

Declaration of Compliance with the German Corporate Governance Code

On 27 September 2021, the Supervisory Board and the Managing 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

D.4. Chairperson of the audit committee

The recommendation not to combine both chairs in one person cannot be complied with, due to the size of the Supervisory Board (four members) of init and the professional knowledge of the Chairperson of the Supervisory Board.

D.5. Nomination committee

A nomination committee was not formed due to the specific circumstances and the size of the Supervisory Board (four members) of init.

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 has been approved by the 2021 shareholders' meeting. However, the recommendations are 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.

An audit committee will be formed for the first time on 1 October 2021. So far, the remuneration system of the Supervisory Board, which was approved at the Shareholders' Meeting 2021, does not provide for any additional remuneration for the activities of the audit committee.

init innovation in traffic systems SE

Karlsruhe, 27 September 2021

The Supervisory Board
The Managing Board