



Declaration of Compliance with the German Corporate Governance Code

The Supervisory Board and Managing Board resolved with effect on 21 May 2026 to implement the recommendations of the Government Commission on the German Corporate Governance Code with the exceptions stated below, and to issue the following updated Declaration of Compliance pursuant to Section 161 of the German Stock Corporation Act (AktG). The Declaration relates to the Code version of 28 April 2022, which was published in the Federal Official Gazette on 27 June 2022.

Owing to the size of the firm and company-specific features, init innovation in traffic systems SE complies with the recommendations of the Government Commission on the German Corporate Governance Code with the following exceptions:

B. Composition of the Managing Board

B.5. An age limit shall be specified for 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, special expertise and many years of experience.

C. Composition of the Supervisory Board

I General Requirements and Independence of Supervisory Board Members

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

The persons put forward for election to the Supervisory Board should provide assurance, based on their professional expertise, skills and experience, their integrity, their ethical conduct, independence and personality that they can responsibly carry out the duties of a supervisory board member in a leading international technology firm for 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. Finally, 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.

C.7. More than half of shareholder representatives should be independent of both the company and the Managing Board

Although Christina Greschner is closely related to the Chair of the Managing Board and Andreas Thun maintains a business relationship with a subsidiary of init SE, the Supervisory Board of init SE as a whole can nevertheless be considered to be independent in terms of its oversight and advisory

function. Personal relationships or isolated business relationships do not automatically impair the control function. The existing relationships do not constitute a duty to obey instructions or economic dependence and do not lead to any structural conflict of interest. All members of the Supervisory Board possess the required personal integrity, professional qualifications and professional detachment to perform their duties independently and only in the best interests of the Company. Decisions are made within the framework of a collegial body. Potential conflicts of interest are disclosed and addressed by means of appropriate procedures where necessary. This is ensured in that the Supervisory Board performs its oversight and advisory function without restriction. Against this backdrop, the Supervisory Board is of the opinion that its composition is suited to ensuring it can effectively and independently oversee the Managing Board even after considering the existing relationships.

C.10. The chairperson of the Supervisory Board, the chairperson of the audit committee and the chairperson of the committee dealing with the remuneration of the Managing Board should be independent of the company and the Managing Board. The chairperson of the audit committee should also be independent of the controlling shareholder.

The chairperson of the Supervisory Board of the company, Mr Andreas Thun, is the sole shareholder of Landsensor GmbH, which has a business relationship with a subsidiary of init SE. From the point of view of the company, this circumstance does not constitute a conflict of interest, nor does it impair the performance of the office of the chairperson of the Supervisory Board.

The chairperson of the Audit Committee of the Supervisory Board is independent of the company and the Management Board.

Although Christina Greschner, as chairperson of the Personnel and Nomination Committee, is related to the CEO, the committee can still be considered independent in terms of its function. According to Section 8 (2) of the Supervisory Board's Rules of Procedure, the Personnel and Nomination Committee only has an advisory function. Final decisions therefore remain with the Supervisory Board as a whole, ensuring institutional control. The committee has no independent decision-making authority.

G. Remuneration of the Managing Board and Supervisory Board

I Remuneration of the Managing Board

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

The recommendations on G1 are largely complied with.

The granting of variable remuneration components is determined by financial criteria; no non-financial performance criteria are defined for the granting of variable remuneration components. Sustainability criteria have already been considered through init's product portfolio and the purpose of the company.



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

The company's strategic objective is to achieve average revenue growth of 10-15 per cent per annum over the long term. In addition, both absolute and relative EBIT are to increase continuously. The target minimum EBIT margin is 10 per cent.

In order to provide financial support for the company's growth, the aim is to focus strongly on operating cash flow. The company's equity ratio is to remain at at least 40 per cent even with further growth. In addition, the stock price is expected to increase accordingly.

The focus on these objectives is achieved through the regulations governing the performance criteria used to determine the variable remuneration components Short-Term Incentive (STI) and Long-Term Incentive (LTI).

Operating cash flow is defined as the performance criterion for the STI. EBIT is anchored in the LTI as the EBIT margin performance criterion. These targets are in turn covered by minimum criteria relating to revenue and the equity ratio. The grant of shares with a five-year vesting period in the LTI programme provides an incentive for a long-term increase in the share price.

Achieving operational and strategic objectives is supported by these regulations.

II Remuneration of the Supervisory Board

G.17 The remuneration of the Supervisory Board members should appropriately take into account the larger amount of time required of the chairperson and the deputy chairperson of the Supervisory Board

The larger amount of time required of the chairperson of the Supervisory Board was appropriately considered for the remuneration. The larger amount of time required does not apply to the deputy chairperson of the init Supervisory Board.

In all other respects, the DCGK recommendation G.17 has been and continues to be adhered to. The additional time required of the committee chairpersons is appropriately reflected in their remuneration.

init innovation in traffic systems SE

The Managing Board

The Supervisory Board