

Corporate governance at CANCOM and Corporate Governance Statement in accordance with Sections 315d and 289f HGB

The Executive Board and Supervisory Board of CANCOM SE hereby issue the 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 (GCGC) in its current version dated 28 April 2022.

Corporate Governance

Sustainable and responsible corporate governance is a high priority at CANCOM as part of the corporate culture. The Executive Board and Supervisory Board of CANCOM SE work closely together in the interests of the company and the entire CANCOM Group. 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. It thus forms the basis for long-term economic success. The guiding principle here is the German Corporate Governance Code in its current version. At the Supervisory Board meeting on 12 December 2023, the Supervisory Board and Executive Board adopted the following joint declaration of conformity by the Executive Board and Supervisory Board of CANCOM SE in accordance with Section 161 German Stock Corporation Act (AktG):

The Executive Board and the Supervisory Board of CANCOM SE declare in accordance with Section 161 AktG that since the last Declaration of Conformity was issued on 14 December 2022, all recommendations of the Government Commission on the German Corporate Governance Code in the version dated 28 April 2022, published in the Federal Gazette on 27 June 2022, have been complied with without exception and will be complied with in the future.

As with corresponding declarations from previous years, the joint declaration of conformity is permanently available to the public on the website www.cancom.com in the Investors section under Corporate Governance.

CANCOM SE's remuneration report for the 2023 financial year with the auditor's report is also published at the same location. The applicable remuneration system in accordance with Section 87a (1) and (2) sentence 1 of the German Stock Corporation Act (AktG) and the previous year's remuneration report can be accessed at the same location.

The remuneration of the Supervisory Board was last adjusted by the resolution of the Annual General Meeting on 14 June 2023 and the Articles of Association of CANCOM SE were amended accordingly. The proposed resolution to the Annual General Meeting under agenda item 7 is published on the website www.cancom.com in the Investors section under the menu item Annual General Meeting 2023.

Principles and guidelines of corporate behaviour (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. It reflects the Executive Board's goal of strengthening ethical standards throughout the company and creating a working environment based on integrity, respect and fair behaviour. The Code of Conduct takes into account the principles of the UN Global Compact and is based on the principles of the Universal Declaration of Human Rights and the standards derived from it, including in particular the OECD Guidelines for Multinational Enterprises, the International Labour Organization (ILO) Declaration on Fundamental Rights and Principles at Work and the UN Guiding Principles on Business and Human Rights. The Code of Conduct is the basis for CANCOM's corporate behaviour and applies throughout the CANCOM Group. CANCOM has its own Group-wide compliance system to ensure that its employees and executive bodies comply with the Code of Conduct. The Code of Conduct is publicly available on the company's website www.cancom.com in the Investors section under Corporate Governance.

In addition, the actions of the Supervisory Board and Executive Board as well as all employees are guided by the company's own corporate governance guidelines that apply to the entire CANCOM Group, namely the guidelines for human rights, anti-harassment, political dialogue and representation of interests, diversity and inclusion as well as anti-corruption. CANCOM involves its suppliers by means of a declaration of commitment, among other things. This makes the principles of the UN Global Compact, compliance with laws and regulations and good corporate governance the basis of the CANCOM Group's business relationships. The aforementioned guidelines and declarations are publicly available on the company's website www.cancom.de in the Investors section under Corporate Governance.

Close cooperation between the Executive Board and Supervisory Board

The working methods of the Executive Board and Supervisory Board are based on the relevant laws, the German Corporate Governance Code, the By-Laws 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 By-Laws and the rules of procedure for the Executive Board and Supervisory Board are publicly available on the company's website at www.cancom.com in the Investors section under Corporate Governance. The documents relating to the Annual General Meetings of previous years 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 aim of sustainable value creation. 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 informed of important measures and events in their business areas. The principles of cooperation within the Executive Board of CANCOM SE are summarised in the rules of procedure for the Executive Board. These rules govern in particular the matters reserved for the full Executive Board, 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 required majorities for resolutions, as well as the type of transactions that require the approval of the Supervisory Board. In addition, the rules of procedure for the Executive Board govern reporting to the Supervisory Board. At the time this declaration was issued, the Executive Board of CANCOM SE consisted of three members.

The Executive Board informs the Supervisory Board regularly, promptly and comprehensively about all aspects of business development, significant business transactions, planning, the risk situation, risk management and compliance that are of importance to the CANCOM Group. 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 members of the Executive Board and determines their respective remuneration. In accordance with the Articles of Association, the Supervisory Board of CANCOM consists of six members. The principles of cooperation within the Supervisory Board of CANCOM SE are set out in the rules of procedure for the Supervisory Board. These rules govern, among other things, the election of the Chairman and Deputy Chairman, the convening of meetings and their procedure, the authorised types of resolutions 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 Supervisory Board committees: the Audit Committee and the Nomination Committee. The Audit Committee, which at the time of publication of this declaration consists of the Supervisory Board member Dr. Ilias Läber (Committee Chairman), the Supervisory Board Chairman Mr Klaus Weinmann (Deputy Committee Chairman) and the Supervisory Board member Prof. Dr. Isabell Welpé (Member). Isabell Welpé (member), 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 audit focal points and the fee agreement as well as compliance. The Audit Committee's extended remit also includes implementing the provisions of the German Audit Reform Act (EU Regulation). Mr. Klaus Weinmann has been appointed as an expert Supervisory Board member for the area of accounting in accordance with Section 100 (5) AktG and has extensive experience in the areas of accounting, auditing and internal control and auditing systems due to his many years of service in various Supervisory Board and corporate management positions. Dr. Ilias Läber has been appointed as an expert Supervisory Board member for auditing in accordance with Section 100 (5) AktG. Dr. Läber has acquired extensive knowledge in the areas of auditing and accounting due to his academic qualifications and his many years of service on various boards. He also has experience with internal control systems, internal risk management and compliance. Prof. Isabell Welpé brings extensive knowledge in the areas of auditing, internal auditing, risk management and compliance to the Supervisory Board from her academic career and several Supervisory Board mandates.

At the time of publication of this declaration, the Nomination Committee consists of the Chairman of the Supervisory Board Mr. Klaus Weinmann (Committee Chairman), the Deputy Chairman of the Supervisory Board Mr. Stefan Kober (Deputy Committee Chairman) and Supervisory Board member Prof. Dr. Isabel Welpé. 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 regularly report 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 2023 Annual Report.

The cooperation between the Executive Board and the Supervisory Board also includes the topic of long-term succession planning. The Supervisory Board is in regular dialogue with members of the CANCOM Group's senior management in order to continuously assess the internal potential for appointments to the Executive Board and to develop existing potential. This continuous dialogue with senior management and the discussion of long-term succession planning in 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 Executive Board service contracts stipulate that a decision on the extension or termination of a service contract must be made at least nine months before it 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 has been set for members of the Executive Board.

Expertise 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 developed a profile of skills and expertise for the entire Board. For its composition, it should take appropriate account of the company's international activities, potential conflicts of interest, the number of independent Supervisory Board members, an age limit to be specified for Supervisory Board members and a regular 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 should be proposed for election to the Supervisory Board of CANCOM SE. The Supervisory Board last reviewed and updated the skills profile at its ordinary meeting on 21 March 2024.

In accordance with recommendation C.1 of the GCGC, the Supervisory Board discloses the implementation of the skills profile and, in accordance with D.3 of the GCGC, the expert members with regard to accounting, auditing and environmental, social and governance issues in the following skills matrix. From the perspective of the Supervisory Board, the criteria set out in the competence profile are fulfilled with the composition of the current 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.

		Klaus Weinmann	Stefan Kober	Dr. Kari Kapsch	Prof. Dr. Isabell Welpé	Dr. Ilias Läber	Dr. Swantje Schulze
Duration of term	Beginning of term	2023	2019	2023	2019	2024	2023
	End of term	2024	2024	2024	2024	2024	2024
Personal suitability	Independence ²⁾	•	•	•	•	•	•
	No overboarding ³⁾	•	•	•	•	•	•
Diversity	Year of birth	1969	1970	1964	1975	1974	1969
	Gender	male	male	male	female	male	female
	Nationality	German	German	Austrian	German	Swiss	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	•	•		•	•	
	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	•	•	•	•	•	•
	Experience in M&A and investment management	•	•	•		•	
	Experience in restructuring	•		•			•
	Expert auditing ⁴⁾					•	
	Expert controlling ⁴⁾	•					
	Expert environment, social, governance				•		

• = 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 in the version of 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 28 April 2022

At the time of publication of this declaration, the Supervisory Board of CANCOM SE consists of six members, all of whom are shareholders. All members, namely Klaus Weinmann, Stefan Kober, Prof. Dr. Isabell Welp, Dr. Swantje Schulze, Dr. Kari Kapsch and Dr. Ilias Läber, are, in the opinion of the Supervisory Board, independent members within the meaning of Sections C.6 and C.7 of the GCGC.

The Supervisory Board endeavours to perform its duties with the greatest possible care. For this reason, an efficiency review of its activities is carried out once a year, including in the 2023 financial year, which led to the conclusion that the Supervisory Board works efficiently. This self-assessment takes the form of a standardised questionnaire and was last carried out at the ordinary meeting on 12 December 2023.

Target figures for the proportion of women

In accordance with the German Act on 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 Management Board and Supervisory Board for the first time on 18 September 2015. In accordance with legal requirements, the Supervisory Board sets new targets and deadlines after the deadline for achieving the targets has expired. The Supervisory Board resolved the targets for the current period for the proportion of women on the Management Board and 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 emphasises equal treatment and equal opportunities for women and men. Appointments to Management Board and Supervisory Board positions should be orientated towards the good of the company. The Supervisory Board is of the opinion that this can be achieved first and foremost if particular emphasis is placed on the expertise and qualifications of the individuals. The Supervisory Board has set a target of one female member for the proportion of women on the Management Board. The target composition of the Executive Board was not achieved in the 2023 reporting year. At the time of publication of this declaration, the Executive Board of CANCOM SE consists of three persons. Following the acquisition of KBC Beteiligungs GmbH (now CANCOM Austria Beteiligungs GmbH), the Supervisory Board considered it a logical step to appoint Mr Jochen Borenich, the former Chief Operating Officer at K-Businesscom AG (now CANCOM Austria AG), the operating subsidiary of KBC Beteiligungs GmbH, to the Executive Board of CANCOM SE in order to assume the central tasks of a Chief Sales Officer for the entire group of companies. In accordance with the Second Management Positions Act (FüPoG II), the minimum proportion of female members on the Executive Board is zero with a size of three members. The Executive Board of CANCOM SE achieved this minimum quota in the 2023 reporting year. 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 2023 reporting year, as in the previous year. In accordance with FüPoG II, the minimum proportion of female members on the Supervisory Board should be 30 percent. The Supervisory Board of CANCOM SE achieved this minimum quota in the 2023 reporting year.

In accordance with legal requirements, the Executive Board of CANCOM SE first 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 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, which are to be achieved by 30 June 2027. For the first management level, which consisted of 13 employees at the time the resolution was passed, the Executive Board set a proportion of four women (calculated proportion: 30.77 percent). For the second management level, which consisted of eleven employees at the time the resolution was passed, the Executive Board has set a proportion of four women (calculated proportion: 36.36 percent). The aforementioned targets for the proportion of women in the first and second management levels of CANCOM SE were achieved by 31 December 2023.

Description of the diversity concept

When selecting suitable candidates for the Supervisory Board, the Supervisory Board is guided by the diversity concept for the Supervisory Board and the Executive Board with reference to Section 289f para. 2 no. 6 HGB in addition to the target figure described for the proportion of women, the targets set by the Supervisory Board for the composition of the Board and the skills 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, disability, origin, gender, political views, religion, ideology or sexual orientation.

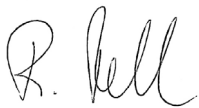
The aim of the diversity concept for the Supervisory Board is to ensure qualified monitoring of the Executive Board and its advisory support at all times. To this end, the Supervisory Board endeavours to achieve a diverse composition of the Supervisory Board when making new appointments and replacements 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 and the target set for the proportion of women on the Supervisory Board in accordance with Section 111 (5) AktG also describe the concept with which the Supervisory Board strives for a diverse composition overall (diversity concept in relation to Section 289f (2) no. 6 HGB).

For the Executive Board, the diversity concept specifically aims to achieve the most suitable and promising composition of the Executive Board as a whole. Expertise, qualifications and suitability are the key criteria for appointing members of the Executive Board. If candidates have the same qualifications, the criterion of diversity is particularly emphasised.

The composition of the Supervisory Board in the 2023 reporting year was in line with the objectives pursued for the composition of the Board and therefore also with the diversity concept. The diversity in the composition of the Executive Board in the 2023 reporting year is reflected in particular in the different professional backgrounds, areas of activity and individual horizons of experience. When assessing the current diversity of the Executive Board, it should be noted that the Executive Board of CANCOM SE consisted of three members at the end of the 2023 reporting year and remains unchanged at the time of this declaration.

Munich, Germany, 21 March 2024

CANCOM SE



For the Executive Board
Rüdiger Rath



For the Supervisory Board
Klaus Weinmann

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