuneration policy.

The Strategy Committee held one meeting in 2020. The main focus areas included market-relevant topics and AMAG's future strategic orientation, taking into account the medium to long-term effects of the COVID-19 pandemic on AMAG's business.

REMUNERATION REPORT FOR THE MANAGEMENT AND SUPERVISORY BOARDS

With the Austrian Stock Corporation Law Amendment Act 2019 (AktRÄG [BGBl I 2019/63]), the provisions relating to the disclosure of the total remuneration of the individual members of the Management Board and the principles of the remuneration policy no longer apply. This information is now given in detail in the remuneration report to be submitted to the Annual General Meeting for voting (Section 78d AktG).

DIVERSITY CONCEPT AND PROMOTION OF WOMEN

Respect, diversity and inclusion form integral and indispensable elements of the corporate culture of AMAG Austria Metall AG, and are taken into consideration in appointments to all functions. For Supervisory Board appointments proposed to the Shareholders' General Meeting and when nominating Management Board members, attention is paid to a balance in relation to qualifications and diversity, as these contribute significantly to the professionalism and effectiveness of the work of the Supervisory and Management Boards. Along with specialist and personal qualifications, this approach also includes aspects such as age structure, origin, gender, education and experience. A diversity concept in written form was approved as of February 7, 2018.

The basis for decisions on the appointment of employee representatives to the Supervisory Board is the results of works council elections at the individual Group companies and the subsequent passing of resolutions – subject to an absolute majority – at the constitutive meeting of the Group Works Council.

The proportion of women employed in Ranshofen was 14 % in the 2020 financial year, and the proportion of women in management positions was 10 %. The proportion of female apprentices stood at 23 %. Univ.-Prof. Dr. Sabine Seidler has been a member of the AMAG Austria Metall AG Supervisory Board since 2012. There is currently no woman on the Management Board. The non-financial statement in the Group management report presents more information on the topic of equal opportunities and diversity. AMAG is committed to equal opportunities, and rejects any type of discrimination, especially based on age, gender, skin colour, sexual orientation, background, religion or handicap.

(GRI 405-1)

COMPLIANCE

Compliance forms a central element of good corporate governance and comprises a basic prerequisite for sustainable corporate performance and success. AMAG operates a comprehensive compliance system, which is described in detail in the non-financial statement in the Group management report.

CHANGES AFTER THE REPORTING DATE

No changes occurred to reportable matters between the reporting date and the date when the corporate governance report was prepared.