

Statement on the German Corporate Governance Code in accordance with section 161 of the German Stock Corporation Act (AktG)

The Executive Board and the Supervisory Board issue the following Declaration of Compliance in accordance with section 161 AktG. The first part of the declaration refers to the Code as applicable until 20 March 2020 and the second part refers to the version applicable since that date.

I. Since submitting the last Declaration of Compliance on 3 December 2019, freenet AG has complied with the recommendations of the German Corporate Governance Code ("Code") as amended on 7 February 2017 ("2017 Code"), with the following exceptions:

1. The company has taken out D&O insurance for its board members. No deductible has been stipulated for Supervisory Board members because it is not evident that this would benefit the company. It is taken for granted that all Supervisory Board members carry out their duties responsibly. In order to treat all the Supervisory Board members equally, moreover, any deductible would have to be set at a uniform level, even though the members' personal financial backgrounds vary. A deductible would therefore not have an equal impact on the members of the Supervisory Board. As their responsibilities are the same, this does not seem appropriate. (2017 Code: clause 3.8 (3))
2. The company is highly committed to transparency in its reporting. This also applies to the remuneration of the Executive Board members, the separate components of which are disclosed and discussed individually in the remuneration report. Nonetheless, the Executive Board and Supervisory Board have decided not to use the model tables in the remuneration report to present the Executive Board's remuneration. Although the service contracts with the Executive Board members provide for caps, there is a risk that the disclosure of maximum amounts for share-based payment components creates an impression which is inconsistent with the actual assumptions for the performance of the share price. (2017 Code: clause 4.2.5 sentence 5 and 6)
3. When appointing new members to the Executive Board, the Supervisory Board so far has appointed candidates who were best suited, in particular because of their knowledge and skills acquired in the course of their many years of service in the company. In contrast, the criteria for the composition of the Executive Board mentioned in clause 5.1.2 (1) of the 2017 Code were not the focus of the Supervisory Board's attention when previous appointments were made and from the Supervisory Board's point of view were secondary to the candidate's specific suitability. (2017 Code: clause 5.1.2 (1))

4. No age limit has been set for members of the Executive Board and the Supervisory Board. It is not evident why qualified individuals with relevant professional and other experience should not be considered as candidates solely on the grounds of their age. (2017 Code: clauses 5.1.2 sentence 8 and 5.4.1 sentence 2)
5. The Supervisory Board has not set any specific targets for its composition, as defined in clause 5.4.1 (2) and 5.4.2 sentence 1 of the 2017 Code. Neither has it drawn up a profile of skills for the entire Supervisory Board for that reason. It could therefore not follow the recommendations made in clause 5.4.1 of the 2017 Code. When proposing new members for election, the Supervisory Board has so far been guided solely by their suitability. (2017 Code: clauses 5.4.1 (2), (4) and 5.4.2 sentence 1)
6. Clause 5.4.6 of the 2017 Code recommends linking performance-related remuneration for Supervisory Board members to the sustained performance of the company. The Supervisory Board's variable remuneration is set according to the dividend for the past financial year, in line with article 11 (5) of the company's articles of association. This form of variable remuneration has proven its worth in the past. (2017 Code: clause 5.4.6 (2))

II. freenet AG will comply with the recommendations of the German Corporate Governance Code as amended on 19 December 2019 and announced on 20 March 2020 ("2019 Code"), with the following exceptions:

1. Age limit for Executive Board and Supervisory Board members

- a) Recommendations B.5 and C.2:

B.5: An age limit shall be specified for members of the Executive Board and disclosed in the Corporate Governance Statement.

C.2: An age limit shall be specified for members of the Supervisory Board and disclosed in the Corporate Governance Statement.

- b) Statement of non-compliance:

The Supervisory Board has not specified an age limit for members of the Executive Board and has not disclosed it in the Corporate Governance Statement as such a limit is not practically relevant. In view of the age structure of the current Executive Board, no change is currently envisaged.

No age limit has been specified for the members of the Supervisory Board either. The Supervisory Board does not believe that qualified individuals with relevant professional and other experience should not be considered as candidates solely on the grounds of their age. Therefore, no change is envisaged for this either.

2. Other seats held by members of the Executive Board

a) Recommendation C.5:

Members of the Executive Board of a listed company shall not hold, in aggregate, more than two Supervisory Board seats in non-group listed companies or comparable functions, and shall not accept the chairmanship of a Supervisory Board in a non-group listed company.

b) Statement of non-compliance:

The chairman of the Executive Board, Christoph Vilanek, currently is a member of two Supervisory Boards of listed companies: CECONOMY AG, Düsseldorf, and Ströer SE & Co KGaA, Cologne, where he is also chairman of the Supervisory Board. freenet AG holds an equity interest in CECONOMY AG. freenet AG therefore has an interest in being represented on the Supervisory Board of CECONOMY AG to reflect its importance for the company.

The Supervisory Board, through the personnel committee of the Supervisory Board, has approved all of Christoph Vilanek's seats and considers the time required for the external memberships to be reasonable compared with the experience gained by the chairman of the Executive Board. This also applies to his post as chairman of Ströer SE & Co KGaA.

Büdelndorf, 9 December 2020

The Supervisory Board

The Executive Board