



## **Declaration of compliance with the German Corporate Governance Code 2020**

On 8 December 2020, the Managing Board and the Supervisory Board resolved to implement the recommendations of the Government Commission on the German Corporate Governance Code in accordance with the current version dated 16 December 2019, which was published in the Federal Gazette on 20 March 2020 with the following exceptions and to issue the following declaration of compliance in accordance with section 161 of the German Stock Corporation Act (AktG).

Due to the size of the company 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 generally have a mixed age structure. We deliberately did not set any specific targets with regard to the age of individual or all members of the Managing Board, as this would restrict the Supervisory Board in its selection of suitable Managing Board in general. init operates in a market that requires flexibility, special expertise and many years of experience.

### **C. Composition of the Supervisory Board**

#### **I General Requirements**

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

The persons nominated for election to the Supervisory Board should, on the basis of their professional knowledge, skills and experience, integrity, ethical conduct, independence and personality, ensure that they can perform the duties of a Supervisory Board member responsibly in a leading international technology company for the mobility sector. The Supervisory Board of init is convinced that a rigid rule limit for membership of the Supervisory Board, irrespective of an individual consideration of the respective Supervisory Board members, is not a suitable means of further improving and professionalising the work of the Supervisory Board. Instead, a flexible composition of the Supervisory Board with different periods of membership and experience and the practical consideration of a mixed age structure in the search for candidates should better serve the interests of the company. Finally, the company has been publishing the duration of affiliation for the respective members of the Supervisory Board for quite some time, thus enabling shareholders to decide for themselves on the individual appropriateness of re-electing a member of the Supervisory Board.



## D. Working methods of the Supervisory Board

### **II Cooperation within the Supervisory Board and the Managing Board**

#### Principle 14 Committees of the Supervisory Board.

There is currently neither an audit committee nor a nomination committee. Due to the size of the company and the size of the Supervisory Board (four members) of init, the specific conditions do not exist and therefore do not appear to be practicable.

## G. Remuneration of the Managing Board and Supervisory Board

### **I Remuneration of the Managing Board**

The contracts of the init SE Managing Board members were concluded for a term of three years and expire on 31 March 2022. The compensation system for the Managing Board will be presented to the 2021 shareholders' meeting for resolution. The recommendations are therefore only applicable in the event of a new appointment or extension of the appointment.

### **II Remuneration of the Supervisory Board**

G.17 The remuneration of the members of the Supervisory Board should take appropriate account of the greater time expenditure of the Chairman and Deputy Chairman of the Supervisory Board and of the Chairman and members of committees.

The higher time expenditure of the Chairman of the Supervisory Board was appropriately taken into account in the remuneration. The Deputy Chairman of the init Supervisory Board does not have a higher time commitment. No committees were formed due to the size of the Supervisory Board.

init innovation in traffic systems SE

Managing Board  
Supervisory Board

Karlsruhe, 8 December 2020