

# CORPORATE GOVERNANCE STATEMENT

pursuant to sections 289f and 315d  
of the German Commercial Code



In the corporate governance statement pursuant to sections 289f and 315d of the German Commercial Code (HGB), the Management Board and Supervisory Board of AUTO1 Group SE (hereinafter also referred to as the "**Company**") report on the principles of corporate management and corporate governance of the Company. The statement includes, in addition to the declaration of compliance pursuant to section 161 of the German Stock Corporation Act (AktG), relevant information on corporate governance practices, the composition and working methods of the Management Board and Supervisory Board as well as the Supervisory Board committees. The corporate governance statement pursuant to sections 289f and 315d of the German Commercial Code (HGB) is also part of the combined management report.

## Declaration of Compliance

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### AUTO1 Group SE Declaration of Compliance pursuant to section 161 of the German Stock Corporation Act (AktG)

The Management Board and the Supervisory Board of AUTO1 Group SE with its registered office in Munich (the "**Company**"), declare that the Company, since the latest declaration of compliance dated February/March 2022, has complied with the recommendations of the "Government Commission German Corporate Governance Code" (Code) in the version of 16 December 2019, published by the Federal Ministry of Justice and Consumer Protection in the official section of the Federal Gazette (Bundesanzeiger) with the following exceptions:

- **Section F.2 of the Code – Reporting:** With respect to the consolidated financial statements, the group management report as well as any mandatory interim financial information required under statutory laws or applicable stock exchange rules, in each case to be published in, or to be prepared for, the fiscal years 2021 and 2022, the Company has decided, in deviation from Section F.2 of the Code, to publish the respective financial information within the respective publication periods stipulated by mandatory law or the applicable stock exchange rules for such financial information. The Company believes that a publication within such periods will sufficiently satisfy the need for information of the shareholders, creditors and other stakeholders as well as the public.

- **Sections G.7, G.9, G.10 sentence 2 and G.11 of the Code – Remuneration of Management Board Members:**

The variable long-term remuneration of the member of the Management Board, Mr. Markus Boser, comprises a certain number of shares in the Company which, following the completion of the public offering (the "**Offering**") of the shares in the Company and their admission to trading on the regulated market of the Frankfurt Stock Exchange, will remain subject to certain vesting provisions and transfer restrictions (the "**Restricted Shares**"). The Restricted Shares have been issued to Mr. Boser prior to the Offering as a long-term incentive with a performance component related to the company valuation underlying the Offering and, based on such valuation, the number of Restricted Shares has been adjusted accordingly. While the value of the Restricted Shares will continue to be linked to the share price development following completion of the Offering, no additional performance components with respect to operating or strategic targets as contemplated by the recommendations in Sections G.7 and G.9 of the Code will apply for periods following completion of the Offering. In addition, the vesting schedule of the Restricted Shares provides for a staggered vesting over a four-year period (i.e., in deviation from the recommendation in Section G.10 sentence 2 of the Code, parts of the long-term remuneration will be accessible to Mr. Boser prior to the expiry of a four-year period). Finally, in deviation from the recommendations in Section G.11 of the Code, following the completion of the Offering (and with the exception of a potential forfeiture of parts of the long-term remuneration in accordance with applicable vesting provisions), the variable remuneration of Mr. Boser will not be subject to any adjustments by, or retention or right to reclaim of, the Supervisory Board. Given that the non-compliance of the remuneration of Mr. Markus Boser with the aforementioned recommendations of the Code results from the fact that the variable long-term remuneration was granted as a long-term incentive which, except for the continued application of vesting provisions, has finally accrued prior to completion of the Offering, the Company deems it adequate not to apply additional restrictions.

Further, the Management Board and the Supervisory Board of the Company declare that, in the future, the Company will comply with the recommendations of the Code in the version dated 28 April 2022 with the aforementioned exceptions; with respect to the recommendation of Section F.2 of the Code, starting with the consolidated financial statements and the group management report to be published for the fiscal year ending December 31, 2023, the Company intends to comply

with the publication timeline provided for in Section F.2 of the Code. However, any mandatory interim financial information required under statutory laws or applicable stock exchange rules shall continue to be published within the respective publication periods stipulated by mandatory law or the applicable stock exchange rules for the reasons stated above. In case of doubt, the German version shall prevail.

*Berlin, February 2023*

The Management Board and the Supervisory Board of AUTO1 Group SE

## Remuneration Report

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The remuneration report for the financial year 2022 and the auditor's report pursuant to section 162 of the German Stock Corporation Act (AktG), the applicable remuneration system for members of the Management Board pursuant to section 87a para. 1 and para. 2 sentence 1 of the German Stock Corporation Act (AktG), and the most recent remuneration resolution of the Annual General Meeting for members of the Supervisory Board pursuant to section 113 para. 3 of the German Stock Corporation Act (AktG) will be published on the Company's website at <https://ir.auto1-group.com/websites/auto1/English/6900/corporate-governance.html>.

## Relevant Disclosures on Corporate Governance Practices

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The corporate governance of the AUTO1 Group is determined by the applicable legal requirements and the internal corporate guidelines that go beyond the legal requirements and are based on responsible, value-oriented and transparent principles. AUTO1 Group also takes into account the recommendations of the German Corporate Governance Code in its corporate governance.

This means that the foundation of the AUTO1 Group's corporate success is based on the lawful and responsible actions of all employees and managers on the one hand, and on mutual respect and trust on the other. In accordance with the applicable Code of Conduct, all employees of the AUTO1 Group are obligated to act in a risk-conscious and responsible

manner and with integrity. The Code of Conduct summarizes the key guidelines and policies and also includes the moral and legal standards of the AUTO1 Group to be observed by every employee. Furthermore, the Code of Conduct states that AUTO1 Group does not accept corruption or bribery in its business dealings. This standard is set out in the Anti-Corruption and Bribery Policy, which reflects AUTO1 Group's values as well as all applicable laws and internationally recognized principles against corruption and bribery. The Anti-Corruption and Bribery Policy applies, without exception, to all employees, freelancers and/or any other person acting on behalf of AUTO1 Group.

The Code of Conduct and the Anti-Corruption and Bribery Policy are published on the Company's Investor Relations website under the heading "Corporate Governance" <https://ir.auto1-group.com/websites/auto1/English/6900/corporate-governance.html>.

Great importance is attached to the principles of good corporate governance. To reinforce good corporate governance, the AUTO1 Group has various institutions in place, in particular a compliance team, a comprehensive risk management with risk monitoring system as a component, and an accounting-related internal control system, which also cover sustainability-related objectives. A detailed description of the measures relating to sustainability, environmental concerns, employee concerns, social concerns, respect for human rights as well as the fight against corruption and bribery and other relevant topics are published in the Company's non-financial report.

In detail, the corporate governance of the AUTO1 Group is as follows:

## Working methods of the Management Board and Supervisory Board

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The Company is a dualistic European stock corporation (Societas Europaea (SE)) with its registered office in Munich. As an SE with its registered office in Germany, AUTO1 Group SE is subject to European and German SE regulations and continues to be subject to German stock corporation law. The Management Board and Supervisory Board work together in a spirit of trust for the benefit of the Company and exchange information on a regular basis. The Management Board is the management body and is responsible for the management

and conduct of business of the Company. The Supervisory Board is the controlling and monitoring body of the Company, advising and supervising the Management Board in the management of the business.

### Functioning of the Management Board

The Management Board manages the Company on its own responsibility in accordance with the statutory provisions, the Company's Articles of Association ("Articles of Association") and the Rules of Procedure for the Management Board, which were adopted by the Supervisory Board on 23 January 2021 and last amended on 14 September 2021 ("Rules of Procedure for the Management Board"). In its management activities, the Management Board also takes into account the recommendations of the German Corporate Governance Code. The Management Board is committed to the interests of the Company, in particular to increasing the sustainable value of the Company. The Management Board develops the strategic direction of the Company, regularly coordinates it with the Supervisory Board and ensures its implementation. In addition to long-term economic goals, the corporate strategy also takes appropriate account of ecological and social objectives. Corporate planning includes corresponding financial and sustainability-related targets. The Management Board shall establish an appropriate risk management system and a compliance management system aligned with the Company's risk situation. The Management Board reports to the Supervisory Board regularly, promptly and comprehensively, both in regular meetings and, as required, outside of meetings. It performs its management duties as a collegial body – but with individual areas of responsibility assigned to the individual members of the Management Board. Notwithstanding the Management Board's overall responsibility for management, the two Management Board members manage the departments assigned to them on their own responsibility within the framework of Management Board resolutions. The allocation of responsibilities between the Management Board members is based on the Management Board's Rules of Procedure. According to these, the two members of the Management Board of the Company were responsible for the following departments in the financial year 2022:

Christian Bertermann (Chairman of the Management Board, CEO):

- Strategy,
- Communications,
- Human Resources,
- Marketing,

- Purchasing,
- Sales,
- Technology.

Markus Boser (CFO):

- Legal,
- Accounting,
- Corporate Finance,
- Tax,
- Treasury,
- Compliance,
- Risk Management.

The Rules of Procedure of the Management Board regulate the work of the Management Board in detail. Section 2 para. 7 of the Rules of Procedure of the Board of Management provides that the following issues shall be decided by the entire Management Board:

- To the extent legally required, the preparation of the annual financial statements, the consolidated annual financial statements, the management report and the group management report.
- The convening of the Annual General Meeting, the proposed resolutions and on submissions pursuant to section 119 para. 2 of the German Stock Corporation Act (AktG).
- Measures requiring the approval of the Supervisory Board.
- Fundamental issues relating to organization, business policy and planning within the meaning of section 90 para. 1 no. 1 of the German Stock Corporation Act (AktG).
- Measures for the implementation and control of a monitoring system within the meaning of section 91 para. 2 of the German Stock Corporation Act (AktG).
- Declaration of Compliance pursuant to section 161 of the German Stock Corporation Act (AktG).
- Matters submitted by a Management Board member to the full Management Board for decision.

- All matters not already assigned to the area of responsibility of a Management Board member by the schedule of responsibilities in the Rules of Procedure of the Management Board.
- Reporting to the Supervisory Board as well as interim and quarterly reporting of the Company.
- Introduction, amendment and/or repeal of internal company guidelines applicable and relevant to all employees of the AUTO1 Group.

Furthermore, the Rules of Procedure of the Management Board and the Articles of Association stipulate that certain transactions of fundamental importance require the prior approval of the Supervisory Board. Meetings of the Management Board are generally held once a week. The Management Board reports to the Supervisory Board regularly, promptly and comprehensively, both at regular meetings and as required outside meetings, on the net assets, financial position and results of operations of the Company and the Group, as well as on issues relating to risk management and internal control systems.

#### Functioning of the Supervisory Board

The Supervisory Board continuously monitors the Management Board and advises it on all matters of importance to the Company. It cooperates with the Management Board in a spirit of trust for the benefit of the Company and is involved in all decisions of fundamental importance. The duties and rights of the Supervisory Board are determined by the statutory provisions, the Articles of Association, the Rules of Procedure for the Supervisory Board dated 23 January 2021, last amended on 9 June 2022 ("Rules of Procedure for the Supervisory Board") and the Rules of Procedure for the Management Board. It appoints the members of the Management Board and is responsible for their possible dismissal. In addition, the Supervisory Board works together with the Management Board to ensure long-term succession planning for the Management Board by discussing this with the members of the Management Board at an early stage in advance of any pending extension of Management Board service contracts. The work of the Supervisory Board takes place both in plenary sessions and in committees. The work of the committees is intended to increase the efficiency of the Supervisory Board's activities. The chairpersons of the committees report regularly to the full Supervisory Board on the work of the respective committee. According to its Rules of Procedure (section 5 para. 1 sentence 1), the Supervisory Board must hold at least two (2) meetings per calendar half-year. Otherwise, it holds meetings if the interests of the Company so require. Five (5) regular Supervisory Board meetings are currently planned for the calendar year 2023.

#### Composition and competence profile of the Supervisory Board

The Supervisory Board shall collectively possess the skills and expertise considered essential in view of the activities of the AUTO1 Group. These include, in particular, experience and knowledge

- in the management of an internationally active company;
- in the areas of ecommerce/online trading and the trading in motor vehicles;
- in marketing and branding;
- in the area of human resources;
- in the area of financial and capital markets;
- in the area of corporate governance and compliance;
- in risk management, controlling and internal auditing;
- in accounting and financial reporting;
- in auditing; and
- in the areas of environmental, social and governance (ESG) as well as sustainability, in particular environmental concerns.

In view of the requirements of section 100 para. 5 and section 107 para. 4 sentence 3 of the German Stock Corporation Act (AktG), at least one member of the Supervisory Board and of the Audit and Risk Committee must have expertise in the field of financial reporting and at least one further member of the Supervisory Board and of the Audit and Risk Committee must have expertise in the field of auditing and the members of the Supervisory Board as a whole must be familiar with the sector in which the Company operates.

The status of the implementation of the competence profile is disclosed below in the form of a qualification matrix.

## Qualification Matrix Supervisory Board (C.1 German Corporate Governance Code)

	Management experience regarding an internationally active company	Ecommerce/ Online trading/ Trading in motor vehicles	Marketing & Branding	Human Resources	Financial and Capital Markets	Corporate Governance & Compliance	Risk management/ Controlling/ Internal Auditing	Expertise in the areas Accounting and Financial Reporting, also within the meaning of sec. 100 para. 5 of the German Stock Corporation Act (AktG)	Expertise in the area of Auditing, also within the meaning of sec. 100 para. 5 of the German Stock Corporation Act (AktG)	ESG/ Sustainability with a focus on environmental concerns
Dr. Gerhard Cromme	+	+	+	+	+	+	+	+	+	+
Hakan Koç	+	+	+	+	+	+	+	+	+	+
Gerd Häusler	+	+	-	+	+	+	+	+	+	+
Sylvie Mutschler von Specht	+	+	+	+	+	+	-	-	-	+
Lars Santelmann	+	+	+	+	+	+	+	+	+	+

### Composition and working methods of the committees of the Supervisory Board

In the financial year 2022, the Supervisory Board had a total of four committees: the Audit and Risk Committee ("Audit Committee"), the Presidential and Nomination Committee ("Presidential Committee") and, since 9 June 2022, an ESG Committee and a Marketing and Branding Committee ("Marketing Committee").

The Audit Committee has the following specific responsibilities, in particular:

- Audit of accounting, monitoring of the accounting process, the effectiveness of the internal control system, the risk management system, and the internal audit system, as well as the audit of the financial statements, in particular the selection and independence of the auditor, the quality of the audit and the additional services provided by the auditor, and compliance;
- Preparation of the Supervisory Board's resolutions in connection with (i) the annual and consolidated financial statements and (ii) the Supervisory Board's resolution proposal to the Annual General Meeting for the election of the auditor;
- Discussion of the financial reporting during the year with the Management Board and, if applicable, the auditor;
- Appointment of the auditor and cooperation with the auditor.

The members of the Audit Committee are Gerd Häusler (Chairman), Dr. Gerhard Cromme and Andrin Bachmann (until 9 June 2022) and Lars Santelmann (since 20 July 2022).

Gerd Häusler, Dr. Gerhard Cromme and Lars Santelmann have expertise in financial reporting and auditing within the meaning of sections 100 para. 5 and 107 para. 4 sentence 3 of the German Stock Corporation Act (AktG). In the course of his career, Gerd Häusler has held various positions in several banks, most recently as Chairman of the Management Board of Bayerische Landesbank and then as its Chairman of the Supervisory Board. Since 2014, Gerd Häusler has been a member of the Supervisory Board of Münchener Rückversicherungs-Gesellschaft AG. For many years, Gerhard Cromme was Chairman of the Management Board of ThyssenKrupp AG and subsequently its Supervisory Board Chairman. He also held various Supervisory Board positions in Germany and abroad (including Siemens AG: Chairman of the Audit Committee, Chairman of the Supervisory Board; Allianz SE: Chairman of the Audit Committee). Lars Santelmann was a member of the Management Board of Volkswagen Financial Services AG for many years and most recently served as its Chairman. Against this background, all three of the aforementioned members of the Audit Committee have acquired or gained extensive knowledge and experience both in the application of accounting principles and internal control and risk management systems and in the auditing of financial statements, as well as in sustainability reporting and its auditing, and consequently have expertise in the fields of financial reporting and auditing.

The Presidential Committee discusses key issues and prepares Supervisory Board resolutions, in particular on the following matters:

- Resolutions of the Supervisory Board on the objectives of its composition and the competence profile;
- Preparation of the self-assessment of the Supervisory Board and its committees;
- Preparation of the resolution of the Supervisory Board pursuant to sections 87a and 162 of the German Stock Corporation Act (AktG).

In its function as Nomination Committee, the Presidential Committee also nominates suitable candidates to the Supervisory Board for its proposals to the Annual General Meeting for the election of Supervisory Board members and prepares the corresponding resolutions of the Supervisory Board.

The members of the Presidential Committee are Dr. Gerhard Cromme (Chairman), Gerd Häusler and Hakan Koç.

The ESG Committee (formed 9 June 2022) has the following specific responsibilities, in particular:

- Monitoring and advising the Management Board on environmental, social and governance ("ESG Matters");
- Monitoring the Management Board's measures to implement ESG Matters and establishing a monitoring system for ESG Matters as deemed necessary.

Members of the ESG Committee are Lars Santelmann (Chairman), Hakan Koç and Sylvie Mutschler von Specht.

The Marketing Committee (formed 9 June 2022) has the following specific responsibilities, in particular:

- Monitoring and advising the Management Board on marketing, branding, product placement, advertising and external relations ("Marketing Matters");
- Monitoring measures to implement Marketing Matters.

Members of the Marketing Committee are Vassilia (Nelly) Kennedy (until 13 January 2023) (Chairwoman), Hakan Koç and Sylvie Mutschler von Specht.

### Self-assessment of the Supervisory Board

The Supervisory Board shall regularly assess how effectively the Supervisory Board as a whole and its committees perform their duties. In the reporting year, the Supervisory Board carried out a comprehensive self-assessment in October 2022 with the help of a questionnaire prepared by an external advisor, in particular on the effectiveness of the working methods of the Supervisory Board and its committees (e.g., internal organization of the Supervisory Board, reporting by the Chairman of the Supervisory Board or the committee chairpersons). The results of the questionnaires completed by the Supervisory Board members were discussed in detail at the meetings of the Presidential Committee on 31 October 2022 and 21 February 2023, and at the Supervisory Board meeting on 21 February 2023. The self-assessment confirms trusting and professional cooperation within the Supervisory Board and between the Supervisory Board and the Management Board. Both the composition and internal organization of the Supervisory Board and its committees and the cooperation between the Supervisory Board and the Management Board are assessed as efficient and effective. No fundamental need for change has arisen. However, individual suggestions from the self-assessment were taken up and implemented.

### Internal control and risk management system (ICS)

Process-independent monitoring of the implemented internal control and risk management system is performed by the AUTO1 Group's internal audit department. As part of its risk-oriented audit planning, it assesses the appropriateness and effectiveness of the implemented governance processes and systems.

The Management Board and the Audit Committee are regularly informed about the internal audits, the results of the ICS audits and the opportunity and risk inventory, and their further developments.

Further details of the internal control and risk management system are described in the combined management report. In the course of its monitoring activities, the Management Board has no information that would speak against the appropriateness and effectiveness of the implemented internal control and risk management system in the period from 1 January to 31 December 2022.

## Target Figures for the Proportion of Women in Management Board and Supervisory Board

Currently, the Management Board of the Company consists of a total of two male members. The current term of appointment of the current members of the Management Board will end upon expiry of 31 December 2025. A change in the composition of the Management Board is not currently planned.

In accordance with the Articles of Association, the Supervisory Board of the Company consists of six members, all of whom are elected by the Annual General Meeting. Until 13 January 2023, the Supervisory Board included two women; currently, the Supervisory Board includes only one woman as Vassilia (Nelly) Kennedy prematurely resigned from her office as a member of the Supervisory Board. The regular term of office of the members of the Supervisory Board runs until the Company's Annual General Meeting in 2024 or, in one case, until the Company's Annual General Meeting in 2026. The aim is for the Supervisory Board to again include two women within 2023.

The Supervisory Board of the Company has determined the following target figures for the proportion of women in the Management Board and Supervisory Board and the following deadlines for achieving them:

1. As target figure for the proportion of women in the Management Board the following is determined:

- The proportion of women in the entire Management Board shall amount to at least 1/4 and
- the Management Board shall include at least one woman.

The deadline for the achievement of the target figure ends on 1 January 2026.

2. As target figure for the proportion of women in the Supervisory Board the following is determined:

The target figure for the proportion of women in the Supervisory Board is set at least at 1/3, i.e. at least two women should be members of the Supervisory Board.

The deadline for the achievement of the target figure ends on 30 June 2026.

In January 2021, the Supervisory Board set a target figure for the Supervisory Board that the proportion of women in the Supervisory Board as a whole should be at least 1/3 and that at least two women should be members of the Supervisory Board, and that the deadline for achieving the target figure ends on 1 January 2023. This target figure was met as of 1 January 2023.

Due to the lack of management levels below the Management Board of the Company, there is currently no obligation of the Management Board pursuant to section 76 para. 4 of the German Stock Corporation Act (AktG) to set targets for the proportion of women in the two management levels below the Management Board.

In addition to the statutory requirements, the Management Board has set target figures at Group level for the proportion of women in the two management levels below the Management Board.

## Diversity Concept

The diversity concept of the AUTO1 Group stipulates that aspects of age, gender, educational and professional background are taken into account in the composition of the Management Board and the Supervisory Board.

All members must have basic general qualifications, such as experience already gained in various bodies, and be suitable for the management and specific situations and tasks of the Company. At the same time, the members of the Management Board and the Supervisory Board should have different professional and educational backgrounds. Leadership experience must also be present for suitability in this position.

The aim of this diversity concept is to ensure that the members of the Company's corporate bodies have the necessary knowledge, skills and professional experience to properly perform their duties in these important positions and to adequately steer and manage the Company.

The implementation of the diversity concept is ensured through careful analysis of existing and future corporate challenges and goals. For example, the identification of suitable candidates for the Management Board and Supervisory Board as well as the size of the committees is regularly reviewed and adjusted if necessary. In addition, the diversity concept is used as a basis for long-term planning when appointing members to the boards and is thus part of the long-term corporate strategy of the AUTO1 Group.



With regard to diversity, the Supervisory Board strives to take into account different professional and international experiences in its composition and to comply with the defined target figure for the proportion of women.

With regard to the proportion of women in the Management Board and Supervisory Board, the diversity concept provides for the target figures described above. The diversity concept also provides for a balanced age structure. An age limit is set for the balance. For example, members of the Supervisory Board should not be older than 70 at the beginning of their term of office. Members of the Management Board should not be older than 67 at the end of their term of appointment.

#### **Note**

This document is an English language translation of the German document. In case of discrepancies, the German language document is the sole authoritative and universally valid version.

*28 March 2023*