

STATEMENT ON CORPORATE GOVERNANCE

Managing Board

The Managing Board is the management body of the listed European Company (Societas Europaea, SE). 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 corporate strategy with the Supervisory Board. Furthermore, it ensures that legal rules, official regulations and company-internal guidelines are adhered to, and works with the Supervisory Board with a view to ensuring that all employees of the group comply with them.

The Managing Board of init currently has four members who together bear responsibility for corporate management. As the central task of corporate management, it develops the strategic orientation of the company, ensures that the risks of business activities are handled responsibly by means of a suitable internal control and risk management system and ensures that legal requirements and internal guidelines are observed within the company (compliance). It also decides on the appointment of management positions and sets targets for the percentage of women in the two 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 individual persons.

Unlike other companies, the Managing Board of init is very actively involved in the day-to-day operations of the respective company units and manages these. In keeping with the practices of responsible business management, it is therefore very close to the key reference groups of a

company, its customers, suppliers and employees and its shareholders and investors. This enables it to react very 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 rules of procedure of the Managing Board. In addition, transactions with related parties may, by law, require the prior approval of the Supervisory Board.

The Chairperson of the Supervisory Board is elected by the Supervisory Board from among 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 Management Board, determining their number in accordance with legal and statutory requirements and setting the target figure for the proportion of women on the Management Board.

Together with the Managing Board, the Supervisory Board ensures that there is long-term succession planning. When assessing the candidates for a Managing Board position, their technical qualification for the area of special responsibility they are going to manage, proven leadership skills, prior performance as well as knowledge of the market and the company from the Supervisory Board's perspective constitute the basic eligibility criteria. As part of the assessment, the Supervisory Board also takes into account the personality that would complement the panel of the Managing Board in the best possible way (diversity). Diversity as an eligibility criteria for the Supervisory Board particularly means diverse complementary profiles, professional and personal experience, also

international experience, as well as an appropriate gender representation. As part of its decision the Supervisory Board also considers the following aspects:

- The members of the Managing Board should have many years of management experience and should have experience in a broad range of professions as far as possible
- At least one member of the Managing Board should have international management experience
- At least one member of the Managing Board should have a technical education
- At least one member of the Managing Board should have an education in business studies
- The Managing Board in its entirety should have many years of experience in the areas of development, production, sales, finance and personnel management
- The Supervisory Board has set a target for the percentage of women in the Managing Board
This is explained in one of the sections below

According to the Supervisory Board's assessment, the composition of the Managing Board as of 31 December 2020 corresponds to the specified diversity policy. 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 were 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.

At init, the Supervisory Board is solely composed of shareholder representatives and, in accordance with the articles of incorporation, of four persons. These are appointed for three years. The Supervisory Board endeavours in its entirety to

provide a competence profile that ensures that the Managing Board of init 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. With the exception of one member of the Supervisory Board, other members of the Supervisory Board do not have any business or personal relationship to the Managing Board of init SE or a controlling shareholder. Therefore, the Supervisory Board of init can be considered to be independent.

The persons intended to be elected 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 been 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 reelection of a member of the Supervisory Board.

When appointing members to the Supervisory Board, potential conflicts of interest, the number of members of the Supervisory Board and diversity are likewise adequately taken into consideration. In the election proposals to the Annual General 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 enclosed with every candidate proposal. Because of the size of both the company and of the Supervisory Board of init, no Supervisory Board committees have hitherto been established. However, the Supervisory Board has developed a competence profile for the body as a whole, which is also taken into account for proposals to the Annual General Meeting and has been published on the website of the company.

The Supervisory Board has laid down rules of procedure, which are also available on the website of the company, and convenes regular meetings at least once a quarter and, unless otherwise stipulated, adopts decisions based on a simple majority of the votes cast. A resolution of the Supervisory Board adopted in writing by means of fax or e-mail, by telephone or using electronic means of communication or a combination of the above-mentioned means of communication is permitted in accordance with the articles of incorporation of init. Precise details on the form in which resolutions are adopted are determined by the Chairperson. The Chairperson of the Supervisory Board draws up a written record of resolutions passed outside meetings.

The Supervisory Board members participate in training measures on their own initiative and with init's support. Besides, it regularly conducts a board evaluation in the form of self-evaluation using a detailed guide. The focus is particularly on organisation, provision of information, personnel matters and how the members of the Supervisory Board perceived their role.

Details about the activities of the Supervisory Board and their independence as well as their CVs are provided in the "Report of the Supervisory Board" section of this Annual Report.

Cooperation within the Supervisory Board and with the Managing Board

The Supervisory Board and Managing Board of init 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, the European legal provisions and the 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 the strategy, planning, business performance, the risk situation, the risk management and compliance.

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 the meetings.

If necessary, the Supervisory Board also meets without the Managing Board and, if required, convenes an extraordinary meeting of the Supervisory Board.

Annual General Meeting and rights of shareholders

At the Annual General Meeting, shareholders exercise their rights, in particular their right to information, and use their voting rights. The Annual General 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 auditor. It also decides in its advisory nature 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 a recommendation on the approval of the remuneration report for the preceding financial year.

At the Annual General Meeting, shareholders have the opportunity to address the meeting on any items on the agenda, to raise relevant questions and to file motions. However, there are indications that the next Annual General Meeting will also be a virtual meeting of shareholders with restricted attendance rights. Shareholders can exercise their voting rights at the Annual General 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 Annual General Meeting, the invitation, agenda and other information about the Annual General Meeting are available on the company's website. The voting results are also published on the website directly after the Annual General Meeting. The invitation to the Annual General Meeting will be sent to the shareholders in Germany and other countries electronically via their custodian banks.

The Annual General Meeting of init is generally held within the first six months of the financial year. The Chairperson of the Supervisory Board chairs the Annual General Meeting and

determines the order of the agenda items and the type and form of voting. The Chairperson is empowered to place appropriate restriction on the right to ask questions and to speak for the entire Annual General Meeting, for individual agenda items 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, 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 statement on corporate governance. The statements of the past five years are also accessible on the website.

At the time these documents are published, all the information also becomes available on the company's website and can be accessed there at any time. Furthermore, the Investor Relations team maintains a regular dialogue with capital market participants. In addition, shareholders and the public can find information about the organisational structure of init and about the members of the Managing Board and Supervisory Board on the website. The website includes a financial calendar covering all key dates.

Compliance and Ethical Guidelines

The Managing Board is obliged to ensure compliance with legal provisions and internal guidelines and to work towards ensuring

compliance therewith by group companies. In addition to compliance with laws set down by legislators, it is important above all to anchor ethically and morally sound behaviour in the company's corporate culture.

As a result, compliance is an essential component of init's corporate values. With the rules of conduct that apply across the group, init wants to protect employees and companies as well as clients, business partners and capital market participants. The Ethical Guidelines of init are available to employees as important guidance for the manner in which the company's vision and mission are put into action. As a basis for everything the company does, they create trust, credibility and transparency and serve to prevent infringements against legal requirements. This is a key factor in the success of the company.

In the Ethical Guidelines applicable to init, there are specific rules on matters such as combating corruption and bribery, granting and accepting benefits, on the documentation of business transactions as well as on the comprehensive, truthful and compliant passing on of information to employees, shareholders, the capital market, the media and other interest groups. 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.

The Ethical Guidelines are publicly accessible on init's website in German, English and French. Employees receive the Guidelines already at the application stage or at the latest when they join the company. All employees are informed about init's Ethical Guidelines at least once a year, through communication via the Intranet, email or in meetings. The employees of group companies confirm that they have received and acknowledged the information. Moreover, init's Managing Board maintains an active exchange

with the management of all the consolidated companies.

The Ethical Guidelines were revised in the reporting year. The contents were restructured and updated as well as allocated to the topics colleagues and employees, business environment, knowledge and information, social and community context and anti-corruption. Furthermore, for each of these topics a recommended action was formulated for the employees. The revised Guidelines were explained to all employees in an employee meeting (in an online meeting due to the coronavirus pandemic) and made available to all group companies.

Once a year, the Managing Board members meet with the managing directors of the group companies. At this annual management meeting, management is again made aware of the topic "combating corruption and bribery" in particular, and the Code of Conduct, in order to establish it at the group companies and among the company's own employees.

On the Managing Board of init SE, the CFO is responsible for compliance. The respective management as well as legal departments within the group coordinate compliance topics locally. Our flat hierarchies enable quick response to compliance (alleged) cases. In addition, a risk matrix with compliance-related topics was drawn up as part of risk management in the year under review. This is reviewed and updated annually in order to evaluate new topics, identify the need for action and derive measures for compliance with any laws and regulations.

As the customers of init are mainly public transport companies or associations in Germany and abroad, public and formalised procurement are of major economic importance. Public sector procurement is strongly structured and regulated by laws relating to procurement and protected through their regulations on competition,

increased transparency and clarity of decisions. These legal regulations in procurement law must be observed at all times by public customers as well as by participating tenderers such as init, from needs assessment to the tender phase through to awarding of the contract and order fulfilment.

We require and encourage the reporting of all processes that indicate a criminal offence or a systematic breach of laws or internal rules. To this end, an online whistleblower system was created in 2018 which enables employees as well as customers, business partners and third parties to report improper conduct, either anonymously or not anonymously. The system immediately forwards every report to the Legal department or the Managing Board, where it is reviewed and processed. In addition init has developed a manual which defines the internal processes, their documentation and the systematic processing of notifications. The company's preventive and control measures also include the dual control principle, which is set out for the companies in a set of signature rules.

Accounting and auditing

The auditor supports the Supervisory Board in monitoring the management of the company, in particular in auditing the accounting and monitoring the accounting-related control and risk management systems. The auditor's report informs the capital market about the correctness of the accounting.

The annual financial statements and the combined management report of init are prepared in accordance with the German Commercial Code (HGB). The consolidated financial statements are prepared according to Section 315a HGB based on the International Financial Reporting Standards (IFRS) as adopted by the EU.

Following their preparation by the Managing Board, the annual and consolidated financial

statements are audited by the auditor as well as adopted by the Supervisory Board. Within the scope of the audit, the auditor immediately advises the Chairperson of the Supervisory Board of all key issues and events significant for his tasks which may arise during the audit. Moreover, he is informed if, during the performance of the audit, any facts are identified that indicate an inaccuracy in the Declaration of Compliance with the Corporate Governance Code issued by the Managing Board and Supervisory Board. The Supervisory Board monitors the independence of the auditor and regularly assesses the quality of the audit.

On 26 June 2020, the Annual General Meeting of init passed a resolution to elect Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart, as the auditor and group auditor for the 2020 financial year, as proposed by the Supervisory Board. The individual auditors responsible at Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft are Mr. Werling (since the consolidated financial statements 31.12.2016) and Mr. Derosa (since the consolidated financial statements 31.12.2020). There is a regular change of auditors within the audit company after seven years.

Remuneration of the Managing Board and Supervisory Board

The Supervisory Board decides on a transparent and comprehensible system for the remuneration of the Managing Board members and on its basis determines the specific remuneration of the individual Managing Board members. In an advisory capacity, the Annual General Meeting 2021, and at least every four years thereafter, will approve the remuneration system presented by the Supervisory Board.

The contracts of init SE's Managing Board members have been concluded for three years and end as of 31 March 2022. The remuneration systems of the Managing Board will be presented for the first time for resolution to the init Annual

General Meeting on 19 May 2021. Therefore, the recommendations of the Corporate Governance Code can only be applied for new or extensions of appointment.

The members of the Supervisory Board receive remuneration that is appropriate to their tasks and the status of the company. It is stipulated by resolution of the Annual General Meeting. The larger amount of time required of the Chairperson of the Supervisory Board was appropriately taken into account for the remuneration. The Deputy Chairperson of the init Supervisory Board does not require a larger amount of time. No committees were formed due to the size of the Supervisory Board.

In an advisory capacity, the Annual General Meeting 2021, and at least every four years thereafter, will also generally approve the remuneration system for the Supervisory Board.

The Managing Board and Supervisory Board prepare an annual remuneration report in accordance with the legal requirements. This is part of the combined management report. The Annual General Meeting will pass a resolution on the approval of the remuneration report for the preceding financial year for the first time from 2022 and every four years thereafter in the form of a recommendation.

Equal participation of women and men in management positions

The proportion of women in the Managing Board and Supervisory Board of init still stands at 25 per cent.

The proportion of women in the first management level below the Managing Board still stands at 50 per cent. Due to the restructuring in the group in 2020 and 2021, the proportion of women in the second management level increased slightly to 43 per cent. The Managing Board will strive to ensure that the proportion of women does not fall below 30 per cent at the first and second management levels below the

Managing Board by 30 June 2022. This target was set in order to ensure sufficient flexibility in appointing suitable persons.

For the Managing Board	For the Supervisory Board
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Dr. Gottfried Greschner CEO	Hans-Joachim Rühlig Chairman
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