



CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE REPORT

pursuant to Section 289f (2) and Section 315d HGB

In this statement on corporate governance (Corporate Governance Report), init reports on the principles and practice of corporate governance. It contains the Declaration of Compliance with the German Corporate Governance Code, information on corporate governance practices, the description of the working methods of the Managing Board and the Supervisory Board as well as significant corporate governance structures.

With the Declaration of Compliance with the German Corporate Governance Code and the statement on corporate governance, init aims to provide a transparent and understandable picture of the principles of responsible and sound management (“corporate governance”) applicable in Germany and of how they are put into practice at init, thus strengthening the shareholders’ trust in the company.

Declaration of Compliance with the German Corporate Governance Code

Each year, in compliance with Section 161 of the German Stock Corporation Act (AktG), the Managing Board and the Supervisory Board of a listed stock corporation are required to declare compliance with the recommendations of the “Government Commission on the German Corporate Governance Code” (GCGC) published by the Federal Ministry of Justice in the official section of the official Federal Gazette and to disclose any deviation from these recommendations. The Declarations of Compliance with the GCGC are made available on the company’s website for a minimum of five years. Since the GCGC was introduced in 2002, our company has complied regularly with almost all its recommendations.

The Managing Board and Supervisory Board of init issued the most recent Declaration of Compliance pursuant to Section 161 AktG on 1 July 2023. The Declaration below relates to the GCGC in the version released on 28 April 2022, which was published in the Federal Official Gazette on 27 July 2022. Owing to the size of the firm and company-specific features, the Managing Board and Supervisory Board declare that the recommendations have been and are still adhered to, with the following exceptions:

B. Composition of the Managing Board

B.5 An age limit shall be specified for the members of the Managing Board

The Managing Board should have a diverse age structure. No specific targets regarding the age of individual or all members of the Managing Board have been stipulated, as this would restrict the Supervisory Board in selecting suitable Managing Board members. init operates in a market that requires flexibility, specialist expertise and many years’ experience.



CORPORATE GOVERNANCE REPORT

C. Composition of the Supervisory Board

I General requirements

C.2 An age limit should be specified for members of the Supervisory Board

C.8 The reasons why a member of the Supervisory Board is still considered independent despite their being a long-standing member of the board should be explained.

The Supervisory Board deems Mr. Hans-Joachim Rühlig to still be independent as his membership on the Supervisory Board of more than twelve years does not necessarily preclude independence as long as there are no other indications to suggest a lack of independence. There are no such indications in this case.

The persons intended to be elected to the Supervisory Board should provide assurance, based on their professional expertise, skills and experience, integrity, ethical conduct, independence and personality that they can responsibly carry out the duties of a supervisory board member of a leading international technology firm for the mobility sector. The Supervisory Board of init SE is convinced that a strict general restriction on membership of the Supervisory Board which does not consider the respective Supervisory Board member individually, is not an appropriate method to further improve and professionalise the work of the Supervisory Board. The company's interests in searching for suitable candidates is better served by a flexible composition of the Supervisory Board with different terms of office and experience and practical consideration of a diverse age structure. The company has published the terms of office of each Supervisory Board member for some time, thus enabling the shareholders to decide for themselves about the individual suitability of the re-election of a member of the Supervisory Board.

G. Remuneration of the Managing Board and Supervisory Board

I Remuneration of the Managing Board

G.1 The remuneration system shall define in particular, which financial and non-financial performance criteria are relevant for the granting of variable remuneration components

Variable remuneration components are granted on the basis of financial criteria. No variable remuneration components are set on the basis of non-financial criteria. Sustainability criteria are already covered by the product portfolio of init and its registered business activities.

G.7 Referring to the forthcoming financial year, the Supervisory Board shall establish the performance criteria for each Managing Board member covering all variable remuneration components; besides operating targets, the performance criteria shall be geared mainly towards strategic goals

It is the strategic target of the company to achieve average long-term revenue growth of 10-15 per cent per year. Additionally, it is intended to continuously increase EBIT in both absolute and relative figures. The company strives for a minimum EBIT margin of 10 per cent. The share price should increase appropriately. A focus on these objectives is obtained by means of the performance criteria used to measure variable remuneration components. The performance criteria apply for the entire term of the contract and are not reset each year. The performance criteria are based on the company's earnings before interest and tax (EBIT). Assuming a constant EBIT margin (with all other things being equal), average revenue growth of 10-15 per cent in the long term will lead to an increase in the absolute figure for EBIT and therefore higher variable remuneration components in accordance with the provisions. At the same time, an increase in the EBIT margin with revenue remaining constant (with all other things being equal) will result in higher variable remuneration components. The dividend distribution paid on shares with a minimum holding period of five



CORPORATE GOVERNANCE REPORT

years also places the focus on the share price and creates a long-term incentive. These arrangements therefore support reaching the operating and strategic goals.

II Remuneration of the Supervisory Board

G.17 The remuneration of Supervisory Board members shall take into account, in an appropriate manner, the higher time commitment of the Chair and the Deputy Chair of the Supervisory Board as well as of the Chair and the members of committees

The increased time commitment of the Chairperson of the Supervisory Board was appropriately taken into account in the remuneration. The increased time commitment does not apply to the Deputy Chairperson of the init Supervisory Board.

Corporate Governance Report

Managing Board

As the executive body of a listed European Company (Societas Europaea, SE), the Managing Board must act in the best interests of the company and is obliged to raise its value sustainably. It manages the affairs of the company and is bound by the German Stock Corporation Act to uphold the interests and business policies of the company. The Managing Board provides the Supervisory Board with regular, timely and comprehensive information about all key issues relating to the company's business development and risks and agrees on corporate strategy with the Supervisory Board. Furthermore, it ensures that legal rules, official regulations and internal company guidelines are adhered to and it works with the Supervisory Board to ensure that all group employees comply with them.

Dr. Marco Ferber became the CFO of init SE effective 1 March 2023. Jörg Munz was appointed Chief Human Resources Officer (CHRO), a newly created position on the Managing Board effective 1 May 2023. This new position was created to address the growing requirements placed upon human resources, especially with regard to the complexity of the work environment and the need to attract and retain talented and motivated employees. The growing shortage of specialists, especially in the German domestic market, is one of the greatest challenges for the init business model.

The Managing Board of init therefore has five members who together bear responsibility for corporate management. As the central task of corporate management, it develops the strategic direction of the company, ensures that the risks of business activities are handled responsibly by means of a comprehensive internal control and risk management system and ensures that legal requirements and internal guidelines are observed within the company. The system of internal controls and the risk management system include a compliance management system that is aligned to the risk exposures of the company.

The Managing Board is aware that social and environmental factors affect business outcomes and considers these when managing the company in its best interests. It also decides on the appointment of management positions and sets targets for female representation at the two mid-management levels below the Managing Board. Diversity aspects are taken into account in the selection process, but the focus is on the professional and personal qualifications of the individuals.

The init Managing Board is actively involved in and manages the day-to-day operations of the respective business units. In keeping with responsible business management practices, it is therefore very closely



CORPORATE GOVERNANCE REPORT

connected to the company's key stakeholders, customers, suppliers, employees, shareholders and investors. This enables it to react quickly and directly to new situations.

Supervisory Board

The Supervisory Board advises and monitors the Managing Board in the management of the company. Decisions of fundamental importance to the company are subject to the approval of the Supervisory Board and are set out in the Managing Board's rules of procedure. In addition, transactions with related parties may, by law, require the prior approval of the Supervisory Board. The Supervisory Board's monitoring and advisory activities also extend to sustainability issues, in particular.

The Chairperson of the Supervisory Board is elected by the Supervisory Board from its members. He coordinates the work of the Supervisory Board and represents the interests of the Supervisory Board externally.

In addition, the Supervisory Board is responsible for appointing members of the Managing Board, determining their number in accordance with legal and statutory requirements and setting the target figure for the proportion of women on the Managing Board.

Together with the Managing Board, the Supervisory Board ensures that there is long-term succession planning in place. When screening candidates for a Managing Board position, the basic eligibility criteria, from the Supervisory Board's perspective are their technical qualifications for the area of special responsibility they are going to manage, their proven leadership skills, their prior performance and their knowledge of the market and the company. As part of the assessment, the Supervisory Board also takes into account the personality that would best complement the panel of the Managing Board (diversity). The Supervisory Board understands diversity as an eligibility criteria means diverse and complementary profiles, professional and personal experience and international experience, as well as appropriate gender representation. The Supervisory Board also takes the following aspects into account when making its decision:

- ▶ The members of the Managing Board should have many years' management experience and as far as possible should have experience in a broad range of professions
- ▶ One member of the Managing Board should possess knowledge of the main regions and markets in which init group operates or intends to initiate new business
- ▶ One member of the Managing Board should have international management experience
- ▶ One member of the Managing Board should have a technical education
- ▶ One member of the Managing Board should have an education in business studies
- ▶ In its entirety, the Managing Board should have experience in the fields of technology (including information technology and digitalisation), commerce, law (including compliance) and research and development
- ▶ The Supervisory Board has set a target for the percentage of women on the Managing Board

The diverse professional, educational and personal experience of the Managing Board members complement each other. The Managing Board should have a diverse age structure. No specific targets regarding the age of individual or all members of the Managing Board have been stipulated, as this would restrict the Supervisory Board in selecting suitable Managing Board members. init operates in a market that requires flexibility, special expertise and many years' experience.



CORPORATE GOVERNANCE REPORT

In the assessment of the Supervisory Board, the composition of the Managing Board corresponds to the diversity concept in all regards except female representation on the board. At init, the Supervisory Board is solely composed of shareholder representatives and, in accordance with the articles of incorporation, of six persons. These are appointed for one year. The Supervisory Board endeavours, in its entirety, to provide a competence profile that ensures that the init Managing Board is supervised competently and given informed advice. Each member of the Supervisory Board also ensures that he or she has sufficient time to perform his or her duties.

The Chairman of the Supervisory Board, Hans-Joachim Rühlig, as well as members Michaela Dickgießer, Johannes Haupt and Ulrich Sieg are independent of the company. Christina Greschner is a close family member of the Chairperson of the Managing Board and Andreas Thun has a close business relationship with one of the dependent companies of the company.

The persons intended to be elected to the Supervisory Board should provide assurance, based on their professional expertise, skills and experience, integrity, ethical conduct, independence and personality that they can responsibly carry out the duties of a supervisory board member of a leading international technology firm in the mobility sector. init's Supervisory Board is convinced that a strict general restriction on membership on the Supervisory Board which does not consider the respective Supervisory Board member individually, is not an appropriate method to further improve and professionalise the work of the Supervisory Board. The company's interests in searching for suitable candidates is better served by a flexible composition of the Supervisory Board with different terms of office and experience and practical consideration of a diverse age structure. The company has published the terms of office of each Supervisory Board member for some time, thus enabling the shareholders to decide for themselves about the individual suitability of the re-election of a member of the Supervisory Board.

Potential conflicts of interest, the number of Supervisory Board members and diversity are also given appropriate consideration when appointing members to the Supervisory Board. When nominations are made to the Shareholders' Meeting, the personal and business relationships of every candidate with the company, the governing bodies of the company and any shareholders with a material interest in the company are disclosed. A detailed CV is attached to every candidate proposal. The Supervisory Board has drawn up a profile of skills and experience for the entire board, which is also taken into account when making proposals to the Shareholders' Meeting and is published on the company's website.

The Supervisory Board has issued rules of procedure which are also published on the company's website. It meets regularly, at least once a quarter and passes its resolutions by a simple majority of votes, unless otherwise required. A resolution of the Supervisory Board adopted in writing by fax or email, telephone or electronically, or a combination is permitted in accordance with init's articles of incorporation. The actual form in which resolutions are adopted is determined by the Chairperson. The Chairperson of the Supervisory Board draws up a written record of resolutions that are passed outside of meetings.

The Supervisory Board members undertake the required continuous training on their own initiative and with init's support. In addition, the Supervisory Board regularly evaluates the efficiency of its activities in the form of a self-assessment of both the board itself and its committees, using detailed guidelines. In particular, matters regarding organisation, information provision, personnel and how the members of the Supervisory Board perceive their role are all addressed.

Details about the activities of the Supervisory Board members as well as their presentation can be found in the "Supervisory Board Report" section of this Annual Report.



CORPORATE GOVERNANCE REPORT

In its current composition, the Supervisory Board meets the qualification requirements set out in the competency profile.

Qualification matrix for the Supervisory Board

Requirements	Hans-Joachim Rühlig* /***	Ulrich Sieg**	Michaela Dickgießer**	Christina Greschner**	Johannes Haupt*	Andreas Thun
Knowledge of the mobility sector	x	x	x	x		x
At least one member with professional knowledge of accounting	x				x	
At least one member with professional knowledge of auditing	x		x	x	x	
Knowledge of internal controls, risk management systems and M&A	x				x	
Knowledge in the field of corporate governance and German stock corporation law	x			x	x	
One member with professional knowledge of human resource management	x	x	x	x	x	x
One member with knowledge of the regions and markets in which init group operates or intends to initiate new business		x	x	x		x
One member with experience in technology (including information technology and digital transformation)		x				x
One member with knowledge of the significant sustainability issues for the company	x	x	x	x	x	x
Independence of the Supervisory Board members	x	x	x		x	

* Member of the Audit Committee

** Member of the Personnel and Nominating Committee

*** Chairperson of the Supervisory Board

Audit committee

The audit committee prepares Supervisory Board decisions on the annual and consolidated financial statements as well as quarterly statements during the year, sustainability reporting, the proposal to the Shareholders' Meeting to elect the auditor and the engagement agreement with the auditor. In addition, the audit committee is responsible for inviting tenders for a new auditor for the audit of the annual and the consolidated financial statements. Moreover, the audit committee monitors the independence of the external auditor, addresses any additional services rendered by the auditor and assesses the quality of the audit of the financial statements by discussing the audit risk, the audit strategy and planning and the findings of the audit. It advises and monitors the Managing Board on accounting issues, the appropriateness and effectiveness of the system of internal controls, the risk management system, compliance and sustainability and discusses matters with the independent auditor in preparation for the annual audit, also without the Managing Board in attendance. The audit committee supports the entire Supervisory Board in its work and reports on its preparatory work on the agreed topics in the subsequent meeting.

One member of the audit committee must possess professional knowledge in the field of accounting. In particular, they must have expertise and experience in the application of accounting standards, systems of internal control and risk management systems. At least one other member of the committee must have knowledge in the field of auditing and, in particular, in the field of auditing financial statements. Sustainability reporting and auditing of sustainability are also matters that lie within the remit of accounting and external auditing. The audit committee, in its previous and current composition meets these requirements.



CORPORATE GOVERNANCE REPORT

Hans-Joachim Rühlig was the audit committee chairperson until 30 June 2023 and has been an ordinary member of the committee since 1 July 2023. Due to his many years' service as the CFO of an internationally active corporation, he has particular knowledge and experience in the application of accounting principles, internal control and risk management systems, as well as experience in M&A transactions, tax legislation and financing issues. Christina Greschner was an ordinary member of the committee until 30 June 2023 and has completed the course and examination certified by Deutsche Börse which qualifies her to act as the "Professional oversight on the audit committee". She therefore has the necessary expertise in the audit of financial statements. In addition, this course qualifies her for sustainability reporting within the audit committee. She also benefits from her extensive knowledge of the init group, which she has acquired in the past through various management positions within the init group. Johannes Haupt took over as chair of the audit committee on 1 July 2023. Due to his many years' experience as the CEO of various companies, he possesses specialist knowledge in the field of financial statement audits and accounting as well as sustainability reporting.

Personnel and nomination committee

On 1 July 2023, the Supervisory Board created a personnel and nomination committee. This committee focuses on the personnel issues relating to the Supervisory Board and the Managing Board and searches for successors to fill positions on the Managing Board and Supervisory Board. It submits proposals for the remuneration system of the Managing Board and the Supervisory Board and reviews this system at regular intervals. According to Article 8 (2) of the Supervisory Board's rules of procedure, the personnel and nomination committee only has an advisory function unless the Supervisory Board empowers it by resolution to make decisions on behalf of the full Supervisory Board. The chairperson of the committee is Ulrich Sieg. Other members are Michaela Dickgiesser and Christina Greschner. All members demonstrate a wealth of experience in typical personnel matters.

Cooperation within the Supervisory Board and with the Managing Board

The init Supervisory Board and Managing Board work closely together for the benefit of the company. They neither pursue personal interests in their decisions nor exploit for themselves business opportunities to which the company is entitled. The Managing Board members are subject to comprehensive non-competition arrangements.

The dual board system is a basic principle of German company law, European legal provisions and statutes. It assigns executive management to the Managing Board and supervision to the Supervisory Board. Both boards are obliged to ensure the continued existence of the company and sustained value creation by the company in accordance with the principles of a social market economy. These principles demand legality as well as ethically based and responsible conduct.

The Managing Board regularly provides the Supervisory Board with timely and comprehensive information on all relevant issues of corporate governance, in particular strategy, planning, business performance, the risk situation, risk management, compliance and sustainability.

The Chairperson of the Managing Board immediately informs the Chairperson of the Supervisory Board about important events that are of material importance for the assessment of the situation and development as well as for the management of the company. They are in active contact between meetings.



CORPORATE GOVERNANCE REPORT

The Supervisory Board also meets regularly without the Managing Board. If necessary, the Chairperson of the Supervisory Board convenes extraordinary meetings of the Supervisory Board.

Shareholders' Meeting and rights of shareholders

At the Shareholders' Meeting, shareholders exercise their rights, in particular their right to receive information, and their voting rights. The Shareholders' Meeting decides on all matters assigned to it by law, particularly the appropriation of profits, the discharge of the Managing Board and the Supervisory Board, the election of members of the Supervisory Board and the independent auditor. In addition, in its advisory capacity, the Shareholders' Meeting decides on the approval of the remuneration system for the Managing Board presented by the Supervisory Board, on the specific remuneration of the Supervisory Board and, by way of recommendation, on the approval of the remuneration report for the preceding financial year.

The Managing Board and Supervisory Board have decided in favour of holding the Shareholders' Meeting in Karlsruhe on 6 June 2024 with the shareholders in physical attendance unless extraordinary events necessitate a sudden change. As in the past, we intend to foster personal contact with our shareholders.

At the Shareholders' Meeting, shareholders have the opportunity to address the meeting on any items on the agenda, to raise relevant questions and to file motions. Shareholders can exercise their voting rights at the Shareholders' Meeting either in person, through a duly authorised representative, or by a proxy of init, subject to instructions. Each share carries one vote. To enable shareholders to prepare for the Shareholders' Meeting, the invitation, agenda and other information about the Shareholders' Meeting are available on the company's website. The voting results are also published on the website directly after the Shareholders' Meeting. The invitation to it will be sent to the shareholders in Germany and other countries via their custodian banks.

As a rule, init's annual Shareholders' Meeting is held within the first six months of the financial year. Generally, the Supervisory Board Chairperson chairs the Shareholders' Meeting. He or she determines the order of agenda items and the type and form of voting. The Chairperson is empowered to impose appropriate restrictions on the right to ask questions and to speak at the in-person event for the entire Shareholders' Meeting, for individual items on the agenda and/or for individual speakers.

Transparency as a basic principle of communication

Consistent, comprehensive and timely information is a fundamental principle at init. For that reason, shareholders, investors, analysts, journalists and interested members of the public are informed transparently and without delay about the performance of the company in the respective financial year by means of press releases, capital market information, annual reports, half-year financial reports and quarterly statements in German and English.

The annual and consolidated financial statements are disclosed within 90 days of the end of the financial year at the latest while the mandatory interim financial information is made publicly accessible within 45 days of the end of the reporting period.

The Supervisory Board and the Managing Board report on corporate governance in the Corporate Governance Report. The statements of the past five years are also accessible on the website.

At the time these documents are published, all the information is also made available on the company's website and can be accessed at any time. Furthermore, the Investor Relations team maintains regular dialogue with capital market participants. In addition, shareholders and the public can find information



CORPORATE GOVERNANCE REPORT

about init's organisational structure and about Managing Board and Supervisory Board members on the website. The website includes a financial calendar covering all key dates.

Internal control system (ICS) and risk management system (RMS)

The risk management system (RMS) consists of systematic and continuous identification and assessment of risks as well as the management and monitoring of identified risks. It is a systematic method that is centrally steered and applied throughout the entire group. The RMS also integrates the internal control system (ICS) and the compliance management system, which is used to monitor compliance with legal requirements. This involves analysing individual processes in the companies, identifying potential risks and assigning corresponding controls. While the overall responsibility for the ICS and RMS lies with the Managing Board, local management bears responsibility for implementing the ICS and ensuring its appropriateness and effectiveness. The Managing Board and the directors of the various functions regularly review the system on a samples basis taking into account the group's risk structure, e.g., using interviews and reports, to test its appropriateness and effectiveness.

In spite of these safeguards there are inherent limits, which means that the appropriateness and effectiveness of the ICS can never be conclusively assessed. Over the reporting year the Managing Board was not made aware of any circumstances indicating that the ICS and RMS were not appropriate or effective in all material regards.

Compliance and Ethical Guidelines

Compliance is an essential component of init's corporate values. With the code of conduct that applies across the group, init wishes to protect employees and companies as well as clients and business partners.

Our Ethical Guidelines comprise all applicable statutory and company requirements for our employees. They set out specific rules of conduct. The Ethical Guidelines form the binding code of conduct for the entire init group and apply without exception to all employees – across teams, hierarchy levels, countries and all individual companies within our group. [Ethical Guidelines of init SE.](#)

According to the management's rules of procedure, the CFO is responsible for compliance. The respective management as well as legal departments within the group coordinate compliance topics locally. Our flat hierarchies and the whistleblower system implemented by the Managing Board enable us to react quickly to (suspected) compliance cases. The internal processes of our compliance management system ensure that any breaches of compliance are reported by lower management and the legal departments to the Managing Board. The Managing Board regularly informs the Supervisory Board about compliance issues, particularly in the case of serious breaches. The Supervisory Board has constituted an audit committee that monitors the appropriateness and effectiveness of the system of internal controls, advising the Managing Board on compliance issues at regular intervals, and which also reports to the full Supervisory Board.

More information on social matters, the protection of human rights and combatting corruption and bribery can be found in our separate ESG report. Init's sustainability programme covers these areas as well as environmental matters and employee concerns. [ESG report of init.](#)

Accounting and auditing

The auditor supports the Supervisory Board and, in advance the audit committee in monitoring the management of the company, particularly with regard to accounting issues, the operating effectiveness of



CORPORATE GOVERNANCE REPORT

the internal control system, the risk management system, compliance and sustainability. The auditor's report informs the capital market about the correctness of the accounting.

Init's annual financial statements and combined management report are prepared in accordance with the German Commercial Code (HGB). The consolidated financial statements are prepared in accordance with Section 315e HGB on the basis of International Financial Reporting Standards (IFRS) as adopted by the EU.

Following their preparation by the Managing Board, the separate annual financial statements and the consolidated financial statements are audited by the independent auditor, reviewed by the audit committee and subsequently adopted or approved by the Supervisory Board. Within the scope of the audit, the auditor immediately advises the audit committee on all significant findings and events that arise during the audit. The committee is also informed if, during the performance of the audit, any facts are identified that indicate that the Declaration of Compliance with the German Corporate Governance Code issued by the Managing Board and Supervisory Board is incorrect. The audit committee also monitors the independence of the auditor, evaluates the additional services provided by the auditor and assesses the quality of the audit.

The init Shareholders' Meeting on 25 May 2023 adopted the Supervisory Board's proposal to elect PricewaterhouseCoopers GmbH, Wirtschaftsprüfungsgesellschaft, Stuttgart, as the independent auditor of the separate financial statements and consolidated financial statements for the 2023 financial year. This audit firm was first engaged for the 2022 financial year. The Engagement Partners are Andrea Ehrenmann (since reporting cycle for the 2022 financial year) and Birgit Pflumm (since reporting cycle for the 2022 financial year).

Remuneration of the Managing Board and Supervisory Board

The Supervisory Board decides on a transparent and understandable system for the remuneration of the Managing Board members and on the basis of this, determines the specific remuneration of the individual Managing Board members. In an advisory capacity, the Shareholders' Meeting will approve the remuneration system presented by the Supervisory Board at least every four years. The current remuneration system was approved at the Shareholders' Meeting on 18 May 2022.

Members of the Supervisory Board receive remuneration that is appropriate to their tasks and the status of the company. It is determined by resolution of the Shareholders' Meeting. In a binding capacity, the Shareholders' Meeting also approves the remuneration system for the Supervisory Board at least every four years. The init Shareholders' Meeting on 25 May 2023 approved the current remuneration system for the Supervisory Board.

The Managing Board and Supervisory Board prepare an annual remuneration report in accordance with legal requirements. The Shareholders' Meeting passes a resolution on the approval of the remuneration report for the preceding financial year on an annual basis in an advisory capacity.

The remuneration systems and the remuneration report of both bodies as well as the corresponding auditor's report are available in the Shareholders' Meeting section on the company's website.

Equal participation of women and men in management positions

When appointing the company's executives, the Managing Board considers the principle of diversity, and, in particular, endeavours to achieve an appropriate level of female representation. The Supervisory Board



CORPORATE GOVERNANCE REPORT

shares the opinion that it is necessary to increase the percentage of women in management positions in order to ensure that in future a higher number of suitable women are available.

Female representation on the Supervisory Board stands at 33 per cent, which surpasses the set target of 25 per cent. With regard to the Managing Board, the set target, also of 25 per cent, could not be met and currently stands at 0 per cent. It proved impossible, despite an intensive search, to find a suitable female candidate in the time available who possessed, in addition to professional qualifications, in-depth expertise in project business and the corresponding industry experience to fill the position of Chief Financial Officer. With regard to the newly created position of Chief Human Resources Officer on the Managing Board, it was deemed more sensible to appoint the existing Head of Human Resources to the position. This circumstance notwithstanding, it remains our objective to meet the target for female representation on the Managing Board when appointing new members to the Managing Board.

The proportion of women at the first level of management below the Managing Board continues to stand at 33 per cent. Female representation on the second level of management below the Managing Board increased to 64 per cent due to a reorganisation. The Managing Board will strive to ensure that the proportion of women does not fall below 20 per cent at the first level of mid-management and 28 per cent at the second level of mid-management. These targets were set in order to ensure sufficient flexibility in appointing suitable persons.

Karlsruhe, 19 March 2024

For the Managing Board

Gottfried Greschner

Chairperson

For the Supervisory Board

Hans-Joachim Rühlig

Chairperson