

Corporate Governance at CANCOM and declaration on Corporate Governance in accordance with sections 315d and 289f of the German Commercial Code (HGB)

The Executive Board and Supervisory Board of CANCOM SE hereby issue a corporate governance statement for the CANCOM Group and the parent company CANCOM SE in accordance with sections 315d and 289f of the German Commercial Code (HGB), and at the same time report on corporate governance at CANCOM in accordance with principle 23 of the German Corporate Governance Code (DCGK) in its current version dated 28 April 2022.

Corporate Governance

Sustainable and responsible corporate governance is a high priority at CANCOM as part of its corporate culture. The Executive Board and Supervisory Board of CANCOM SE work closely together in the interests of the company and the CANCOM Group as a whole. The intensive and continuous dialogue between the two bodies forms the basis for efficient corporate and Group management at CANCOM.

Good and transparent corporate governance promotes the trust of investors, employees, business partners and the public in the management and supervision of CANCOM SE. This forms the basis for long-term economic success. The guiding principle is the German Corporate Governance Code in its current version. At the Supervisory Board meeting on 14 December 2022, the Supervisory Board and the Executive Board adopted the following joint declaration of conformity by the Executive Board and the Supervisory Board of CANCOM SE in accordance with section 161 of the German Stock Corporation Act (AktG):

The Executive Board and Supervisory Board of CANCOM SE declare in accordance with section 161 of the German Stock Corporation Act (AktG) that since the last Joint Declaration of Conformity was issued on 7 December 2021, all recommendations of the Government Commission on the German Corporate Governance Code as amended on 16 December 2019, published in the Federal Gazette on 20 March 2020, have been complied with without exception.

Furthermore, the Executive Board and the Supervisory Board declare pursuant to section 161 of the German Stock Corporation Act (AktG) that since the entry into force of the German Corporate Governance Code in the version of 28 April 2022, published in the Federal Gazette on 27 June 2022, all recommendations of the Government Commission on the German Corporate Governance Code have been complied with without exception and will be complied with in the future.

Like corresponding declarations in previous years, the joint declaration of conformity is permanently available to the public on the CANCOM website www.cancom.com in the Investors section under the menu item Corporate Governance.

The remuneration report of CANCOM SE for the financial year 2022, including the auditor's report, is also published at the same location. The applicable remuneration system pursuant to section 87a paragraph 1 and 2 sentence 1 of the German Stock Corporation Act (AktG) and the previous year's remuneration report are available at the same location.

The remuneration of the Supervisory Board was last confirmed by the resolution of the Annual General Meeting on 29 June 2021. The remuneration resolution is published on the website www.cancom.com in the Investors section under the menu item Annual General Meeting 2021.

Principles and guidelines of entrepreneurial action (corporate governance practices)

CANCOM is aware of its role in society and its responsibility towards customers, business partners, shareholders and employees. The CANCOM Code of Conduct and its principles form the basis for responsible and legally compliant behaviour. Under the motto "Fair, With Respect, Compliant", the Code of Conduct reflects the Executive Board's goal of strengthening ethical standards throughout the company and creating a working environment based on integrity, respect and fair conduct. The Code of Conduct takes into account the principles of the UN Global Compact and is guided by the principles of the Universal Declaration of Human Rights and the standards derived from it, including in particular the OECD Guidelines for Multinational Enterprises and the International Labour Organization (ILO) Declaration on Fundamental Rights and Principles at Work. The Code of Conduct forms the basis for CANCOM's business activities and applies throughout the CANCOM Group. CANCOM has its own Group-wide compliance system to ensure that its employees and executive bodies adhere to the Code of Conduct. The Code of Conduct is publicly available on the Company's website www.cancom.com in the Investors section under the menu item Corporate Governance.

In addition, the actions of the Supervisory Board and Executive Board, as well as those of all employees, are guided by the company's own corporate governance guidelines that apply to the entire CANCOM Group, namely the guidelines on human rights, anti-harassment, political dialogue and representation of interests, diversity and inclusion, and anti-corruption. Furthermore, suppliers are also included in the corporate governance process at CANCOM by means of a declaration of commitment, among other things. The above-mentioned guidelines and declarations are publicly available on the Company's website www.cancom.com in the Investors section under the menu item Corporate Governance.

Close cooperation between the Executive Board and the Supervisory Board

The working methods of the Executive Board and Supervisory Board are based on the relevant laws, the German Corporate Governance Code, the Articles of Association and the resolutions of the Annual General Meeting of CANCOM SE, the rules of procedure for the Supervisory Board and the rules of procedure and schedule of responsibilities for the Executive Board. The Articles of Association and the rules of procedure for the Executive Board and Supervisory Board are publicly available on the Company's website www.cancom.com in the Investors section under Corporate Governance. Documents relating to the Annual General Meeting are publicly available on the company's website www.cancom.com in the Investors section under the menu item Annual General Meeting.

The Executive Board manages the company with the goal of sustainable value creation. In doing so, the members bear joint responsibility for the entire management of the company. The members of the Executive Board work together as colleagues, exchange information and keep each other constantly informed about important measures and processes in their business areas. The principles of cooperation between the Executive Board of CANCOM SE are summarised in the rules of procedure for the Executive Board. These govern in particular the matters reserved for the Executive Board as a whole, the rules of representation applicable to the Executive Board, the rights and duties of the Chairman of the Executive Board, the provisions for convening and holding meetings, the passing of resolutions and the majorities required for resolutions, and the type of transactions that are subject to the approval of the Supervisory Board. In addition, the rules of procedure for the Executive Board regulate reporting to the Supervisory Board. At the time of issuing this statement, the Executive Board of CANCOM SE consists of two members.

The Executive Board informs the Supervisory Board regularly, promptly and comprehensively about all material aspects of the CANCOM Group's business development, significant business transactions, planning and the risk situation, risk management and compliance. The Executive Board and Supervisory Board discuss the strategic direction of the Company and the status of strategy implementation at regular intervals.

The supervisory board advises the executive board on the management of the company and monitors its activities. It appoints and dismisses the members of the Executive Board and, together with the Executive Board, must ensure a long-term succession. The Supervisory Board also decides on the remuneration system for the Executive Board members and sets their respective remuneration. In accordance with the Articles of Association, CANCOM's Supervisory Board consists of six members. The principles of cooperation between the Supervisory Board of CANCOM SE are laid down in the rules of procedure for the Supervisory Board. Among other things, these rules govern the election of the chairman and deputy chairman, the convening of meetings and their procedures, the permitted types of resolution, and the documentation of meetings and resolutions. In addition, the rules of procedure for the Supervisory Board provide for the formation of committees and regulate their working methods. CANCOM currently has two committees: the Audit Committee and the Nomination Committee. The Audit Committee, which at the time of publication of this statement consisted of the Deputy Chairman of the Supervisory Board, Dr. Lothar Koniarski (Committee Chairman), the Chairman of the Supervisory Board, Mr. Stefan Kober (Deputy Committee Chairman), and the Supervisory Board member Prof. Dr. Isabell Welpe, deals with the monitoring of the accounting process, the effectiveness of the internal control system, the risk management system and the internal audit system, the audit of the financial statements, in particular the independence of the auditor, the additional services provided by the auditor, the issuing of the audit mandate to the auditor, the determination of auditing focal points and the fee agreement as well as compliance. Furthermore, the audit committee's extended scope of duties includes the implementation of the regulations of the Audit Reform Act (EU-VO). Dr. Lothar Koniarski has been appointed as an expert member of the Supervisory Board for accounting pursuant to section 100 paragraph 5 of the German Stock Corporation Act (AktG) and has extensive experience in the area of auditing, accounting and internal control and audit systems due to his many years of service in various supervisory board and corporate management positions. Mr. Stefan Kober is appointed as an expert member of the Supervisory Board for auditing in accordance with section 100 paragraph 5 AktG. Mr Kober has also acquired extensive knowledge in the areas of accounting and auditing in his work as a board member of listed and non-listed corporations, as a managing director and supervisory board member. He also has experience with internal control systems and internal risk management as well as compliance. Prof. Isabell Welpe brings extensive knowledge in the areas of auditing, internal auditing, risk management and compliance from her academic career and several supervisory board mandates to the board.

At the time of publication of this declaration, the Nomination Committee consists of the Chairman of the Supervisory Board, Mr. Stefan Kober (Committee Chairman), the Deputy Chairman of the Supervisory Board, Dr. Lothar Koniarski (Committee Deputy Chairman), and the Supervisory Board member Mr. Uwe Kemm. The Nomination Committee meets as required and proposes suitable candidates to the Supervisory Board for its election proposals to the Annual General Meeting. The respective committee chairmen report regularly to the Supervisory Board on the work of the committees. The work of the supervisory board and its committees can be found in the current report of the supervisory board in the annual report 2022.

Cooperation between the Executive Board and the Supervisory Board also includes the issue of long-term succession planning. The Supervisory Board is in regular contact with members of the CANCOM Group's senior management in order to assess the internal potential for appointments to the Executive Board on an ongoing basis and to be able to develop existing potential. This continuous dialogue with senior management and the discussion of long-term succession planning within the Supervisory Board - both in the presence of the Executive Board and in meetings without Executive Board participation - ensures long-term succession planning for the Executive Board of CANCOM SE. In addition, succession planning is ensured, among other things, by the fact that the Executive Board service contracts stipulate that a decision on extension or termination must be made at least nine months before a service contract expires. Due to the existing age structure on the Executive Board and the remaining terms of the service contracts, specific short-term succession planning is not necessary.

An age limit of 65 years is set for the members of the Executive Board.

Competence profile of the Supervisory Board

In accordance with section C.1 of the GCGC, the supervisory board has specified concrete objectives regarding its composition and has developed a competence profile for the entire board. For its composition, it shall take appropriate account of the international activities of the company, potential conflicts of interest, the number of independent supervisory board members, an age limit to be specified for supervisory board members and a standard limit to be specified for the length of membership of the supervisory board, as well as diversity, within the framework of the company-specific situation. In accordance with the age limit for Supervisory Board members, only candidates who are not older than 70 at the time of election shall be proposed for election to the Supervisory Board of CANCOM SE. The Supervisory Board last updated the competence profile at the ordinary meeting on 14 December 2022.

In accordance with recommendation C.1 of the GCGC, the Supervisory Board discloses the implementation of the competence profile and, in accordance with D.3 of the GCGC, the expert members in relation to accounting, auditing and environment, social and governance issues in the following qualification matrix. From the supervisory board's point of view, the criteria set out in the competence profile are fulfilled with the composition of the incumbent supervisory board.

Qualification matrix of the Supervisory Board of CANCOM SE

The overview describes the status of the supervisory board at the time of publication of the Declaration on Corporate Governance.

		Stefan Kober	Dr. Lothar Koniarski	Martin Wild	Prof. Dr. Isabell Welpé	Uwe Kemm
Duration of term	Beginning of term	2019	2013	2017	2019	2020
	End of term	2024	2024	2024	2024	2025
Personal suitability	Independence ²⁾	•	•	•	•	•
	No overboarding ³⁾	•	•	•	•	•
Diversity	Year of birth	1970	1955	1979	1975	1961
	Gender	male	male	male	female	male
	Nationality	German	German	German	German	German
Competence area ¹⁾	Experience in the management of a large or medium-sized, internationally active company	•	•	•		•
	Experience in the field of Human Resources	•	•	•	•	•
	Experience in the fields of Marketing and sales	•	•	•	•	•
	Experience in the field of IT and digitalisation	•	•	•	•	•
	Knowledge of the key markets in which CANCOM operates	•	•	•	•	•
	Knowledge and expertise in accounting and auditing	•	•	•	•	•
	Expert auditing ⁴⁾	•				
	Expert accounting ⁴⁾		•			
	Expert environment, social, governance				•	
	Knowledge in the areas of governance, risk and compliance	•	•	•	•	•
	Expertise on the sustainability issues that are of importance to the company	•		•	•	•
	International experience and knowledge	•	•	•	•	•

• = Criterion fulfilled. The assessment of experience and knowledge in the areas of competence is based on an annual self-assessment by the supervisory board. A positive self-assessment means that the supervisory board member, on the basis of existing qualifications and experience, perceived further training and, if applicable, many years of activity as a supervisory board member, is able to comprehend and classify relevant facts well and to make the informed decisions necessary for the exercise of the supervisory function.

1) The areas of competence are listed individually in the competence profile of the Supervisory Board

2) as defined in recommendations C.6, C.7 and C.9 of the German Corporate Governance Code (DCGK) in the version of 28 April 2022

3) as defined in recommendations C.4 and C.5 of the DCGK as amended on 28 April 2022

4) as defined by section 100 paragraph 5 of the German Stock Corporation Act (AktG) and recommendation D.3 of the DCGK as amended on 28 April 2022

At the time of publication of this declaration, the Supervisory Board of CANCOM SE consists of five members, all of whom are attributable to the shareholder side. All members, namely Stefan Kober, Dr Lothar Koniarski, Prof. Dr Isabell Welpe, Uwe Kemm and Martin Wild, are independent members of the Supervisory Board within the meaning of sections C.6 and C.7 of the Code.

The Supervisory Board is committed to performing its duties with the greatest possible care. Therefore, an efficiency review of its activities takes place once a year, as was the case in the 2022 business year, which led to the conclusion that the Supervisory Board works efficiently. This self-assessment takes place in the form of a standardised questionnaire and was last carried out in the ordinary meeting on 14 December 2022.

Targets for the proportion of women

In accordance with the Act on the Equal Participation of Women and Men in Leadership Positions in the Private and Public Sector, the Supervisory Board set the target for the proportion of women on the Executive Board and the Supervisory Board for the first time on 18 September 2015. In accordance with the legal requirements, the supervisory board sets new targets and deadlines after the deadline for achieving the targets has passed. The targets for the current period for the proportion of women on the Executive Board and the Supervisory Board were set by the Supervisory Board on 18 July 2022 with a deadline for achievement of 30 June 2027.

The Supervisory Board respects the objectives pursued with the introduction of a women's quota and attaches importance to equal treatment and equal opportunities for men and women. The filling of Executive Board and Supervisory Board positions should be oriented towards the good of the company. The Supervisory Board is of the opinion that this can primarily be achieved if special emphasis is placed on the competence and qualifications of the persons. The Supervisory Board has set a target of one female member for the proportion of women on the Executive Board. The target composition of the Executive Board was not achieved in the reporting year 2022, but at the time of publication of this statement the Executive Board of CANCOM SE consists of only two persons. The Supervisory Board has set a target of two female members for the proportion of women on the Supervisory Board. This target was met in the reporting year 2022.

In accordance with the statutory requirements, the Executive Board of CANCOM SE adopted targets for the proportion of women in the first management level below the Executive Board and for the proportion of women in the second management level below the Executive Board for the first time on 30 September 2015. On 18 July 2022, the Executive Board set a target for the proportion of women in the first and second management levels below the Executive Board, to be achieved by 30 June 2027 in each case. The share of women in the first and second management level below the Executive Board is to be 30.77 percent in the first level and 36.36 percent in the second level. The stated targets for the proportion of women were achieved in the first and second management levels by 31 December 2022.

Description of the diversity concept

When selecting suitable candidates for the board, the supervisory board is guided by the diversity concept for the supervisory board and the executive board with reference to section 289f paragraph 2 no. 6 of the German Commercial Code (HGB), in addition to the described target figure for the proportion of women, the targets set by the supervisory board for the composition of the board and the competence profile. The diversity concept is intended to promote the diversity of different perspectives, life experiences and biographies on the Supervisory Board and the Executive Board. It is also in line with the CANCOM Code of Conduct, which is binding for the entire CANCOM Group and does not tolerate any discrimination based on age, disabilities, origin, gender, political stance, religion, ideology or sexual orientation.

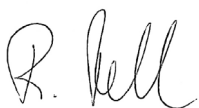
The goal of the diversity concept for the Supervisory Board is to ensure that qualified supervision of the Executive Board and its advisory support are guaranteed at all times. To this end, the Supervisory Board strives for a diverse composition of the Supervisory Board body when making new appointments and appointments to the Supervisory Board, while ensuring professional suitability. To this end, the targets set by the supervisory board for its composition in accordance with recommendation C.1 of the German Corporate Governance Code as well as the target for the proportion of women on the supervisory board set in accordance with section 111 paragraph 5 of the German Stock Corporation Act (AktG) also describe the concept with which the supervisory board as a whole strives for a diverse composition (diversity concept in relation to section 289f paragraph 2 no. 6 of the German Commercial Code (HGB)).

For the Executive Board, the diversity concept specifically aims to achieve the most suitable and promising composition of the entire Executive Board. When appointing Executive Board members, competence, qualification and suitability are the decisive criteria for the appointment. In the case of equally qualified candidates, the criterion of diversity is given special consideration.

The composition of the Board in the reporting year 2022 was in line with the objectives pursued for the composition of the Board and thus also with the diversity concept. The diversity in the composition of the Executive Board in the reporting year 2022 is reflected in particular in the different professional backgrounds, areas of activity and individual horizons of experience. When assessing the current diversity on the Executive Board, it should be noted that the Executive Board of CANCOM SE consisted of only two members at the end of the reporting year 2022 and remains unchanged at the time of this declaration.

Munich, 28 March 2023

CANCOM SE



For the Executive Board
Rüdiger Rath



For the Supervisory Board
Stefan Kober

This is a translation of CANCOM SE's Declaration on Corporate Governance. Only the German version of the declaration legally binding. Every effort was made to ensure the accuracy of the translation, however, no warranty is made as to the accuracy of the translation and the company assumes no liability with respect thereto. The company cannot be held responsible for any misunderstandings or misinterpretation arising from this translation.