

**AUSTRIACARD HOLDINGS AG**  
CONSOLIDATED CORPORATE GOVERNANCE REPORT

## 1. CORPORATE GOVERNANCE STATEMENT

AUSTRIACARD HOLDINGS AG has been listed on the Vienna Stock Exchange and the Athens Stock Exchange since March 2023. The Management Board and the Supervisory Board of AUSTRIACARD HOLDINGS AG are committed to the principles of good corporate governance and the Company is subject to the regulations of the Austrian Code of Corporate Governance ("ÖCGK").

The ÖCGK pursues the goal of responsible management and control of companies and groups of companies with a focus on sustainable and long-term value creation and can be accessed here: <https://www.corporate-governance.at/code/>. The Code achieves a high degree of transparency for all stakeholders of the Company.

AUSTRIACARD HOLDINGS AG is committed to application and compliance with the January 2023 version of the ÖCGK. § 243c UGB and § 267b UGB (Consolidated Corporate Governance Report) were also applied when preparing this consolidated corporate governance report.

### Deviations from C-Rules

In the financial year ending 31 December 2023, AUSTRIACARD HOLDINGS AG did not fully comply with the following C-Rules of the Austrian Code of Corporate Governance:

**C-Rule 27:** AUSTRIACARD HOLDINGS AG does not fully comply with this rule as variable remuneration components do not include non-financial criteria. The variable remuneration components were approved prior to the listing of the Company and the current Remuneration Policy, hence do not include non-financial information.

**C-Rule 28:** AUSTRIACARD HOLDINGS AG does not fully comply with this rule since the share option plan (SOP) of the Company was not approved by the General Meeting but by the Supervisory Board. In addition, the SOP does not contain a clause stipulating a waiting period of at least three years. Both deviations are due to the fact that the SOP has replaced existing legacy management participation plans that had been introduced prior to the admittance to the stock exchange and before the Company became subject to the regulations of the Austrian Code of Corporate Governance.

## 2. MEMBERS OF THE GOVERNING BODIES

### Management Board

The Management Board consisted of the following six members as of 31 December 2023:

Name and function	Date of initial appointment <sup>1</sup>	End of current term	Supervisory board positions or comparable positions in other Austrian and foreign companies outside the Group	Diversity Factors (Gender, age, citizenship)
<b>Nikolaos Lykos</b> Chairman of the Management Board	1 May 2015	1 May 2025	None	Male, born in 1957, Greek citizen
<b>Panagiotis Spyropoulos</b> Deputy Chairman of the Management Board and Group CEO	1 July 2013	30 June 2027	None	Male, born in 1966, Greek citizen
<b>Emmanouil Kontos</b> Member of the Management Board	1 July 2023	30 June 2027	None	Male, born in 1971, Australian and Greek citizen

<sup>1</sup> The terms of office of the Supervisory Board members elected by the Annual General Meeting expire at the end of the Annual General Meeting that will vote on their release from liability for the 2026 financial year.

Deputy Group CEO and Regional Executive Vice President (EVP) DACH, CEE/SEE						
<b>Jon Neeraas</b> Member of the Management Board Regional Executive Vice President (EVP) W/E, Nordics, UK and USA	1 July 2023	30 June 2027	- Nesna Municipality, Norway (Board member)			Male, born in 1966, Norwegian citizen
<b>Burak Bilge</b> Member of the Management Board Regional Executive Vice President (EVP) Middle East, Africa (MEA) and Türkiye	1 July 2023	30 June 2027	None			Male, born in 1975, Turkish citizen
<b>Markus Kirchmayr</b> Member of the Management Board Group CFO	1 July 2023	30 June 2027	None			Male, born in 1980, Austrian citizen

Further information on the members of the Management Board, including their employment history, can be found under <https://www.austriacard.com/management-board/>.

## Supervisory Board

The Supervisory Board consisted of the following five members as of 31 December 2023:

Shareholder representatives	Date of initial appointment <sup>2</sup>	Supervisory board or comparable functions in Austrian or foreign listed companies (incl. other material functions)	Independence C-Rule 53	Independence C-Rule 54 <sup>3</sup>	Diversity Factors (Gender, age, citizenship)
<b>Petros Katsoulas</b> Chairman of the Supervisory Board Member of the Audit Committee Member of the Nomination and Remuneration Committee	27 April 2015	- MIG Holdings S.A., listed, (Chairman of the Board); - Raymetrics S.A. (Vice-Chairman of the Board); - Elikonos Capital A.I.F.M. (Chairman of the Board); - EMKA Symetoxwn M.A.E. (Chairman of the Board)	Yes	Yes	Male, born in 1966, Greek citizen
<b>John Costopoulos</b> Vice Chairman of the Supervisory Board Chairman of the Nomination and Remuneration Committee	6 July 2016	- ATHENS EXCHANGE GROUP (non executive board member and member of the audit, risk and strategy committee)	Yes	Yes	Male, born in 1956, Greek citizen
<b>Martin Wagner</b> Member of the Supervisory Board Chairman of the Audit Committee	30 November 2022	- Covid 19 Finanzierungsagentur des Bundes GmbH (Chairman of the Supervisory Board), - BMW Austria Bank GmbH (member of the Supervisory Board), - Bausparkasse Wüstenrot AG (member of the Supervisory Board); - G&K Privatstiftung (council member), - Vescovo Privatstiftung (council member),	Yes	Yes	Male, born in 1955, Austrian citizen

<sup>2</sup> The terms of office of the Supervisory Board members elected by the Annual General Meeting expire at the end of the Annual General Meeting that will vote on their release from liability for the 2026 financial year.

<sup>3</sup> No Supervisory Board Member holds more than 10% of the Company's shares.

		- Soprano Privatstiftung (council member), - DVAG (council member)				
<b>Michael Butz</b> Member of the Supervisory Board, Member of the Nomination and Remuneration Committee	30 November 2022	- EUDICON GmbH (managing director)	Yes	Yes	Male, born in 1957, Austrian citizen	
<b>Anastasios Gabrielides</b> Member of the Supervisory Board, Member of the Audit Committee	30 November 2022	- Costamare Inc., listed NYSE (General Counsel, Secretary), - Costamare Participations Plc (Director) - Costamare Shipping Services Ltd (Director Secretary)	Yes	Yes	Male, born in 1964, Greek citizen	

In the financial year 2023 a consultancy agreement was concluded between AUSTRIA CARD-Plastikkarten und Ausweissysteme Gesellschaft m.b.H, a subsidiary of AUSTRIACARD HOLDINGS AG, and EUDICON GmbH (FN 619473s), an entity controlled by the Supervisory Board member Michael Butz. EUDICON GmbH shall act as an advisor for a recently acquired company with an expected monthly remuneration in the amount of € 8000 (excl. VAT).

Further information on the members of the Supervisory Board, including their employment history, can be found under <https://www.austriacard.com/supervisory-board/>.

### 3. INDEPENDENCE OF THE SUPERVISORY BOARD

The Supervisory Board is subject to the guidelines for independence in Annex 1 of the ÖCGK.

The Supervisory Board as a whole is considered to be independent if at least 50 % of the members elected by the Annual General Meeting satisfy the criteria set out in Annex 1 of the ÖCGK for the independence of a Supervisory Board Member. Accordingly, five out of five members of the Supervisory Board have declared their independence from the Company and its subsidiaries.

No Supervisory Board Member holds more than 10% of the Company's shares, hence all members are independent according to C-Rule 54.

### 4. INFORMATION ON THE WORKING PROCEDURES OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD

#### Management Board

AUSTRIACARD HOLDINGS AG is committed to transparency regarding the operational procedures of the Management Board. The Management Board members' responsibilities are clearly delineated, with assigned areas of competence distributed among members as follows:

- a) The assigned business area of **the Chairman of the Management Board**, Nikolaos Lykos, includes as follows:

He is leading the Management Board, focusing on strategic matters and people development. He oversees the Group's business, targeting to long term sustainability and success.

- b) The assigned business area of the **Vice Chairman of the Management Board and Group CEO**, Panagiotis Spyropoulos, includes as follows:

Panagiotis Spyropoulos is responsible for the implementation of the company's strategy. He ensures the company has the appropriate Group resources to deliver the business plan. He steers the teams across the Markets to ensure the financial delivery of the Group's midterm

plan. Additionally, all Group Production and Personalization sites are centrally managed by and are reporting ultimately to the Group CEO. In addition, he is responsible for the Group Supply Chain along with Group Procurement and Capital Markets and Investor Relations as well as IT/Physical and Security/Logical Security.

- c) The assigned business area of the **Deputy Group CEO and Regional Executive Vice President (EVP) DACH, CEE/SEE**, Emmanouil Kontos, includes as follows:

Emmanouil Kontos acts as Chief Transformation Officer (lead integration and change Management) and is responsible for DACH, CEE/SEE Market Cluster, Business Development, M&A across all markets in the Group, R&D Technology, Marketing and Communication and ESG (Environment, Social, Governance).

- d) The assigned business area of the **Regional Executive Vice President (EVP) Middle East, Africa (MEA) and Türkiye**, Burak Bilge, includes as follows:

Burak Bilge is responsible for the Middle East, Africa (MEA) and Türkiye Market Cluster as well as for the commercial development of the above markets across company's Portfolio.

- e) The assigned business area of the **Regional Executive Vice President (EVP) W/E, Nordics, UK and USA**, Jon Neeraas, includes as follows:

Jon Neeraas is responsible for the Western Europe, Nordics, UK and USA Market Cluster as well as for the commercial development of the above markets across company's Portfolio.

- f) The assigned business area of the **Group CFO**, Markus Kirchmayr, includes as follows:

Markus Kirchmayr as Group CFO is responsible for Group controlling, Group accounting, Group reporting and planning, Cash flow & Financing of the Group, Legal and Compliance, Internal Audit and Risk Management.

The Management Board manages the business under the leadership of its Chairman and within the constraints of the law, the articles of association and the rules of procedure of the Management Board. The Management Board meets when needed to discuss current business developments and makes the necessary decisions and resolutions during the course of these meetings or by circular resolutions. The members of the Management Board continuously exchange information with each other and the heads of various departments.

In December 2023, Panagiotis Spyropoulos announced to the Nomination and Remuneration Committee and the Supervisory Board that after having completed 13 years of leading the Group and in accordance with the succession plan, he will step down from his role as Group Chief Executive Officer by the end of the first half of 2024. The Supervisory Board decided that Emmanouil Kontos shall be appointed as Group Chief Executive Officer, effective latest 1st July 2024.

## **Supervisory Board**

The Supervisory Board oversees the Management Board's adherence to the procedures mentioned above through regular reviews and approvals, ensuring that the governance practices are not only compliant with the ÖCGK but also reflective of AUSTRIACARD HOLDINGS AG's dedication to responsible and effective corporate governance.

The Supervisory Board of AUSTRIACARD HOLDINGS AG meets at least quarterly to fulfill its task of monitoring the management of the Company as well as the activities of the Management Board in terms of managing and monitoring the Group. Six (6) Supervisory Board meetings were held in the reporting year (C-Rule 36).

The Supervisory Board was informed by the Management Board about the course of business as well as significant business transactions and measures, supervised the work of the Management Board and advised the Management Board on important strategic decisions. The main topics discussed at the meetings were the development of the business situation, the strategic development, acquisitions, refinancing, obligations resulting from the listing, composition of the Management Board and succession planning, share-buy-back program and capital increase from company funds.

In the financial year 2023, the Supervisory Board of AUSTRIACARD HOLDINGS AG appointed two committees from among its members (C-Rules 34 and 39 ÖCGK), the Audit Committee and the Nomination and Remuneration Committee.

	<b><u>Audit Committee</u></b>	<b><u>Nomination and Remuneration Committee</u></b>
<b><u>Chairman</u></b>	<u>Martin Wagner (financial expert)</u>	<u>John Costopoulos</u>
<b><u>Members</u></b>	Petros Katsoulas Anastasios Gabrielides	<u>Petros Katsoulas</u> <u>Michael Butz</u>
<b><u>Responsibilities</u></b>	<ul style="list-style-type: none"> <li>- monitoring the accounting process and issuing recommendations or suggestions to ensure its reliability;</li> <li>- monitoring the effectiveness of the company's internal control, internal audit and risk management systems;</li> <li>- monitoring the audit of the annual and consolidated financial statements and the independence of the auditor of the annual financial statements (and the auditor of the consolidated financial statements);</li> <li>- reporting on the results of the audit to the Supervisory Board, explaining how the audit contributed to the reliability of financial reporting and explaining the role of the Audit Committee in this procedure;</li> <li>- reviewing the annual financial statements, the proposal for the distribution of profits, the management report, as well as submitting a report on the results of this review to the Supervisory Board;</li> <li>- examining the consolidated financial statements, the Group management report, as well as submitting a report on the results of this review to the Supervisory Board;</li> <li>- selecting an auditor for the annual and consolidated financial statements and preparing a proposal for the Supervisory Board on this selection; moreover, Art. 16 of Regulation (EU) No. 537/2014 on the statutory audit of public-interest entities must be observed.</li> </ul>	<p>The Nomination and Remuneration Committee assists the Supervisory Board in fulfilling its corporate governance responsibilities regarding all matters related to the appointment, termination as well as the remuneration of the members of the Supervisory Board or the Management Board such as follows:</p> <ul style="list-style-type: none"> <li>- to identify and propose to the Supervisory Board any persons that are suitable to be members of the Supervisory Board and the Management Board, where a position becomes vacant</li> <li>- to identify any issues relating to succession planning for the Members of the Management Board and the Supervisory Board;</li> <li>- to submit proposals to the Supervisory Board concerning the Company's remuneration policy for the members of the Management Board and the Supervisory Board (Article 78a Aktiengesetz);</li> <li>- to submit proposals to the Supervisory Board on the remuneration of the members of the Management Board and the Supervisory Board and the senior management, including the internal audit function; and</li> <li>- to review the information included in the final draft of the annual remuneration report and express its opinion to the Supervisory Board prior to the submission thereof to the General Meetings for approval (Article 78d Aktiengesetz).</li> </ul>
<b><u>Meetings</u></b>	The Audit Committee met three (3) times during the financial year 2023 and dealt with all its assigned responsibilities as mentioned above, in particular with the preparations for the resolution on the consolidated financial statements and annual financial statements as of 31 December 2022, including the related reports as well as the recommendation for the use of profits. Further activities involved the initiation of the selection process for the appointment of a statutory auditor with the support of a working group and a recommendation for the appointment of an auditor for the financial year 2023.	The Nomination and Remuneration Committee met four (4) times during the financial year 2023 and dealt with all its assigned responsibilities as mentioned above, in particular, with the remuneration of the Supervisory Board and the Management Board, the extension of the Management Board, amendments to the existing management participation programs, review of the Remuneration Policy as well as of the Nomination and Remuneration Regulation.

No member of the Supervisory Board failed to attend more than half of the meetings in the financial year 2023. The table below shows the attendance of the Supervisory Board members at meetings in 2023.

<b>Member</b>	<b>Supervisory Board</b>	<b>Audit Committee</b>	<b>Nomination and Remuneration Committee</b>
Petros Katsoulas	6/6	3/3	4/4
Jon Costopoulos	5/6	n.a.	4/4
Martin Wagner	6/6	3/3	n.a.
Michael Butz	6/6	n.a.	4/4
Anastasios Gabrielides	6/6	3/3	n.a.

## **5. MEASURES TO PROMOTE WOMEN**

AUSTRIACARD HOLDINGS AG is committed to promoting gender equality within its organization. This section outlines the representation of women, as well as the specific measures which have been or will be implemented during the reporting year to support the advancement of women into leadership roles.

Although there are currently no women serving on our management board and no women are appointed to the supervisory board, this is not reflecting a lack of commitment of AUSTRIACARD to gender equality. It is, instead, merely the result of the historical development of the company prior to its listing and the boards lifecycle and the timing of director retirements and appointments.

The boards of the company have nevertheless recognized the lack of female representation in its boards as field of improvement of its corporate governance. The management board is seeking to identify and develop female leaders within our organization who can potentially serve in leading positions in the company in the future. We will, in future, also be open to external appointments and will be seeking for qualified female candidates.

Although AUSTRIACARD does not employ explicit "female quotas" when filling particular positions, we utilize measure that will have long-term effect with the superior goal of increasing the percentage of women across the AUSTRIACARD group at all levels (including the supervisory and management boards). In pursuit of this goal, the management board has developed initiatives to promote the professional development and advancement of women within the Group, such as offering of flexible working arrangements.

With regard to the Supervisory Board, it has been recognized that a higher degree of diversity and the inclusion of female members on the Supervisory Board can be a suitable measure for improving the decision making of the Supervisory Board. For this reason, the Supervisory Board will also pay attention to identifying and proposing suitable female candidates for future membership changes.

We recognize that promoting gender diversity and increasing the share of women in leadership positions is an ongoing effort. Moving forward, we are committed to increase diversity to ensure continued progress towards equality and diversity within our company.

Overall, the percentage of women in all management positions in the AUSTRIACARD group in the business year 2023 was approximately 22,5 %.

## **6. DIVERSITY CONCEPT**

AUSTRIACARD HOLDINGS AG attaches high importance to diversity and inclusion. We believe that a diverse workforce is a key driver of creativity, innovation and business success. Our diversity concept encompasses not only gender, but also age, ethnicity, nationality, disability, sexual orientation, and educational/professional background as well as other aspects of identity.

With seven production facilities in UK, Andorra, Austria, Romania and Greece and eight personalization centers in UK, Spain, Austria, Poland, Romania, Greece, Turkey and the US and a total of 2359 employees, AUSTRIACARD HOLDINGS AG combines outstanding individuals from many countries, languages, and cultural backgrounds. We recognize the importance of fostering a dynamic, innovative, and effective leadership team.

The Suitability Policy sets out the diversity criteria for the selection of the members of the Company's Management Board and the Supervisory Board with a view to promoting an appropriate level of diversification of skills and qualification when selecting members of the Management Board and the Supervisory Board, so that diversity of views and experiences, as well as the constructive questioning of the decision-making processes is encouraged. The Nomination and Remuneration Committee takes into account the diversity criteria when submitting proposals for the appointment of Members of the Management Board and the Supervisory Board.

AUSTRIACARD HOLDINGS AG's management board consists of people of different age and cultural background and are citizens of Greece, Turkey, Norway, Australia and Austria. Likewise, the supervisory board consists of people of different age and cultural background who are citizens of Greece and Austria. They bring diverse and extensive specialized knowledge and education to the supervisory board, which together enable effective and high-quality control of and valuable support to the management. The composition of AUSTRIACARD HOLDINGS AG's board therefore reflects the age, the cultural and the knowledge diversity to which we are fully committed.

AUSTRIACARD HOLDINGS AG is committed to fostering a culture of inclusion where everyone can bring their authentic selves to work and where everyone can contribute to their fullest potential.

## **7. CONTINUOUS DEVELOPMENT OF THE CORPORATE GOVERNANCE SYSTEM**

AUSTRIACARD HOLDINGS AG is eager to constantly improve its corporate governance system in the interest of the company as well as its stakeholders. Following C-Rule 36 of the ÖCGK, the Supervisory Board conducted an annual self-evaluation by discussing the efficiency of its activities, in particular, its organization and work procedure.

## **8. REPORT ON EXTERNAL EVALUATION**

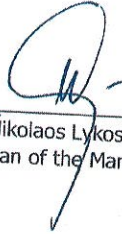
According to C-Rule 62, the company shall have compliance with the C-Rules of the Code evaluated periodically, but at least every three years, by an external institution. AUSTRIACARD HOLDINGS AG has been listed since March 2023, hence no external evaluation has been carried out yet

## **9. EVENTS AFTER THE BALANCE SHEET DATE**

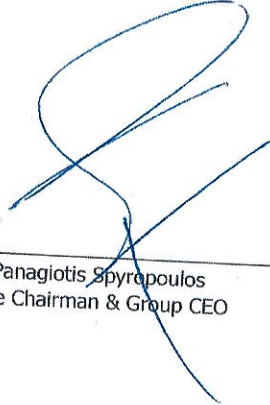
No reportable changes occurred between the balance sheet date on 31 December 2023 and the preparation of this consolidated corporate governance report.



Vienna, 19 March 2024



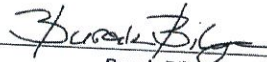
Nikolaos Lykos  
Executive Chairman of the Management Board



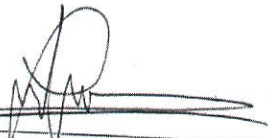
Panagiotis Spyropoulos  
Vice Chairman & Group CEO



Emmanouil Kontos  
Deputy Group CEO and Executive Vice President  
CEE



Burak Bilge  
Executive Vice President Türkiye / Middle East  
and Africa



Jon Neeraas  
Executive Vice President Western Europe, UK,  
Nordics and USA



Markus Kirchmayr  
Group CFO