

# **Corporate Governance Evaluation Report 2020/21**

**concerning  
DO & CO Aktiengesellschaft**

June 2021

# Corporate Governance Evaluation Report for the financial year 2020/21

Report on the examination of  
DO & CO Aktiengesellschaft with the rules of  
the Austrian Corporate Governance Code  
during the financial year from  
1.4.2020 to 31.3.2021

issued by:

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Vienna, June 2021

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**Summary of the findings of the external examination of DO & CO Aktiengesellschaft's compliance with the rules set out in the Austrian Corporate Governance Code during the financial year 2020/21**

The Austrian Code of Corporate Governance provides Austrian corporations with a framework for the management and control of enterprises. It covers the standards of good corporate management, common in international business practice as well as the most important provisions of Austrian corporation law that are of relevance in this context. Companies voluntarily undertake to adhere to the principles set out in the Austrian Code of Corporate Governance as amended. All listed companies are therefore called upon to make a public declaration of their commitment to the Code and to have their adherence to the rules stipulated therein monitored by an external institution on a regular basis and to report the findings to the public.

DO & CO Aktiengesellschaft („DO & CO“) undertook to comply with the Austrian Corporate Governance Code (“Code”/“ÖCGK”) in February 2007. In compliance with Rule 62 of the Code, the board of DO & CO commissioned us to independently monitor its compliance with the rules stipulated by the Austrian Working Group for Corporate Governance in 2021 during the financial year 2020/21.

We made our examination on the basis of a questionnaire drafted by the Austrian Working Group for Corporate Governance (“ÖCGK-questionnaire”, see [www.corporate-governance.at](http://www.corporate-governance.at)) for the voluntary external examination of compliance to the Code. Our report is primarily based on questioning company personnel and a random examination of the evidence and details provided.

Based on our examination we can state that DO & CO complied with the rules of the Code as far as they were agreed during the financial year 2020/21. Some rules were not applicable to DO & CO during this year.

This evaluation is not an investment recommendation and should be passed over when making decisions about investments in or contracts with DO & CO. We do not accept any liability against third parties.

Graz/Vienna, June 07<sup>th</sup>, 2021

Held Berdnik Astner & Partner  
Rechtsanwälte GmbH



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Dr. Ullrich Saurer



**QUESTIONNAIRE FOR THE EXTERNAL EVALUATION OF COMPLIANCE  
WITH THE AUSTRIAN CORPORATE GOVERNANCE CODE (according to Rule 62)**

According to Rule 62 of the Code the company shall have compliance with the C- and R-Rules of the code evaluated periodically, but at least every three years, by an external institution and a report of the audit is to be published in the Corporate Governance Report.

This questionnaire has been prepared by the Austrian Working Group for Corporate Governance and is designed to ensure the highest level of uniformity in the external evaluation as a means to guarantee the highest degree of comparability of the evaluation results. This questionnaire will be the basis of the evaluation, except in those cases, where the designated questions exceed the content of the rule queried. This questionnaire has been designed to give investors an easy-to-understand and quick overview of a company's corporate governance practices. Therefore, the completed questionnaires may be published by the companies to meet this end.

The questionnaire is divided into one part with the questions organized to follow the comply-or-explain principle of the C-Rules of the Code, and into a second part containing the R-Rules of the Code. The L-Rules of the Code have not been included, because law mandates compliance with these rules. The field with the heading "Notes of the reviewing organization" is for the use of the reviewer, especially for explanations as to whether a company has satisfactorily explained in an understandable manner its non-compliance with a C-Rule. When selecting a reviewing organization, please ensure that it meets at least the following requirements: It must be independent of the company being reviewed; it may not pursue any own interests; it must have the necessary expert knowledge and must observe the obligation to maintain secrecy.

Company evaluated: DO & CO Aktiengesellschaft

Period evaluated: April 1st, 2020 – March 31th, 2021 as well as events material to the annual financial statements for 2020/21 occurring after the balance sheet date and before June 5<sup>th</sup>, 2021.

Evaluating organization: Held Berdnik Astner & Partner Rechtsanwälte GmbH, Rechtsanwalt Dr. Ullrich Saurer

Principles and procedure of the evaluation: Application of the rules of the Austrian Corporate Governance Codex 2021 and analogue application of the rules issued by the International Federation of Accountants (IFAC) for projects involving an audit review of annual financial statements (ISRE 2400, former ISA 910). This Standard requires that we plan and perform the examination to obtain moderate assurance as to whether the Corporate Governance Report is free of material misstatement. Our report is primarily based on questioning company personnel and a random examination of the evidence and details provided.

**“C” Rules****Chapter II: Shareholders and Annual General Meeting**

Rule	Question No.	Question	COMPLY	EXPLAIN		Notes of the reviewing organization
			YES	YES	NO	
2	1	Does the principle of “one share, one vote” apply to your company, i.e., has the company issued only shares with one voting right per share?	<b>X</b>			

**Chapter III: Cooperation between Supervisory Board and Managing Board**

Rule	Question No.	Question	COMPLY	EXPLAIN		Notes of the reviewing organization
			YES	YES	NO	
10	1	Does a joint statement by the supervisory board and the management board exist declaring that open discussions are conducted between supervisory board members and management board members?	<b>X</b>			
10	2	Does a statement of the management board exist declaring that open discussions are conducted among the members of the management board?	<b>X</b>			
12	1	Are the documents for supervisory board meetings made available as a rule at least one week before the respective meeting?	<b>X</b>			

**Chapter IV: Managing Board**

Rule	Question No.	Question	COMPLY	EXPLAIN		Notes of the reviewing organization
			YES	YES	NO	
16	1	Does the management board consist of several persons?	<b>X</b>			
16	2	Is there a chairperson of the management board?	<b>X</b>			
16	3	Do the internal rules of procedure contain a clear distribution of responsibilities and rules for the mode of cooperation within the management board?	<b>X</b>			

Rule	Question No.	Question	COMPLY	EXPLAIN		Notes of the reviewing organization
			YES	YES	NO	
16	4	Are name, date of birth, date of initial appointment and end of the current period of tenure of the members of the management board, as well as assignment of competence in the management board made public in the Corporate Governance Report?	X			
16	5	Are other supervisory board mandates or similar functions of members of the management board in other Austrian or foreign companies (unless these are included in the consolidated financial statements) disclosed in the Corporate Governance Report?	X			
17	1	Are communication tasks relating to major issues the direct responsibility of the management board?	X			
18	1	Has a separate staff unit to the management board been created for internal auditing or has this task been delegated to a competent external institution?	X			
18	2	Are the report on the internal auditing plan and any material findings presented to the accounting committee at least once a year?	X			
18a	1	Does the management board report to the supervisory board at least once a year on the measures taken to fight corruption at the Company?	X			
26	1	Do members of the management board hold no more than four supervisory board mandates (chairperson counts double) in stock corporations that do not belong to the group?	X			
26	2	Is the consent of the management board required for senior staff members to assume functions in the corporate bodies of companies not belonging to the group and/or in which no interests are held?	X			
26	3	Has the company refrained from repealing non-competition clauses applicable to management board members and senior management staff?	X			
27 <sup>1</sup>	1	Does the remuneration scheme for the management board contain fixed and variable components?	X			
27	2	Do the variable remuneration components link to measurable, sustainable, long-term and multi-year performance criteria and do not entice persons to take unreasonable risks?	X			

<sup>1</sup> For contracts concluded before January 1, 2010, rule 27 is to be applied according to the version, valid at the time the contract was concluded.

Rule	Question No.	Question	COMPLY	EXPLAIN		Notes of the reviewing organization
			YES	YES	NO	
27	3	Do variable components also include non-financial criteria?	X			
27	4	Are maximum limits for amounts or as percentage of the fixed remuneration components for variable remuneration components fixed in advance?	X			
27	5	Are precautions taken to ensure that the company can reclaim variable remuneration components if it becomes clear that these were paid out only on the basis of obviously false data?	X			
27a <sup>2</sup>	1	Is taken care that severance payments in the case of a premature termination of a contract with a management board member without a material breach shall not exceed more than two years annual pay and that not more than the remaining term of the employment contract is to be remunerated?	X			
27a	2	Has it been agreed that no severance payment shall be made in case of premature termination of a management contract for a material reason for which a management board is responsible?	X			
27a	3	In the case that agreements have been reached on the occasion of the premature termination of management board activities, do these take into account the circumstances under which said management board member left the company as well as the economic situation of the company?	X			
28 <sup>3</sup>	1	Have stock option programmes or programmes for the preferential transfer of stocks which are proposed for management board members been linked to measurable, long-term and sustainable criteria?				Not applicable, as no stock option program exists.
28	2	Is a subsequent change of the criteria ruled out?				
28	3	Shall the management board member hold an appropriate volume of shares in the own company for the duration of such programmes, but at the latest until the end of the management board member's function on the management board?				
28	4	Is a waiting and/or holding period of a total of at least three years defined?				
28	5	Does the general meeting pass any resolutions and/or changes to stock option schemes and stock transfer programmes for management board members?				

<sup>2</sup> For contracts concluded before January 1, 2010, rule 27a is to be applied according to the version, valid at the time the contract was concluded.

<sup>3</sup> Questions 1-5 to Rule 28 should only be answered if a stock option plan or a program for preferential assignment of shares exists. Rule 28 (in the version of 2010) only applies to new programs granted after 31.12.2009. For programs granted before 1.1.2010 Rule 28 applies in the edition applicable at end of the financial year.

Rule	Question No.	Question	COMPLY	EXPLAIN		Notes of the reviewing organization
			YES	YES	NO	

**Chapter V: Supervisory Board**

Rule	Question No.	Question	COMPLY	EXPLAIN		Notes of the reviewing organization
			YES	YES	NO	
34	1	Has the supervisory board adopted internal rules of procedure for its work?	X			
34	2	Do these rules of procedure contain the information and reporting obligations of the management board insofar as they are not already defined in the articles of incorporation and in the internal rules of procedure of the management board?	X			
34	3	Does the reporting obligation apply to subsidiaries as well?	X			



Rule	Question No.	Question	COMPLY	EXPLAIN		Notes of the reviewing organization
				YES	NO	
34	4	Do the internal rules of procedure define the establishment of committees and their scope of competence?	X			
34	5	Is the number and type of committees set up as well as their decision-making scope of competence disclosed in the Corporate Governance Report?	X			
36	1	Have, if necessary, additional supervisory board meetings been held in addition to the statutory number of meetings?	X			
36	2	Is the number of supervisory board meetings reported in the Corporate Governance Report?	X			
36	3	Does the supervisory board annually discuss the efficiency of its activities, in particular of its organisation and work procedures (self-evaluation)?	X			
37	1	Does the chairperson of the supervisory board regularly communicate with the chairperson of the management board and discuss the strategy, the course of business and the risk management of the company?	X			
38	1	Does a pre-defined (structured) appointment procedure exist for the appointment of management board members? <sup>4</sup>				Not applicable, as no management board member was appointed during the reporting period.
38	2	Has a job specification been defined for the management board that takes into account the company's business focus and situation? <sup>5</sup>				Not applicable, as no management board member was appointed during the reporting period.
38	3	Does the supervisory board or a committee pay due attention to the issue of successor planning in their deliberations?	X			
38	4	Does the supervisory board take care that no member of the management board has been convicted by law for a criminal act that would compromise the professional reliability as a management board member?				Not applicable, as no management board member was appointed during the reporting period.
39	1	Do committee chairpersons report regularly to the supervisory board?	X			
39	2	Does a committee exist that has the authorisation to take decisions in urgent cases?	X			
39	3	Does the majority of the committee members meet the criteria for independence of the Rule 53?	X			
39	4	Is the number of committee meetings disclosed in the Corporate Governance Report and are the activities of the committees discussed?	X			

<sup>4</sup> Only complete if a management board member was appointed during the reporting period.

<sup>5</sup> Only complete if a management board member was appointed during the reporting period.

Rule	Question No.	Question	COMPLY	EXPLAIN		Notes of the reviewing organization
			YES	YES	NO	
39	5	Does the Corporate Governance Report state the committee members and chairperson?	X			
41	1	Has a nomination committee been set up if the supervisory board has more than six members?				Not applicable, as the supervisory board had only 4 members during the financial year 2020/2021.
42	1	In case of mandates of the supervisory board becoming free, has the nomination committee or the entire supervisory board presented proposals to the general meeting for appointments?	X			
43	1	If the supervisory board has more than six members, has a remuneration committee been set up or have these matters been delegated to the nomination committee?				Not applicable, as the supervisory board had only 4 members during the financial year 2020/2021.
43	2	Is the head of the supervisory board also a member of the remuneration committee?	X			
43	3	Does the remuneration committee regularly review the remuneration policy?	X			
43	3	Does at least one member of the remuneration committee have knowledge and experience in the area of remuneration policy?	X			
43	4	Is it ensured that if the remuneration committee uses the services of a consultant that said consultant does not at the same time provide services to the management board in matters relating to remuneration?	X			
45	1	Do supervisory board members refrain from assuming functions on boards of other companies, which are competitors?	X			
46	1	Were any conflicts of interest immediately disclosed to the chairperson of the supervisory board or do other relevant provisions for such cases exist?	X			
47	1	Has the company, which has no banking license, not granted any loans (goods or cash) that are beyond the scope of routine daily business transactions?	X			
49	1	Are contracts subject to approval pursuant to the L-Rule 48 and the respective remuneration published in the Corporate Governance Report?	X			
51	2	Do generally no stock option plans exist for members of the supervisory boards? Have stock option plans be decided in every detail by the general meeting, if in exceptional cases stock option plans were granted to supervisory board members?	X			
52a	1	Is the number of supervisory board members exclusive of works' council representatives at the maximum 10?	X			

Rule	Question No.	Question	COMPLY	EXPLAIN		Notes of the reviewing organization
				YES	NO	
52a	2	Have new members of the supervisory board adequately informed themselves about the organization and activities, as well as the tasks and responsibilities of supervisory board members?	X			
53	1	Does the supervisory board (exclusive of works' council representatives) have a majority number of members independent of the company and the management board?	X			
53	2	Has the supervisory board defined on the basis of this general clause the criteria that constitute independence and has published them in the Corporate Governance Report?	X			
53	3	Does the Corporate Governance Report clearly explain which members are deemed independent according to this assessment?	X			
54	1	If the free float is over 20%: Is there at least one independent member pursuant to C-Rule 53, who is not a shareholder with a stake of more than 10% or who represents such a shareholder's interests? In the case of a free float of over 50%: Are there at least two independent members pursuant to C-Rule 53 who are not shareholders with a stake of more than 10% or who represent such a shareholder's interests?	X			
54	2	Does the Corporate Governance Report indicate which members meet these criteria?	X			
57	1	Do supervisory board members serving on the management board of a listed company hold no more than 4 positions on the supervisory board (position of chairperson counts double) of stock corporations not belonging to the group?	X			
58	1	Does the Corporate Governance Report state the chairperson and vice chairman as well as the name, year of birth, the year of the first appointment of every supervisory board member and the end of the current period of office?	X			
58	2	Are the other supervisory board mandates or similar functions in Austrian or foreign listed companies published in the Corporate Governance Report or on the website of the company for every supervisory board member?	X			
58	3	When a supervisory board member fails to personally attend more than half of the meetings, is this fact stated in the Corporate Governance Report? <sup>6</sup>				Not applicable, as no such absences occurred during the reporting period.

<sup>6</sup> Only complete if such absences occurred.

## Chapter VI: Transparency and Audit

Rule	Question No.	Question	COMPLY	EXPLAIN		Notes of the reviewing organization
			YES	YES	NO	
61	1	Does the Corporate Governance Report contain a declaration of commitment to comply with the Austrian Code of Corporate Governance (Commitment to Austrian Corporate Governance Code)?	X			
61	2	Has the Corporate Governance Report been disclosed on the website of the company?	X			
61	3	Has this website been mentioned in the management report?	X			
62	1	Has the company's compliance with the C-Rules of the Code been evaluated periodically, but at least every three years, by an external institution and a report on the findings of the evaluation is to be published in the Corporate Governance Report?	X			
64	1	Has the company disclosed on its website and in the annual report – if it has knowledge thereof – the current shareholder structure broken down by geographical origin and type of investor, any cross-holdings, the existence of syndicate agreements, restrictions to voting rights, registered shares and their related rights and restrictions?	X			
64	2	Were the latest changes to voting rights disclosed on the website?	X			
64	3	Have the articles of incorporation of the company been disclosed on the website of the company?	X			
67	1	Has capital market relevant information from presentations and analysts conferences been made available to all shareholders at the same time?	X			
68	1	Have the reports been made available in English as well?	X			
68	2	Have the reports been made available on the company's website?	X			
68	3	Have the individual financial statements required by the Austrian Commercial Code been made available at the same time as the consolidated financial statements?	X			

Rule	Question No.	Question	COMPLY	EXPLAIN		Notes of the reviewing organization
			YES	YES	NO	
70	1	Are main risk management instruments used with respect to non-financial risks described in the consolidated management report?	X			
72	1	Has a contact person for investor relations been appointed and such person's contact details published on the company's website?	X			
73	1	Are any reported director's dealing immediately disclosed on the company's website and is such information kept on the website for at least three months, or has a reference (link) been made to the corresponding website of the Financial Market Authority?	X			
74	1	Has a calendar of corporate financial events for the coming business year that includes the content stipulated in the Code been prepared at the latest two months before the start of the new business year and published immediately on the company's website?	X			
77	1	Does the contract on the audit of the (consolidated) financial statements include the stipulation that the audit is to be conducted according to international accounting standards (ISAs)?	X			
81a	1	Has the auditor - in addition to the cases stipulated by law - been invited to a further meeting? If not more than two meetings of the audit committee took place, has the auditor been invited to both meetings?	X			
81a	2	Has the mode of communication between the (group) auditor and the audit committee been defined in this meeting?	X			
81a	3	Within the scope of these meetings, was it possible for the audit committee to exchange views with the (group) auditor without the presence of the members of the management board?	X			
81a	4	If necessary, has the chairperson of the audit committee invited the (group) auditor to further meetings of the audit committee?	X			
82a	1	After completion of the group audit, has the management board presented to the supervisory board a list that shows the entire costs of the audit for all group companies with a breakdown by expenses for the group auditor, for members of the network to which the auditor belongs and for other auditors working within the group?	X			
83	1	Has the auditor reported on the effectiveness of the company's risk management to the management board?	X			
83	2	Has this report been brought to the notice of the chairperson of the supervisory board?	X			
83	3	Was the report dealt with by the accounting committee and reported on to the supervisory board?	X			

