

Report of the Supervisory Board

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In the financial year 2019, the Supervisory Board fulfilled its responsibilities pursuant to statutory provisions and the Articles of Association. In addition to analyzing ongoing business development and the integration of the Tann-Group, the main areas of focus were the Group strategy, investments, acquisitions, financing, risk evaluation as well as topics of Corporate Governance, compliance and succession planning.

Peter Oswald appointed as new CEO of Mayr-Melnhof Karton AG

Special attention in succession planning was paid to filling the position of Chairman of the Management Board, which Wilhelm Hörmanseder (66) has held since 2002. With 28 years of experience in the industry, most recently as CEO of the publicly listed packaging and paper company Mondi Group, and his many years of management experience, Peter Oswald (57) is the ideal person to serve as the future CEO of Mayr-Melnhof Karton AG. He will join the Management Board with effect from April 1, 2020. Mr. Hörmanseder will hand over to Mr. Oswald on May 1, 2020, after 18 years as CEO, 25 years as a member of the Management Board, and a total of 30 years in the MM Group.

Under Mr. Hörmanseder's leadership, the MM Group has recorded sustained profit growth and a solid course of expansion in Europe and around the world and is very well positioned in many attractive markets today as market leader in cartonboard packaging with a strong competitive edge.

We would like to thank Mr. Hörmanseder on behalf of the entire company for his exceptional commitment and his extraordinary achievements over three decades.

Ongoing activities of the Supervisory Board

During the financial year 2019, the Supervisory Board convened in six meetings with the participation of the Management Board. All the members of the Supervisory Board attended at least five meetings. Furthermore, the Presidium (Committee for Management Board Issues) convened ten times, the Audit Committee chaired by Romuald Bertl met twice.

The meetings of the Supervisory Board and the Committees always offered sufficient opportunity to discuss individual agenda items and timely submitted documents in detail.

The interaction of the capital and employee representatives within the Supervisory Board was characterized by a constructive atmosphere.

The Management Board has complied with its duty to provide information and has informed the Supervisory Board regularly, promptly and in detail both in writing and verbally about the position and development of the Company and its subsidiaries.

Between the meetings, the Chairman of the Supervisory Board and the Chairman of the Management Board were regularly in contact and discussed the progress of business, strategy, and the Company's risk position.

Audit 2019

The annual financial statements and the management report of Mayr-Melnhof Karton AG for the year ending December 31, 2019, including accounting, were audited by PwC Wirtschaftsprüfung GmbH, Vienna. The same applies to the consolidated annual financial statements which were prepared in accordance with IFRS and supplemented by the management report for the Group and further notes pursuant to section 245 a of the Austrian Commercial Code. The audit confirmed that accounting, the annual financial statements, the management report as well as the consolidated annual financial statements and the management report for the Group comply with the legal requirements and the Articles of Association and, in all material respects, convey a fair picture of the financial position, the financial performance, and cash flows. The audit provided no reason for query, and the auditors duly issued an unqualified opinion for 2019.

The Supervisory Board has complied with its statutory audit obligation for the consolidated non-financial report 2019. Additionally, a limited assurance engagement was performed. Based on the procedures performed, nothing has come to the attention of PwC Wirtschaftsprüfung GmbH, Vienna, that causes to believe that the consolidated non-financial report 2019 of Mayr-Melnhof Karton AG is not prepared, in all material aspects, in accordance with the requirements of section 267 a of the Austrian Commercial Code.

Approval of annual financial statements, consolidated annual financial statements and distribution of the profit

The Supervisory Board concurs with the annual financial statements, the management report, the corporate governance report, the consolidated non-financial report according to section 267 a of the Austrian Commercial Code as well as the consolidated annual financial statements and the management report for the Group, and hereby approves the annual financial statements as well as the consolidated annual financial statements of Mayr-Melnhof Karton AG as of December 31, 2019. Thus, the 2019 annual financial statements of Mayr-Melnhof Karton AG are adopted in accordance with section 96 (4) of the Austrian Stock Corporation Act.

The Supervisory Board has considered and approved the Management Board's proposal regarding the distribution of the profit for the financial year 2019.

The members of the Supervisory Board extend their gratitude to the Management Board and all employees of the Mayr-Melnhof Group for their excellent performance and great dedication during the financial year 2019.

Vienna, March 2020

Rainer ZELLNER
Chairman of the Supervisory Board