

Corporate Governance Report 2023

Content

Declaration of Commitment	1
The Corporate Bodies of Lenzing AG	1
Managing Board	1
Supervisory Board	2
Supervisory Board members delegated by the Works Council	3
Independence	3
Advancement of women on the Managing and Supervisory boards and in key management positions (L-Rule 60 ACCG)	4
Diversity concept	5
External evaluation	5
Risk management and Corporate Audit	5
Directors' Dealings	5
Compliance	5

Consolidated Corporate Governance Report

The Austrian Code of Corporate Governance (ACCG) provides stock companies in Austria with a framework for corporate management and control. This framework includes internationally recognized standards for good corporate governance as well as the regulations of Austrian stock corporation law that are significant in this context.

The goal of the code is to ensure the responsible management and controlling of companies and corporate groups based on sustainable and long-term value creation. This is intended to create a high degree of transparency for all of the company's stakeholders.

Declaration of Commitment

Lenzing AG respects the ACCG and, for the first time in 2010, committed itself to compliance with the documented provisions. The Supervisory Board also passed a unanimous resolution to adhere to the ACCG in full. The current version of the code (January 2023) is available on the Internet at <https://www.corporate-governance.at>. In accordance with L-Rule 60 of the ACCG, Lenzing AG is required to prepare and publish a Group Corporate Governance Report. The Group Corporate Governance Report of Lenzing AG also represents the Corporate Governance Report for the Lenzing Group.

This Corporate Governance Report is published on the website of Lenzing AG in accordance with C-Rule 61 of the ACCG at <https://www.lenzing.com/de/investors/corporate-governance>.

The Corporate Bodies of Lenzing AG

The division of responsibilities among the members of Lenzing's Managing Board during the 2023 financial year was as follows:

Managing Board

Stephan Sielaff (born 1966)

- Chairman of the Managing Board, Chief Executive Officer (since April 1, 2022)
- First appointed: March 1, 2020
- Current term of office ends: March 31, 2025

Responsibilities (until March 31, 2023): Corporate Strategy and M&A, Corporate Human Resources, Corporate Communications, Global QESH, Global Legal, IP & Compliance, Investor Relations, Research & Development, Digital Innovation, Corporate Office, Performance Improvement & Technology

Responsibilities (since April 1, 2023): Commercial Textiles, Commercial Nonwovens, Corporate Strategy and M&A, Corporate Human Resources, Corporate Communications, Investor Relations, Corporate Office, Operations Textiles 1, Operations Textiles 2, Operations Nonwovens, Global Supply Chain / Purchasing

Supervisory board functions at other companies: none

Management and monitoring functions at major subsidiaries: none

Nico Reiner (1969)

- Member of the Managing Board, Chief Financial Officer
- First appointed: January 1, 2023
- Current term of office ends: December 31, 2025

Responsibilities (until March 31, 2023): Finance Fibers, Finance Pulp, Corporate Controlling, Global Information Technology, Corporate Accounting & Tax, Lenzing Business Service, Business Process Management, Corporate Treasury, Corporate Audit & Risk

Responsibilities (since April 1, 2023): Finance Textiles, Finance Nonwovens, Finance Pulp, Corporate Accounting & Tax, Corporate Treasury, Global Legal / Compliance & IP, Global IT / Digital Innovation, Corporate Controlling, Lenzing Business Service, Corporate Audit / Risk, Business Process Management

Supervisory board functions at other companies: none

Management and monitoring functions at major subsidiaries: none

Christian Skilich (1968)

- Member of the Managing Board, Chief Pulp & Wood Officer
- First appointed: June 1, 2020
- Current term of office ends: May 31, 2026

Responsibilities (until March 31, 2023): Operations & Technology Pulp, Purchasing Wood, Commercial Affairs Pulp, Commercial Affairs Bio-Refinery & Co-Products, Global Engineering, LDC, Global Purchasing, Site Lenzing, Global Energy Strategy & Supply, Pulp Expansion

Responsibilities (since April 1, 2023): Operations & Development Pulp, Commercial Pulp, Co-Products and Wood, Recycling Pulp, Innovation & Improvement, Global Engineering / CapEx Purchasing, Global QESH / Site Lenzing, Global Energy Strategy & Supply, Lenzing Technik / Maintenance Site Lenzing

Supervisory board functions at other companies: Labewood s.r.o. (since January 1, 2021), Stölzle Oberglas GmbH (since November 18, 2021)

Management and monitoring functions at major subsidiaries: Lenzing Biocel Paskov a.s., LD Celulose S.A., Pulp Trading GmbH

Robert van de Kerkhof (1964)

- Member of the Managing Board, Chief Sustainability Officer
- First appointed: May 1, 2014
- Current term of office ends: December 31, 2023

Responsibilities (until March 31, 2023): Global Textiles Business, Global Nonwovens Business, Global BU Noble Fibers, Fiber Marketing & Branding, Fiber Commercial Operations, Corporate Sustainability, Global Supply Chain (Global Supply Planning Fiber, Fiber Sales, Inventory & Operational Planning, Global Logistics), Technical Marketing & Development

Responsibilities (since April 1, 2023): Corporate Sustainability, CO2 Roadmap, Public Affairs Sustainability Fibers

Supervisory board functions at other companies: none

Management and monitoring functions at major subsidiaries: Lenzing Fibers Holding GmbH, Lenzing Holding GmbH

Mr. Robert van de Kerckhof stepped down from the Managing Board with effect as of December 31, 2023.

The Managing Board directs the business operations of Lenzing Aktiengesellschaft in accordance with the applicable legal regulations, the articles of association, and the internal rules of procedure for the Managing Board. Business is allocated among the individual members of the Managing Board in accordance with a business distribution plan which is appended to the rules of procedure. The rules of procedure also regulate collaboration within the Managing Board. Furthermore, the Managing Board is required to comply in full with the rules of the Austrian Code of Corporate Governance.

Supervisory Board

Composition

Thomas Cord Prinzhorn (1972)

- First appointed: April 14, 2021
- Since April 26, 2022, Chair
- Current term of office ends as of the date of the Annual General Meeting that passes resolutions relating to the 2024 financial year

Supervisory board functions at other companies: Semperit AG (Chair), Prinzhorn Holding GmbH

Stefan Fida (1979)

- First appointed: April 17, 2019
- Since April 14, 2021, Deputy Chair
- Current term of office ends as of the date of the Annual General Meeting that passes resolutions relating to the 2024 financial year

Supervisory board functions at other companies: Semperit AG Holding (Deputy Chair)

Helmut Bernkopf (1967)

- First appointed: April 23, 2009
- Current term of office ends as of the date of the Annual General Meeting that passes resolutions relating to the 2025 financial year

Supervisory board functions at other companies: Oesterreichische Entwicklungsbank AG, OeKB CSD GmbH, Acredia Versicherung AG, OeKB EH Beteiligungs- und Management AG, Österreichische Hotel- und Tourismusbank GmbH

Christian Bruch (1970)

- First appointed: April 17, 2019
- Current term of office ends as of the date of the Annual General Meeting that passes resolutions relating to the 2026 financial year

Supervisory board functions at other companies: Chairman of the Administrative Board of Siemens Gamesa Renewable Energy S.A.

Nicole van der Elst Desai (1976)

- First appointed: April 19, 2023
- Current term of office ends as of the date of the Annual General Meeting that passes resolutions relating to the 2026 financial year

Supervisory board functions at other companies: none

Markus Fürst (1976)

- First appointed: April 14, 2021
- Current term of office ends as of the date of the Annual General Meeting that passes resolutions relating to the 2024 financial year

Supervisory board functions at other companies: none

Franz Gasselsberger (1959)

- First appointed: April 24, 2013
- Current term of office ends as of the date of the Annual General Meeting that passes resolutions relating to the 2027 financial year

Supervisory board functions at other companies: Bank für Tirol und Vorarlberg Aktiengesellschaft, BKS Bank AG, voestalpine AG

Melody Harris-Jensbach (1961)

- First appointed: June 18, 2020
- Current term of office ends as of the date of the Annual General Meeting that passes resolutions relating to the 2023 financial year

Supervisory board functions at other companies: none

Gerhard Schwartz (1965)

- First appointed: April 19, 2023
- Current term of office ends as of the date of the Annual General Meeting that passes resolutions relating to the 2027 financial year

Supervisory board functions at other companies: AMAG Austria Metall AG

Astrid Skala-Kuhmann (1953)

- First appointed: April 19, 2012
- Current term of office ends as of the date of the Annual General Meeting that passes resolutions relating to the 2025 financial year

Supervisory board functions at other companies: B&C Industrieholding GmbH, B&C KB Holding GmbH

Patrick Prügger (1975)

- First appointed: March 29, 2011
- Current term of office ends: Patrick Prügger stepped down from the Supervisory Board as of the end of the Annual General Meeting on April 19, 2023.

Supervisory board functions at other companies: none

Supervisory Board members delegated by the Works Council:

Johann Schernberger (born 1964)

- First appointed: 2001

Georg Liftinger (born 1961)

- First appointed: 2008

Daniela Födinger (born 1964)

- First appointed: 2014 (until April 19, 2023)

Helmut Kirchmair (born 1968)

- First appointed: 2015

Herbert Brauneis (born 1987)

- First appointed: 2018 (until April 19, 2023)

Bonita Haag (born 1967)

- First appointed: 2023 (from April 19, 2023)

Stefan Gruber (born 1972)

- First appointed: 2023 (from April 19, 2023)

Independence

The Supervisory Board has adopted the guidelines for the independence of its members pursuant to Appendix 1 of the ACCG.

Accordingly, all members of the Supervisory Board have declared that they are independent of the company and its subsidiaries.

In accordance with C-Rule 54 of the ACCG, Supervisory Board members Veit Sorger, Helmut Bernkopf, Christian Bruch, Franz Gasselsberger, Nicole van der Elst and Melody Harris-Jensbach declared that they were neither shareholders with an interest of more than ten percent in the company nor did they represent the interests of such shareholders during the 2023 financial year.

Working procedures of the Supervisory Board

In order to fulfill its responsibility to monitor the work of the Managing Board, the Supervisory Board of Lenzing AG holds meetings at least once every quarter. Six Supervisory Board meetings were held during the reporting year (C-Rule 36). The Supervisory Board was informed by the Managing Board about business performance as well as major transactions and measures. The Supervisory Board supervised the work of the Managing Board and provided advice regarding significant strategic decisions. The main topics discussed at the meeting included trends in the business situation, the

strategic development of the Group including ESG topics, the status of investment projects that had been implemented, measures to mitigate the negative effects of the current economic environment, analysis and discussion of market trends for fibers and pulp, discussion of the KPIs relevant for Lenzing and their trend over the coming years, preparation and implementation of a capital increase, objectives and progress of the performance program that had been launched, as well as research and development.

The Supervisory Board of Lenzing AG appointed eight committees from among its members in the 2023 financial year (C-Rules 34 and 39 of the ACCG):

Audit Committee

The Audit Committee fulfills the responsibilities defined by Section 92 Para. 4a of the Austrian Stock Corporation Act (AktG). Accordingly, it is especially responsible for monitoring the financial accounting process and making recommendations or suggestions to ensure its reliability. This committee also oversees the effectiveness of the internal control system, of internal auditing, and of the risk management system. It supervises the audit of the separate and consolidated financial statements, examines and monitors the auditor's independence, and approves and controls non-audit services. The Audit Committee also examines the annual financial statements and prepares their approval by the full Supervisory Board, evaluates the Managing Board's proposal for the distribution of profits, the Management Report, and the Group Corporate Governance Report. The chair of the Audit Committee defines the reciprocal communication between the auditor and the Audit Committee (C-Rule 81a of the ACCG). The committee is required to report to the Supervisory Board on its activities. The committee is required to report to the Supervisory Board on its activities. Reports from the Managing Board, the auditor, the compliance, internal audit, and risk management departments were discussed, as well as the financial accounting processes and the internal control system. In addition, the auditor's independence was monitored.

Members: Gerhard Schwartz (Chair, financial expert; since April 19, 2023), Patrick Prügger (Chair, financial expert; until April 19, 2023), Thomas Cord Prinzhorn, Dr. Franz Gasselsberger, Dr. Markus Fürst, Johann Schernberger, Georg Liftinger (until April 30, 2023), Stephan Gruber (since May 1, 2023)

Nomination Committee

The Supervisory Board has formed a Nomination Committee. This committee makes recommendations to the Supervisory Board for appointments to fill vacant positions on the Managing Board and deals with issues related to succession planning. Recommendations are also made to the Annual General Meeting for appointments to the Supervisory Board. In the 2023 financial year, three meetings of the Nomination Committee were held. These dealt in particular with issues of succession planning for the Managing Board, succession planning for the Supervisory Board, and talent management.

Members: Thomas Cord Prinzhorn (Chair), Dr. Astrid Skala-Kuhmann, Dr. Stefan Fida, Dr. Markus Fürst, Johann Schernberger, Georg Liftinger

Remuneration Committee

The Supervisory Board has formed a Nomination Committee. It deals with the terms and conditions of the employment contracts

with the members of the Managing Board and ensures compliance with C-Rules 27, 27a and 28 of the ACCG. In addition, the Remuneration Committee is responsible for preparing and reviewing the remuneration policy for the Managing Board members and Supervisory Board members, and for controlling the implementation of the remuneration policy for Managing Board members. The Remuneration Committee held four meetings in the 2023 financial year, which dealt in particular with the Managing Board evaluation, target agreements, ensuring appropriate remuneration for Managing Board members in the challenging 2023 year, as well as the arrangement, adjustment or termination of employment contracts with Managing Board members.

Members: Thomas Cord Prinzhorn (Chair), Dr. Stefan Fida

Committee for Urgent Matters

The Supervisory Board has formed a committee to deal with urgent matters. It is authorized to make decisions in particularly urgent cases relating to transactions that require Supervisory Board approval. One meeting was held in the 2023 financial year.

Members: Thomas Cord Prinzhorn (Chair) Dr. Markus Fürst, Johann Schernberger

Strategy, Growth and Innovation Committee

The Supervisory Board of Lenzing Aktiengesellschaft established the Strategy, Growth and Innovation Committee at the Supervisory Board meeting on April 19, 2023. This committee deals with reviewing the company's strategic positioning, the monitoring of strategy implementation, and with growth and innovation projects. In 2023, the committee primarily dealt with issues relating to strategic positioning within the competitive environment and with the innovation roadmap. One meeting was held in the 2023 financial year.

Members: Thomas Cord Prinzhorn (Chair), Dr. Markus Fürst, Dr. Astrid Skala-Kuhmann, Melody Harris-Jensbach, Dr. Christian Bruch, Nicole van der Elst Desai, Johann Schernberger, Georg Liftinger, Helmut Kirchmair

ESG Committee

The Supervisory Board of Lenzing Aktiengesellschaft established the ESG Committee at the Supervisory Board meeting on April 19, 2023. This committee is intended to support the Managing Board, the full Supervisory Board, the Audit Committee and the Strategy, Growth and Innovation Committee in matters relating to non-financial reporting and strategic ESG issues. One meeting was held in the 2023 financial year.

Members: Thomas Cord Prinzhorn (Chair), Gerhard Schwartz, Dr. Astrid Skala-Kuhmann, Nicole van der Elst Desai, Johann Schernberger, Stephan Gruber

Project Green Committee

At the Supervisory Board meeting on May 30, 2023, the Supervisory Board of Lenzing Aktiengesellschaft established the Project Green Committee to support the capital increase prepared by the Managing Board and to approve corresponding resolutions for the full Supervisory Board. Two meetings were held in the 2023 financial year. The committee was dissolved as of August 15, 2023.

Members: Thomas Cord Prinzhorn (Chair), Gerhard Schwartz, Johann Schernberger

Value Creation Committee

At the Supervisory Board meeting on July 10, 2023, the Supervisory Board of Lenzing Aktiengesellschaft established the Value Creation Committee to monitor the design and implementation of the performance enhancement program initiated by the Managing Board. Two meetings were held in the 2023 financial year.

Members: Thomas Cord Prinzhorn (Chair), Gerhard Schwartz, Dr. Stefan Fida, Dr. Markus Fürst, Helmut Kirchmair, Georg Liftinger

Cooperation between the Managing and Supervisory boards

The Managing Board reports to the Supervisory Board on fundamental issues relating to future business policies and the outlook for the financial position and financial performance of both Lenzing AG and the Group companies. In addition, the Managing Board provides the Supervisory Board with regular information about the business trends and position of both the parent company and the Group in comparison to forecasts, taking future trends into account. At a separate strategy meeting, the Managing and Supervisory boards also discuss the Lenzing Group's long-term growth objectives.

Self-evaluation by the Supervisory Board

In the 2023 financial year, the Supervisory Board once again conducted a self-evaluation in accordance with C Rule 36 of the Austrian Code of Corporate Governance in the form of a questionnaire, personal interviews, and a workshop with external moderation. Key topics included the Supervisory Board's control function in relation to the Managing Board, and compliance with the Managing Board's duty to inform the Supervisory Board. The result of the self-evaluation shows that the activities of the Supervisory Board of Lenzing AG are again rated as good overall. The Supervisory Board has acted on individual suggestions from the self-evaluation process. Measures designed to ensure efficiency improvements in the activities of the Supervisory Board have been derived from the results of the self-evaluation.

Advancement of women on the Managing and Supervisory boards and in key management positions (L-Rule 60 ACCG)

Lenzing endeavors to foster a diverse and inclusive environment where people feel a sense of belonging and are able to perform successfully, regardless of characteristics such as gender, marital status, ethnicity, skin color, citizenship, national origin, disability, sexual orientation, religion or belief, age, or other characteristics. To this end, a global policy for equal opportunities, diversity and inclusion (EDI) was launched in 2023 with explanatory videos in all seven languages of our production sites. Core teams of the global Employee Resource Groups (ERGs) Women@Lenzing and Multicultural@Lenzing, consisting of committed and interested employees, are now in the process of identifying obstacles to diversity and measures to promote greater inclusivity. Further ERGs are being planned.

The company's Supervisory Board includes the following female members: Dr. Astrid Skala-Kuhmann, Ms. Melody Harris-Jensbach, Ms. Nicole van der Elst Desai and Ms. Bonita Haag. The following positions are held by women: Executive Vice President Commercial Nonwovens, Vice President Corporate Accounting & Tax, Vice President Global Technology, Senior Director Global Product & Application Management, Senior Director Global HR BP Commercial, Senior Director Corporate People Development, Senior Director Commercial Affairs Biorefinery & Co-Products, Site Director Operations Pulp Paskov, Director Global Application Center Management, Head of Textile Sourcing & Cooperations.

"Modern working conditions" are defined as a focus in the strategic HR orientation. Among other issues, work-life balance represents a key issue in this context. This is implemented according to location and country-specific needs.

Diversity concept

Respect, diversity and inclusion form integral and indispensable elements of the corporate culture of Lenzing AG and are reflected in appointments to all functions. Recommendations to the Annual General Meeting for elections to the Supervisory Board and the appointment of members to the Managing Board are designed to achieve a balance in relation to both technical and diversity factors, as this makes an important contribution to the professionalism and effectiveness of the work performed by the Supervisory and Managing boards. In addition to technical and personal qualifications, further key criteria include age structure, origin, gender, education, and experience.

External evaluation

In accordance with C-Rule 62 of the ACCG, Lenzing must arrange for an external institution to evaluate its compliance with the code's C-Rules on a regular basis, albeit at least every three years. Lenzing commissioned PwC Oberösterreich Wirtschaftsprüfung und Steuerberatung GmbH to evaluate its Group Corporate Governance Report for 2023. The evaluation did not lead to any findings. All external evaluation reports are published on the company's website at <https://www.lenzing.com>.

Lenzing, February 28, 2024
Lenzing Aktiengesellschaft

The Managing Board

Stephan Sielaff
Chief Executive Officer

Nico Reiner
Chief Financial Officer

Christian Skilich
Chief Pulp Officer & Chief Technology Officer

Risk management and Corporate Audit

The effectiveness of Lenzing's risk management system during the reporting year was evaluated by KPMG Austria GmbH, in accordance with C-Rule 83 of the ACCG and the Managing Board was informed of the results. No findings emerged. The Managing Board was informed of the result of the audit. In addition, the Head of Risk Management reports regularly on current risks at the Audit Committee meetings.

The Corporate Audit Department reports directly to the Managing Board. The annual audit schedule is finalized in close cooperation with the Managing Board and the Audit Committee. The Head of Corporate Audit also makes regular reports to the Audit Committee on key audit findings.

Directors' Dealings

The purchase and sale of shares by members of the Managing and Supervisory boards are disclosed in accordance with the applicable legal regulations (Art. 19 Regulation (EU) No. 596/2014). Information about these purchases and sales is provided on the company's website.

Compliance

Lenzing has a compliance management system that is applied throughout the entire Group. The compliance function aims to advise and support all Lenzing employees, executives, and managers through preventative risk-oriented measures as well as uniform detection and response processes, thereby ultimately protecting them from the negative consequences of violations of laws and values. The Head of Corporate Legal Affairs reports to the Audit Committee on compliance issues.