



INNOVATION

ANNUAL GENERAL MEETING

5 MAY 2022

INFORMATION IN ACCORDANCE WITH SECTIONS 125 (2) AND (5) OF THE GERMAN STOCK CORPORATION ACT (AKTIENGESETZ – AKTG) AND ARTICLE 4 (1) AND TABLE 3 OF COMMISSION IMPLEMENTING REGULATION (EU) 2018/1212

Type of information	Description
A. Specification of the message	
1. Unique identifier of the event	GMETFNTN22RS
2. Type of message	Convening of the annual general meeting [NEWM]
B. Specification of the issuer	
1. ISIN	DE000A0Z2ZZ5
2. Name of issuer	freenet AG
C. Specification of the meeting	
1. Date of the general meeting	5 May 2022 [20220505]
2. Time of the general meeting	10:00 AM CET [08:00 AM UTC]
3. Type of general meeting	Virtual annual general meeting [GMET]
4. Location of the general meeting	https://www.fn.de/hv
5. Record date	28.04.2022 [20220428]
6. Uniform Resource Locator (URL)	https://www.fn.de/hv

The above data and other information regarding the convening of the annual general meeting in accordance with Table 3 of the Annex to Commission Implementing Regulation (EU) 2018/1212 are available to shareholders on the company's website at <https://www.fn.de/hv>.

FREENET AG BÜDELSDORF

ISIN: DE000A0Z2ZZ5

WKN: A0Z2ZZ

INVITATION TO THE ANNUAL GENERAL MEETING

Based on the German Stock Corporation Act (Aktiengesetz – AktG) and the Act on Measures in Corporate Law, the Law Governing Cooperatives, Associations and Foundations, and Residential Property Law to Combat the Effects of the COVID-19 Pandemic of 27 March 2020 as amended by the Act on the Further Shortening of Residual Debt Relief Proceedings and on the Adjustment of Pandemic-Related Provisions in Corporate Law, the Law Governing Cooperatives, Associations and Foundations, and in Tenancy and Leasehold Law of December 22, 2020 (COVID-19 Relief Act), last amended by article 15 of the Reconstruction Aid Act (Aufbauhilfegesetz) from 10 September 2021, we invite our shareholders, with the approval of the Supervisory Board, to the

ANNUAL GENERAL MEETING OF FREENET AG

to be held without the physical presence of the shareholders or their authorised representatives (with the exception of proxies appointed by the company)

ON THURSDAY, 5 MAY 2022, AT 10 AM (CET)

The entire annual general meeting will be broadcast live on the Internet for duly registered shareholders and their authorised representatives. Shareholders or their authorised representatives (with the exception of proxies appointed by the company) will have no right or opportunity to be present on site. Shareholders will be exercising their voting rights exclusively by post or by authorising the proxies appointed by the company. The venue of the annual general meeting as defined by the German Stock Corporation Act (Aktiengesetz – AktG) is Deelbögenkamp 4, 22297 Hamburg.

I. AGENDA

1. Presentation of the adopted annual financial statements, the approved consolidated financial statements as well as the management reports for freenet AG and the Group, the proposal of the Executive Board regarding the appropriation of net retained profits, the report of the Supervisory Board and the explanatory report of the Executive Board regarding the information in accordance with sections 289a (1), 315 a (1) German Commercial Code (Handelsgesetzbuch – HGB), in each case for financial year 2021

The documents listed above will be available on the company's website at

<https://www.fn.de/hv>

from the day of convening the annual general meeting and also during the annual general meeting. They will be explained by the Executive Board and – in case of the report of the Supervisory Board – by the Chairman of the Supervisory Board at the annual general meeting. The Supervisory Board has approved the annual financial statements and consolidated financial statements prepared by the Executive Board; the annual financial statements have thus been adopted. A resolution by the annual general meeting is therefore not required.

2. Resolution regarding the appropriation of net retained profits

The Executive Board and Supervisory Board propose that the net retained profits of 855,416,304.13 euros disclosed in the adopted annual financial statements of freenet AG for the period ending 31 December 2021 be appropriated as follows:

Payment of a dividend of 1.57 euros per eligible no-par-value share, i.e. 186,595,438.86 euros as the total amount of the dividend, and carrying forward the remaining amount of 668,820,865.27 euros to new account.

In EUR	
Total dividend amount	186,595,438.86
Carried forward to new account	668,820,865.27
Net retained profits	855,416,304.13

The proposal regarding the appropriation of profit takes into account the 9,210,418 treasury shares held directly and indirectly by the company at the time the resolution proposal is adopted by the Executive Board and Supervisory Board (as of 22 March 2022) and which are not

entitled to dividends pursuant to section 71b AktG.

Should the number of treasury shares change before the annual general meeting, an amended proposed resolution will be submitted to the annual general meeting, which will continue to provide for a dividend of 1.57 euros per share entitled to dividends as well as a corresponding adjustment of the total dividend amount and the profit carried forward to new account.

Pursuant to section 58 (4) sentence 2 AktG, entitlement to the dividend is due on the third business day after the annual general meeting, i.e. on 10 May 2022.

3. Resolution regarding ratification of the actions of the members of the company's Executive Board for financial year 2021

The Executive Board and the Supervisory Board propose that the actions of the members of the Executive Board listed below under a) to e) be ratified for financial year 2021:

- a) Christoph Vilanek (Chairman)
- b) Ingo Arnold (Vice Chairman)
- c) Stephan Esch
- d) Antonius Fromme
- e) Rickmann v. Platen

The intention is to have the annual general meeting decide on the ratification of the actions of the members of the Executive Board by way of separate ballots.

4. Resolution regarding ratification of the actions of the members of the company's Supervisory Board for financial year 2021

- a) Prof. Dr. Helmut Thoma (Chairman)
- b) Claudia Anderleit
- c) Bente Brandt
- d) Theo-Benneke Bretsch
- e) Sabine Christiansen
- f) Gerhard Huck
- g) Thorsten Kraemer
- h) Fränzi Kühne
- i) Knut Mackeprang (Vice Chairman)
- j) Thomas Reimann
- k) Marc Tüngler
- l) Robert Weidinger

The intention is to have the annual general meeting decide on the ratification of the actions of the members of the Supervisory Board by way of separate ballots.

5. Resolution regarding the appointment of the auditor of the annual financial statements and the auditor of the consolidated financial statements for financial year 2022 as well as the auditor for any review of the half-yearly financial report and other interim financial statements during financial year 2022 as well as financial year 2023 prior to the 2023 annual general meeting

Based on the recommendation of the audit committee, the Supervisory Board proposes that the following resolution be adopted:

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, is appointed as the auditor of the annual financial statements and the consolidated financial statements for financial year 2022 and as the auditor for any review of the interim financial report (half-yearly and quarterly financial reports) for financial year 2022 and the first quarter of financial year 2023 if and to the extent that such interim financial reports are prepared and to be reviewed prior to the 2023 annual general meeting.

In its recommendation, the Audit Committee stated that it is free from undue influence by third parties and that no restriction was imposed on it with regard to the selection of a particular auditor as defined by Article 16 (6) of Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities (AP-VO).

6. Supervisory Board elections

The term of office of the current shareholder representatives on the Supervisory Board ends at the close of the annual general meeting in 2022.

In accordance with sections 96 (1) and (2), 101 (1) AktG; sections 1 (1), 5 (1) sentence 1, 7 (1) no. 1 of the German Co-determination Act (Mitbestimmungsgesetz – MitbestG) of 1976 and Article 7 of the articles of association, the Supervisory Board consists of six members elected by the annual general meeting and six elected by the employees.

These candidates listed below are put forth based on the legal requirements and in view of the goals the Supervisory Board has set for its composition. The candidates reflect the profile of skills of the Supervisory Board and the requirements of the German Corporate Governance Code. According to the Supervisory Board's opinion, all candidates are currently considered independent in accordance with the German Corporate Governance Code.

When electing the Supervisory Board, section 96 (2) sentence 1 AktG stipulates a minimum quota of no less than 30 percent female/male members. In other words, at least 30 percent of Supervisory Board members must be women and at least 30 percent men. The employee representatives on the Supervisory Board have exercised their legal option and lodged their opposition to having the minimum quota met by a combination of shareholder and employee representatives. Therefore, the minimum quotas of 30 percent women and 30 percent men must be calculated separately for the shareholder representatives and the employee representatives on the Supervisory Board. Out of the six seats for shareholder representatives on the Supervisory Board, at least two must be occupied by women and at least two by men. If the candidates put forth by the Supervisory Board are elected, this minimum quota will continue to be met.

The proposed candidates are intended to be voted in for a term of office ending with the close of the annual general meeting that ratifies their actions for the third financial year after the start of the term of office. The option is therefore being exercised to elect shareholder representatives for a shorter term of office than the statutory maximum limit of five years. This is intended to address the expectations of investors, particularly institutional investors, and today's corporate governance requirements.

The Supervisory Board hereby puts forth the following candidates:

- a) Sabine Christiansen, Berlin, Germany
Managing Partner at TV21 GmbH, Berlin, Germany
- b) Thomas Karlovits, Zug, Switzerland
CEO and CIO of Blackwall Capital Investment AG, Zug, Switzerland
- c) Prof. Dr. Kerstin Lopatta, Springe, Germany
Professor of Accounting, Auditing and Sustainability at the University of Hamburg, Germany
- d) Marc Tüngler, Düsseldorf, Germany
Attorney-at-law and Managing Director of the Deutsche Schutzvereinigung für Wertpapierbesitz e.V. (DSW – German Association of Private Shareholders), Düsseldorf, Germany
- e) Robert Weidinger, Valley, Germany
Self-employed auditor, tax advisor and corporate finance consultant, Valley, Germany
- f) Miriam Wohlfahrt, Berlin, Germany
CEO of Banxware GmbH, Berlin, Germany

The proposed candidates are intended to be voted in for a term of office ending with the close of the annual general meeting that ratifies their actions for the third financial year after the start of the term of office. The financial year in which the term of office begins is not counted.

The candidates to the Supervisory Board are intended to be elected individually.

After surveying the proposed candidates, the Supervisory Board provides the following supplementary information on the nominations: In its assessment, none of the proposed candidates have a personal or business relationship with entities or governing bodies of the company that would require disclosure according to recommendation C.13 of the German Corporate Governance Code. The company is not aware of any shareholders with a material holding in the company within the meaning of recommendation C.13 with which a personal or business relationship could exist. The current mandates of the proposed Supervisory Board members representing the shareholders within the meaning of section 125(1) sentence 5 AktG and their CVs are provided following the Agenda in section II and are available at <https://www.fn.de/hv>.

The Supervisory Board has satisfied itself that the proposed candidates can spend the expected amount of time required to fulfil their duties.

Mr Marc Tüngler has stated that if he is elected, he is available to serve as the company's Supervisory Board Chairman.

7. Approval of the remuneration system for Executive Board members

As per section 87a AktG, the Supervisory Board of a stock exchange-listed company must approve a system for remunerating its Executive Board members ("remuneration system for Executive Board members") that describes the rules and considerations according to which the compensation for the activities to be performed by the Executive Board members of freenet AG is to be determined.

The Supervisory Board reviewed the remuneration system that the last annual general meeting on 18 June 2021 failed to approve, addressed the criticisms expressed, and then decided on a revised remuneration system for Executive Board members at its meeting on 22 March 2022. Information on this remuneration system for Executive Board members is provided following the Agenda in section III and is available at <https://www.fn.de/hv>.

In accordance with section 120a (1) AktG, the annual general meeting must approve any material amendment and give general approval at least every four years. In the event approval is not given, a vote on the remuneration system for Executive Board members must be taken at the next regularly scheduled annual general meeting in accordance with section 120a (3) AktG. Pursuant to section 120a (1) sentences 2 and 3 AktG, this resolution does not establish any rights or obligations and is not contestable pursuant to section 243 AktG.

The Supervisory Board proposes that the remuneration system for Executive Board members as of 22 March 2022 be adopted.

8. Resolution approving the remuneration report for financial year 2021

According to section 162 AktG, the Executive Board and Supervisory Board must prepare an annual remuneration report to be presented to the annual general meeting for approval as per section 120a (4) AktG.

The remuneration report was audited by the auditor of the financial statements in accordance with section 162 (3) AktG to determine whether the required information was provided as per section 162 (1) and (2) AktG. The content of the remuneration report was audited by the auditor of the financial statements, which exceeds the statutory requirements. The report on the audit of the remuneration report is included in that report. The remuneration report is provided following the Agenda in section IV and is available at <https://www.fn.de/hv>.

The Supervisory Board and Executive Board propose approving the remuneration report for financial year 2021 prepared and audited in accordance with section 162 AktG.

9. Resolution regarding the authorisation to acquire and use treasury shares in accordance with section 71 (1) no. 8 AktG, including the authorisation to retire treasury shares and reduce capital as well as the authorisation to disapply put options and pre-emption rights; cancellation of the existing authorisation

The annual general meeting of 27 May 2020 has adopted an authorisation for the acquisition of treasury shares, which has been utilised under the 2020, 2021 and 2022 share buyback programmes. A total of 9,160,418 shares in the company were repurchased on the basis of this authorisation by 22 March 2022.

In order to be able to continue to acquire and use treasury shares with adequate planning reliability in future, the Executive Board is again to be authorised to acquire treasury shares, and the currently still existing authorisation is to be cancelled in accordance with section 71 (1) no. 8 AktG.

The Executive Board and Supervisory Board therefore propose that the following resolution be adopted:

- 1) The Executive Board is authorised, with the approval of the Supervisory Board, on one or more occasions to acquire treasury shares of up to a total of 10% of the share capital existing at the time of the resolution on 5 May 2022 or, if this amount is lower, the share capital existing at the time at which the authorisation is exercised; this authorisation is applicable for every permissible purpose subject to the statutory restrictions and in line with the following requirements.

The authorisation will become effective with the resolution on 5 May 2022 and is applicable until 4 May 2027. The authorisation can be utilised by the company and also by dependent entities of the company or by entities in which the company holds a majority interest or else for its or their account by third parties engaged by the company or by such an entity.

At the choice of the Executive Board, the acquisition in each case shall be carried out (i) via the stock exchange, (ii) by means of a public offer to purchase shares, (iii) by means of a public invitation to submit offers to sell shares or (iv) by way of issuing put options to the shareholders.

- In the event of an acquisition via the stock exchange, the consideration per share paid by the company (excluding incidental purchasing costs) must not be more than 10% higher or lower than the average of the share price of the company in the closing auction in electronic trading on the

Frankfurt Stock Exchange on the three market trading days preceding the day on which the obligation to purchase shares is taken on.

- In the event of a public invitation to submit offers to sell shares, the consideration per share paid by the company (excluding incidental purchasing costs) must not be more than 10% higher and must not be more than 20% lower than the average of the share price of the company in the closing auction in electronic trading on the Frankfurt Stock Exchange on the last three market trading days preceding the reference date; the reference date is the date on which the Executive Board definitively makes a formal decision on publication of the request to submit offers to sell shares or its adjustment. The company may prescribe a purchase price range.
- In the event of a public offer to purchase shares or an acquisition by way of granting put options, the consideration per share paid by the company (excluding incidental purchasing costs) must not be more than 10% higher or more than 20% lower than the average of the share price of the company in the closing auction in electronic trading on the Frankfurt Stock Exchange on the last three market trading days preceding the reference date. The reference date is the date of publication of the public purchase offer or of the purchase offer subject to the grant of put options or of the respective adjustment.

If, after the publication of a public offer to purchase shares or a public invitation to submit offers to sell shares or after the granting of put options, the share price differs considerably from the offered purchase or selling price or the limits of any purchase or selling price range, the offer to purchase shares, the invitation to submit offers to sell shares or the put options can be adjusted. In this case, the relevant amount is based on the corresponding price on the last market trading day before the publication of the adjustment; this amount is subject to the condition that the price which is paid must not be more than 10% higher or more than 20% lower than the averages detailed above.

The volume of a public offer to purchase shares or a public invitation to submit offers to sell shares can be limited. If a public offer to purchase shares or if a public invitation to submit offers to sell shares is oversubscribed, the acquisition or the acceptance must be scaled down in the ratio of the respective shares which are offered and which have to be taken into consideration (tendering ratios), with a potential right of the shareholders for tendering their shares being partially disappplied. In addition,

a provision may be made for preferential acquisition or preferential acceptance of small quantities of up to 50 tendered shares per shareholder as well as rounding in accordance with commercial principles with a potential right of shareholders for tendering their shares being partially disapplied.

The volume of the put options which overall are offered to the shareholders can also be limited. If put options are granted to the shareholders for the purpose of the acquisition, these put options are allocated to the shareholders in the ratio of their shareholding compared with the ratio of the volume of shares to be repurchased by the company to the share capital. Fractions of put options do not have to be allocated; any partial put options are disapplied for this case.

The Executive Board is responsible for defining the details of the respective acquisition, in particular any offer to purchase shares or any invitation to submit offers to purchase shares. This is also applicable for the details regarding any put options, particularly with regard to the contents, the term and where appropriate their negotiability. Due consideration also has to be given to restrictions and requirements of capital market law and other statutory restrictions and requirements.

2) The Executive Board is authorised to use the treasury shares acquired on the basis of this authorisation or previous authorisations as follows:

- a) The shares can be sold via the stock exchange or via a public offer to all shareholders in the ratio of their shareholding; in the case of an offer to all shareholders, the pre-emption right for fractions is disapplied.
- b) The shares can also be sold otherwise in return for cash payment at a price which is not significantly lower than the market price of the shares of the company with the same terms at the time of the sale. The proportionate amount of the share capital attributable to the number of shares sold under the terms of this letter b) must not exceed 10% of the share capital existing at the time of the adoption of the resolution of the annual general meeting regarding this authorisation or – if this is lower – the share capital of the company existing at the time at which this authorisation is exercised. The proportionate amount of the share capital of new shares which have been issued after the adoption of the resolution of the annual general meeting regarding this authorisation up to the point of the disposal of the shares under this letter b) as a result of authorisations for issuing shares out of authorised capital subject to the disapplication of pre-emption rights in accordance with sections 203 (1), 186 (3) sentence 4 AktG must be netted against the 10% limit. The proportionate amount of the share

capital which is attributable to shares which can be issued and/or are issued as a result of bonds with an option or conversion right or an option or conversion obligation or a stock delivery right of the company, to the extent that these bonds have been issued as a result of authorisations in accordance with sections 221 (4), 186 (3) sentence 4 AktG since the adoption of the resolution of the annual general meeting regarding the authorisation up to the point at which the shares are sold under this letter b), must also be netted against the 10% limit.

- c) The shares can be offered and transferred to third parties as a (partial) consideration for the direct or indirect acquisition of companies, parts of companies or equity interests in companies or other assets, including real assets and receivables (including receivables due from the company) or within the framework of business combinations.
- d) The shares can be offered for sale to persons who are or have been in an employment or work relationship with the company (with the exception of members of the governing bodies of the company) or a subsidiary, or can be transferred to such persons.
- e) The shares can be used for fulfilling option or conversion rights or conversion or conversion obligations or a right to delivery of shares of the company resulting from option and/or convertible bonds which the company or a direct or indirect subsidiary of the company will issue on the basis of an authorisation of the annual general meeting.
- f) The Executive Board is also authorised to retire treasury shares without a further resolution of the annual general meeting being required for such retirement and the performance of the retirement. In accordance with section 237 (3) no. 3 AktG, the retirement can be carried out without a capital reduction in such a way that, as a result of the retirement, there is an increase in the proportion of other shares of the company in relation to the share capital in accordance with section 8 (3) AktG. In accordance with section 237 (3) no. 3, second clause AktG, the Executive Board is authorised to adjust the disclosure of the number of shares in the articles of association accordingly. The retirement can also be linked with a capital reduction; in this case, the Executive Board is authorised to reduce the share capital by the proportionate amount of share capital which is attributable to the retired shares, and the Supervisory Board is authorised to adjust the disclosure of the number of shares and the share capital in the articles of association accordingly.

- 3) The pre-emption rights of the shareholders in relation to the shares used in accordance with point 2) are disappplied as detailed in point 2) a) and in other respects to the extent that these shares are used in accordance with the above authorisations detailed in points 2) b), c), d) and e).
- 4) The authorisations for acquiring treasury shares and for disposing of or otherwise using or retiring such shares can be exercised independently of each other, on one or several occasions, in part or also in their entirety. If shares are used as a consideration, this can also be carried out in combination with other forms of consideration. They also cover the use of shares of the company which may be held by the company or an affiliated company at the time at which the resolution regarding this authorisation is adopted.
- 5) The Supervisory Board can specify that measures in accordance with these authorisations can only be carried out with the approval of the Supervisory Board or the approval of a Supervisory Board Committee.
- 6) The authorisation to acquire treasury shares granted by the resolution of the annual general meeting of 27 May 2020 (agenda item 9) is cancelled at the point at which this resolution becomes effective and is replaced by this resolution.

10. Resolution regarding the authorisation to use equity derivatives within the framework of the acquisition of treasury shares in accordance with section 71 (1) no. 8 AktG and also regarding the disapplication of put options and pre-emption rights; cancellation of the existing authorisation

As an extension to the authorisation for the acquisition of treasury shares in accordance with section 71 (1) no. 8 AktG proposed for the adoption of a resolution under agenda item 9, the company is to be authorised to acquire treasury shares, including the use of equity derivatives, with the cancellation of the existing corresponding authorisation of 27 May 2020. This does not result in an increase in the maximum volume of shares which is permitted to be purchased; it only provides further options to acquire treasury shares.

The Executive Board and Supervisory Board therefore propose that the following resolution be adopted:

- 1) As an extension of the authorisation to acquire treasury shares in accordance with section 71 (1) no. 8 AktG proposed for the adoption of a resolution under agenda item 9 of the annual general meeting of 5 May 2022, shares of the company may be acquired by the means described under that agenda item 9 and also by means of using equity derivatives. The Executive

Board is authorised to acquire options which entitle the company to acquire shares of the company by way of exercising the options (call options). The Executive Board is also authorised to sell options which oblige the company, when the options are exercised by their holders, to acquire shares of the company (put options). In addition, the acquisition can be carried out using a combination of call and put options or forward purchase contracts (these instruments are also referred to hereinafter, individually or in combination with one another, as “equity derivatives”) and also by using other equity derivatives, as detailed in the following. The authorisation will become effective with the resolution on 5 May 2022 and is applicable until 4 May 2027. The authorisation may be exercised in part or in whole, through one or more transactions, including different types of transactions. The authorisation can be utilised by the company and also by dependent or majority-owned entities or else for its or their account by third parties engaged by the company or by such an entity.

All acquisitions of shares using equity derivatives are to be netted against the 10% limit pursuant to clause 2) b) of the proposed resolution for agenda item 9 of the annual general meeting dated 5 May 2022 and are also limited to shares with a volume not exceeding 5% of the share capital existing at the time of the resolution of the annual general meeting or – if this amount is lower – the share capital existing at the time at which this authorisation is exercised.

- 2) The equity derivatives must be concluded with one or more credit institution(s), one or more companies operating in accordance with section 53 (1) sentence 1 or section 53b (1) sentence 1 or (7) KWG or a group or syndicate of credit institutions and/or such companies. They must be designed in such a way as to ensure that the equity derivatives are only implemented with shares which have been acquired in line with the principle of equal treatment for the shareholders; this requirement is satisfied if the shares are acquired via the stock exchange. The term of the equity derivatives must not exceed 18 months in each case, and must be chosen in such a way that the shares cannot be acquired after 4 May 2027. The acquisition or disposal price (option premium) paid for call options or received for put options or paid or received by the company for a combination of call and put options must not be significantly higher or lower than the theoretical market value established using recognised actuarial methods. In the case of put options, this value may also be exceeded. An agreed forward rate must not be significantly higher than the theoretical forward rate established using recognised actuarial methods.

- 3) The consideration for the acquisition of a share as a result of the exercising of a put option, consisting of the purchase price/exercise price of the share which is agreed in the option and which is payable when the put option is exercised or the purchase price payable upon the maturity of the forward purchase (excluding incidental purchasing costs, but including the option premium or forward rate) must not be more than 10% higher or more than 20% lower than the market price of the shares of the company established by the opening auction in electronic trading on the Frankfurt Stock Exchange on the day on which the relevant transaction is concluded. The consideration for the acquisition of a share as a result of the exercising of a call option, consisting of the purchase price/exercise price for the share which is agreed in the option and which is payable upon the exercising of the call option (excluding incidental purchasing costs, but including the option premium paid) must not be more than 10% higher or more than 10% lower than the average of the market prices of the shares of the company established by the closing auctions in electronic trading on the Frankfurt Stock Exchange on the three market trading days preceding the day on which the call option is exercised.
- 4) Furthermore, it can be agreed with one or more of the credit institutions specified in point 2) and/or equivalent companies that such credit institutions or equivalent companies deliver to the company within a pre-defined period a previously specified quantity of shares or a previously specified Euro consideration in relation to shares of the company. The price for which the company acquires treasury shares must feature a discount to the arithmetic mean of the volume-weighted average prices of shares in electronic trading on the Frankfurt Stock Exchange, calculated over a previously defined number of market trading days. However, the price of the shares must not be more than 20% lower than the above-mentioned mean. In addition, the credit institutions specified in point 2) and/or equivalent companies must undertake to purchase the shares to be delivered on the market at prices which are within the range which would be applicable if the company itself were to directly acquire the shares via the stock exchange.
- 5) If treasury shares are acquired using equity derivatives in accordance with the above-mentioned provisions, any shareholder rights to conclude such equity derivatives with the company as well as any put option of the shareholders are disapplied.
- 6) The provisions defined in points 2) and 4) of the resolution proposal relating to agenda item 9 of the annual general meeting of 5 May 2022 are applicable accordingly for the use of treasury shares which are acquired using equity derivatives. The pre-emption right of shareholders in relation to treasury shares is disapplied in accordance with point 2) a) of the above-mentioned resolution proposal and also to the extent that these shares are used in accordance with the authorisations in point 2) b), c), d) or e) of the resolution proposal in relation to agenda item 9.
- 7) The Supervisory Board can specify that measures in accordance with these authorisations can only be carried out with the approval of the Supervisory Board or the approval of a Supervisory Board Committee.
- 8) The authorisation to acquire treasury shares using equity derivatives granted by the resolution of the annual general meeting of 27 May 2020 (agenda item 10) is cancelled at the point at which this resolution becomes effective and is replaced by this resolution.

II. ADDITIONAL INFORMATION ON AGENDA ITEM 6

INFORMATION ON THE PROPOSED CANDIDATES FOR ELECTION TO THE SUPERVISORY BOARD

1. SABINE CHRISTIANSEN, BERLIN, GERMANY

Managing Partner at TV 21 GmbH, Berlin, Germany

Member of the Supervisory Board since 10 February 2015
Member of the Personnel Committee and Nomination Committee

Memberships in other statutory Supervisory Boards and similar Supervisory Bodies

Hermes Europe GmbH, Hamburg (not listed), member of the Supervisory Board
MAGNA Real Estate AG, Hamburg (not listed), Vice Chair of the Supervisory Board

Personal data:

Year of birth: 1957
Place of birth: Preetz/Holstein, Germany
Nationality: German

Education:

Journalism NDR/ARD / business and politics
Languages: English, French, Spanish

Professional career:

Since 2002 Managing Partner at TV21 GmbH (production of international business conferences, world-wide media production on the topics of business, finance, politics)
1997–2007 Producer and presenter of the ARD show “Sabine Christiansen”
1987–1997 Deputy editor and presenter of ARD-aktuell, “Tagesthemen”
1985–1987 Editor, business/current events at NDR and presenter of “Hamburg Aktuell”

Other posts/activities:

Since 2015 Member of the Steering Committee of the German Economic Council
Since 2011 Member of the Green Tec Awards
2011–2013 Member of the advisory council on innovation of the Ministry for Economic Cooperation and Development (BMZ)
1999–2007 Digital Germany/Initiative D21 chaired by the Chancellor
2004–2010 Board of Governors at the University of Haifa, Israel
2005–2007 Member of the University Council at the University of Rostock, Germany

Volunteering and charity/awards (selection):

Since 1995 German Ambassador for UNICEF
Since 2011 Board member of Laureus Sport for Good Foundation Germany
2006–2021 Founder and Chair of the Sabine Christiansen Children’s Foundation
Holder of the Federal Cross of Merit (Bundesverdienstkreuz)/Chevalier of the French Legion of Honour
Member of the curatorship of the Otto Hahn Peace Medal
Bavarian State medal for Social Services, Courage Prize
Grimme Prize, World Media Award, Golden Camera, Bambi Awards, German television award (Deutscher Fernsehpreis), Golden Lion prize (Goldener Löwe)

2. THOMAS KARLOVITS, ZUG, SWITZERLAND

CEO and CIO of Blackwall Capital Investment AG, Zug, Switzerland

Memberships in other statutory Supervisory Boards and similar Supervisory Bodies

Blackwall Capital Investment AG, Zug, Switzerland (not listed), member of the Board of Directors
K Capital AG, Zug, Switzerland (not listed), member of the Board of Directors

Personal data:

Year of birth: 1969
Nationality: Austrian

Education:

Studied business administration at Vienna University of Economics and Business

Professional career:

Since 2014 Founder and CEO of Blackwall Capital Investment AG, Zug, Switzerland
2003–2014 Kepler Cheuvreux, Frankfurt, Germany
2013–2014 Head of European Equity Research
2007–2013 Deputy Head of European Research
2008–2013 Head of Investment Strategy
2005–2007 Head of European Telecoms Sector

2002–2003 Santander, Head of European Telecoms Sector
 1998–2002 Cheuvreux, Senior Analyst, coverage of German telecoms
 1996–1998 SMH Schröder Münchmeyer Hengst, Senior Analyst, coverage of German telecoms and utilities
 1991–1996 Raiffeisen Zentralbank, Analyst, coverage of various sectors

Other posts:

Blackwall UCITS Platform ICAV, Ireland, Director

3. PROF. DR. KERSTIN LOPATTA, SPRINGE, GERMANY

Professor of Accounting, Auditing and Sustainability at the University of Hamburg, Germany

Memberships in other statutory Supervisory Boards and similar Supervisory Bodies

EQS Group AG, Munich (listed), member of the Supervisory Board and Chair of the Audit Committee

Personal data:

Year of birth: 1969

Place of birth: Hanover, Germany

Nationality: German

Professional career:

Since 2018 Professor of Accounting, Auditing and Sustainability at the University of Hamburg, Germany

Since 2012 Lecturer in the Law, Economics and Finance department, University of Luxembourg, Luxembourg

2010–2018 Professor of Accounting and Corporate Governance, Carl von Ossietzky University Oldenburg, Germany

2006–2010 Junior Professor of Internal and External Corporate Accounting, Free University of Berlin, Germany

International experience:

Several years abroad as a guest professor:

City University Hong Kong,

New York University, USA,

University of Iowa, USA,

Copenhagen Business School, Denmark

Education and professional career:

2006 Doctorate in the chair of Business Administration, Auditing and Corporate Governance, Goethe University Frankfurt

1996–2000 Consultant, Deloitte GmbH

1996 Degree in Economics (Diplom-Ökonomin)

Other posts:

Member of the Sustainability Reporting Board of the European Financial Reporting Advisory Group (EFRAG)

Member of the Expert Committee on Sustainability Reporting of the German Accounting Standards Committee (GASC)

Chair of the Climate Reporting Working Group of the German Accounting Standards Committee (GASC)

Director of the Global Research Alliance for Sustainable Finance and Investment (GRASFI)

4. MARC TÜNGLER, DÜSSELDORF, GERMANY

Attorney-at-law and Managing Director of the Deutsche Schutzvereinigung für Wertpapierbesitz e.V. (DSW – German Association of Private Shareholders), Düsseldorf, Germany

Member of the Supervisory Board since 9 May 2012

Member of the Audit Committee and Nomination Committee

Memberships in other statutory Supervisory Boards and similar Supervisory Bodies

InnoTec TSS AG, Düsseldorf (listed), member of the Supervisory Board

Personal data:

Year of birth: 1968

Place of birth: Herne, Germany

Nationality: German

Education:

Studied Law at the University of Cologne

Professional career:

1999 Certification as attorney-at-law at the Higher Regional Court, Düsseldorf, Germany

1999 Deutsche Schutzvereinigung für Wertpapierbesitz e. V. (German Association of Private Shareholders – DSW)

Since 2005 Managing Director of DSW Service GmbH

2007–2011 Managing Director of DSW e.V.

Since 2011 General Manager of DSW e.V.

5. ROBERT WEIDINGER, VALLEY, GERMANY

Self-employed auditor, tax advisor and corporate finance consultant, Valley, Germany

Member of the Supervisory Board since 9 May 2012
Chair of the Audit Committee

Memberships in other statutory Supervisory Boards and similar Supervisory Bodies:

None

Personal data:

Year of birth: 1962
Place of birth: Nuremberg, Germany
Nationality: German

Education:

1982 High school graduation at the Humanistisches Gymnasium (classic grammar school)
1988 Business graduate (University)
1994 Tax consultant
1995 Auditor

Professional career:

1988-1999 International audit firm in the field of corporate finance (from 1994 Head of the German industry team for telecommunications and media)
1999-2003 Partner of a medium-sized investment bank (focus on telecommunications, internet and media)
Since 2003 Owner of a corporate finance consulting company and self-employed auditor and tax consultant

6. MIRIAM WOHLFAHRT, BERLIN, GERMANY

CEO of Banxware GmbH, Berlin, Germany

Memberships in other statutory Supervisory Boards and similar Supervisory Bodies

Mercedes-Benz Mobility AG, Stuttgart (not listed), member of the Supervisory Board
talentsconnect AG, Cologne (not listed), member of the Supervisory Board

Personal data:

Year of birth: 1970
Nationality: German

Professional career:

Since 2020 Founder and CEO of Banxware GmbH, Berlin, Germany
2009–2021 Founder and Managing Director of RatePAY GmbH, Berlin, Germany
Since 2019 Shareholder/Supporter of STARTUP TEENS GmbH
Since 2017 Shareholder/Co-Founder of PBA Experts GmbH
2008–2010 Country Manager, Deutschland Ogone GmbH
2000–2008 Team Captain, European Distribution / Sales und Account Manager
The Royal Bank of Scotland plc (formerly Worldpay/ Bibit)
1998–2000 Senior Sales Manager NRW, Hapag-Lloyd Geschäftsreise GmbH
1992–1994 Travel Agent, Atlas Reisen, Uniglobe and Explorer Fernreisen

Other posts and qualifications:

Since 2020 Chair of the “Young Digital Business” Advisory Board, Federal Ministry for Economic Affairs and Energy
Since 2020 Executive Board member, Alfred Herrhausen Gesellschaft
Since 2019 Executive Board member, Bundesverband Deutsche Startups e.V.
Since 2019 Member of the Berlin Entrepreneurs’ Round Table, government of the State of Berlin
Since 2019 Member of the FinTech Committee, Federal Ministry of Finance
Since 2017 Mentor, Axel Springer Porsche Plug and Play
2019 Entrepreneurship Award, Founders’ Scene
2018 Chosen as one of the Top 100 women in Germany, Boston Consulting Group & Manager Magazin
2017 Payment Personality Award, Merchant Payment Ecosystem (MPE)
2017 Stevie Award “Female Executive of the Year - Business Services”, Stevie Awards Inc.
2016 Digital Female Leader Award, Global Digital Women

III. ADDITIONAL INFORMATION ON AGENDA ITEM 7

REMUNERATION SYSTEM FOR MEMBERS OF THE EXECUTIVE BOARD OF FREENET AG

1. BASIC PRINCIPLES OF REMUNERATION AND CORPORATE STRATEGY

The strategy of freenet AG (“freenet”) is based on the clear ambition to promote long-term and sustainable growth through digital lifestyle. Under the umbrella brand freenet a comprehensive portfolio of digital lifestyle products is offered to customers. Digital lifestyle includes telecommunications, internet, TV entertainment and energy as well as all services, applications and appliances that can be controlled or connected to a mobile device or can be used via an intelligent device. Within freenet’s comprehensive product portfolio individual solutions are tailored to the customer’s needs. The product portfolio is subject to continuous optimization, expansion and alignment with the evolving customer life cycle. Growth is expected to come from newly acquired customers, the management and retention of current customer relationships and continuous improvement on customer loyalty.

To effectively implement strategic goals and measure operational performance freenet uses a standardized and reliable management system. The performance measurement is based on financial as well as non-financial performance indicators, which form the framework for value-oriented corporate management. In this context, sustainability aspects also play a vital role. Sustainability aspects should be incorporated into every decision and given the same weight as economic decision-making criteria. The aim is to influence the social and environmental sustainability of freenet’s business activities at all possible points along the value chain wherever the ability to exert an influence is not restricted by regulatory requirements or specific market conditions.

The remuneration system for the Executive Board contributes significantly to the support and implementation of freenet’s strategy by incentivizing sustainable, long-term and value-oriented company development. The interests of shareholders, customers, employees and business partners, as well as environmental and social goals, are all taken into consideration when developing the remuneration system. The remuneration system is designed to motivate the Executive Board members to pursue freenet’s strategic goals and thus ensure sustainable long-term increase in the value of the company.

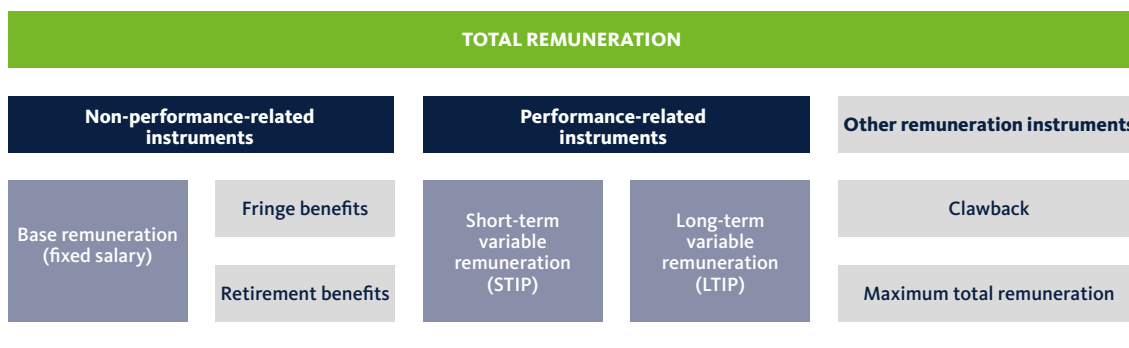
2. REVIEW AND REVISION OF THE REMUNERATION SYSTEM 2021

Taking into account the voting results of the 2021 annual general meeting and suggestions made by investors, the remuneration system for 2021 was comprehensively reviewed in cooperation with an external remuneration consultant. Several material changes to the remuneration system were made, most notably that early payouts from the short-term variable remuneration are no longer possible and that the long-term variable remuneration has been revised. In order to emphasize the long-term orientation of the Executive Board’s remuneration, the basic amount specified in the long-term variable remuneration is now independent of the target achievement of the short-term variable remuneration. The long-term variable remuneration now makes up a larger proportion of total remuneration and, given a target achievement of 100%, significantly exceeds the amount of the short-term variable remuneration. A further mechanism that has been introduced to emphasize the long-term orientation of the remuneration system is the expansion of the catalogue of performance criteria, which now includes sustainability targets as well as relative performance targets, comparing freenet with relevant competitors. The target achievement scales have been aligned with levels seen in the market. The payout cap of the long-term variable remuneration has been adjusted from 400% to 250% of the basic amount and the maximum total remuneration of the Executive Board members has been reduced. Finally, the ability for the Supervisory Board to grant a special bonus for extraordinary performance to the Executive Board at the Supervisory Board’s discretion has been deleted without replacement.

3. STRUCTURE AND INSTRUMENTS OF EXECUTIVE BOARD REMUNERATION

Executive Board remuneration consists of non-performance-related and performance-related elements and includes the following main instruments: base remuneration (fixed salary), short-term variable remuneration (“STIP”) and long-term share-based payment (“LTIP” or “long-term variable remuneration”). Fringe benefits and retirement benefits are also part of the remuneration system.

Figure 1: Overview of total remuneration

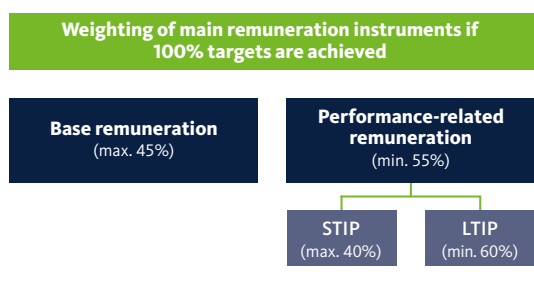


If targets are 100% achieved, the main instruments are weighted as follows:

Base remuneration (fixed salary)	maximum 45%
Performance-related remuneration	at least 55%
of which short-term variable remuneration (STIP)	maximum 40%
of which long-term share-based-payment (LTIP)	at least 60%

provided that the weighting is carried out on an annual basis in each case.

Figure 2: Weighting of main remuneration instruments



4. NON-PERFORMANCE-RELATED INSTRUMENTS

Non-performance-related remuneration consists of base remuneration (fixed salary) as well as fringe benefits and retirement benefits.

a) Base remuneration (fixed salary)

The non-performance-related base remuneration (fixed salary) is paid in equal monthly instalments. This usually remains unchanged for the duration of the service agreement.

b) Fringe benefits

The company enters into an appropriate accident insurance policy in coordination with the respective members of the Executive Board. Furthermore, a Director & Officers liability insurance policy (“D&O”) is taken out within the scope customary for Executive Board members at comparable companies. For the D&O insurance, a deductible is agreed that meets the statutory minimum requirements of section 93 (2) sentence 3 of the German Stock Corporation Act (Aktiengesetz – AktG) (currently at least 10% of the loss up to at least one-and-a-half times the fixed annual remuneration of the Executive Board member). The company pays the premiums and any applicable taxes arising in connection with them.

The company also provides every Executive Board member with a company car (or, if the company car is waived, pays out a lump-sum equivalent of the expenses saved to the Executive Board member). The relevant Executive Board member bears taxes arising in connection with the personal use of their company car.

Where the Executive Board member resides somewhere other than their place of service when starting work with the company and maintains this place of residence, they can be reimbursed for travel costs between their place of service and residence to the extent agreed in their contract.

The total value of fringe benefits is capped at 5% of annual remuneration (if targets are 100% achieved) per financial year.

c) Retirement benefits

Executive Board members receive an indirect pension commitment from the company provided that it has not taken over existing pension commitments from previous employment relationships or current service agreements. The key characteristics of this indirect pension commitment are: the company pays an individually agreed amount into a provident fund for each Executive Board member (defined contribution plan) that does not exceed 10% of the target remuneration with a target achievement of 100% in each contract year. Additional individual payments into the provident fund from base remuneration are possible. The resulting retirement benefit amount results from the pension plan of the provident fund. The pension commitment is non-forfeitable. The company reserves the right to reduce payments to the provident fund and from the pension commitment in accordance with section 87 (2) AktG.

5. PERFORMANCE-RELATED REMUNERATION

The performance-related remuneration of Executive Board members should be both linked to performance on the one hand and geared towards sustainability on the other hand. To take both objectives into account, performance-related remuneration consists of both short-term and long-term instruments: short-term variable remuneration (STIP) and long-term variable remuneration (LTIP). The amount of each instrument within the result depends on the achievement of defined targets. If these targets are not achieved, the performance-related instruments are omitted entirely. If, however, the targets are significantly exceeded, target achievement is limited to an appropriate maximum amount (cap).

a) Short-term variable remuneration (STIP)

Short-term variable remuneration (STIP) consists of an annual performance-related cash bonus that depends on the achievement of the targets for the relevant financial year.

The target amount for 100% target achievement (STIP target amount) is specified when the Executive Board service agreement is concluded (within the scope of the provisions set out in Clause 3). The payment amount from the STIP for the relevant year depends on three differently weighted performance criteria:

EBITDA	40%
Number of valuable customers (customer base):	30%
One to three strategic targets	30%

The weighting of strategic targets may deviate from this (including for individual financial years) by between 20% and 50%. In this case, the weighting of the EBITDA and customer base performance criteria changes accordingly (while maintaining the ratio between the two).

Figure 3: Overview and weighting of performance criteria, STIP

Performance criteria (Target achievement: 0 % – 150 %)	Type	Weighting	
EBITDA	Financial	Min. 28.6%	40% Max. 45.7%
Number of valuable customers	Non-financial	Min. 21.4%	30% Max. 34,3 %
Strategic targets (ST) (1–3 targets):	Financial and/or non-financial	Min. 20.0%	30% Max. 50.0%
ST 1	Yearly specification by the Supervisory Board taking into account ESG issues		
ST 2			
ST 3			

The two key performance criteria, EBITDA (earnings before financial result, taxes, depreciation, amortization and impairment) and the number of valuable customers, are derived from freenet’s strategy and the established management information system. Within the management system of freenet, these two performance criteria reflect the key financial and non-financial criteria for the future economic development of the company. The “number of valuable customers” refers to strategically relevant subscriber groups, such as the postpaid customer base in the Mobile Communications segment.

The Supervisory Board sets the specific strategic targets, the weighting of the strategic goals (also in relation to each other) where appropriate and the relevant performance criteria for each financial year before the start of the financial year, taking into account relevant corporate planning. The strategic targets must be geared towards particularly sustainable, long-term corporate development. To do this, the Supervisory Board always includes non-financial ESG targets (Environment, Social, Governance). The most strategically appropriate ESG targets are selected from the following categories derived from the company’s materiality analysis: Employees, Digital Responsibility, Customer Matters, Corporate Environmental Protection, Compliance and Integrity, and Supply Chain and Human Rights Diligence. The target figures for the individual strategic targets and additional

performance criteria are negotiated directly with the relevant Executive Board member and defined by the end of the first three months of the new financial year at the latest.

Figure 4: Selection of key ESG issues

ESG dimensions	Selected ESG issues
Environmental	Corporate Environmental Protection: <ul style="list-style-type: none"> ▪ Energy Consumption ▪ Carbon Emissions
Social	<ul style="list-style-type: none"> ▪ Employees ▪ Customer Matters
Governance	<ul style="list-style-type: none"> ▪ Compliance and Integrity ▪ Digital Responsibility ▪ Supply Chain and Human Rights Diligence

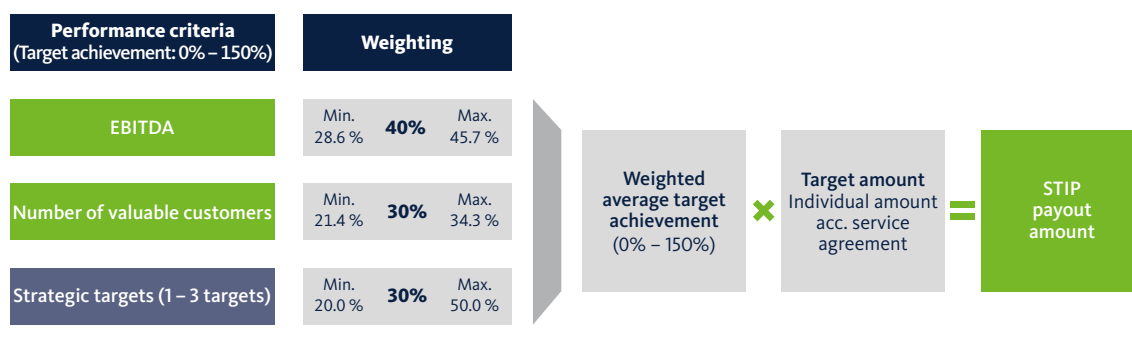
A 100% target, maximum target and minimum target shall be set for each performance criterion. For performance criteria for which a target range is given in the published guidance, the 100% target corresponds to the lower amount of the guidance range.

If the targets are part of corporate planning, but not subject to the published guidance, the achievement of these corporate planning targets generally means that the relevant performance criteria have been 100% achieved. The target range for each individual achievement parameter ranges from 0% (if the respective minimum target is missed) to 100% (at 100% target achievement) to 150% (cap) (if the respective maximum target is achieved). Linear interpolation is used between the respective target values. The achievement of targets shall be calculated and determined separately for each parameter. It may

be stipulated that certain changes in the fundamentals for the individual target parameters are not taken into account or lead to adjustments, e.g., that the acquisition of a material company is not taken into account in the current financial year when calculating the EBITDA.

Achievement of the performance criteria is determined by the Supervisory Board in each case on the basis of the annual financial statements for the respective financial year once these annual financial statements are approved and, where appropriate, based on the Executive Board's separate reporting to the Supervisory Board. Based on this and the weighting of the different performance criteria, the weighted average target achievement will then be determined. The payout follows this determination and can reach a maximum of 150% of the STIP target amount agreed for 100% target achievement.

Figure 5: Calculation of the STIP payout amount



The Executive Board also intends to use the performance criteria and the corresponding extent to which the targets for short-term variable remuneration are achieved for the Executive Board as the basis for the variable remuneration instrument for the Group's employees.

In the event of breaches of duty or compliance violations, the Supervisory Board can review STIP payout claims and reduce or reclaim them where appropriate (clawback).

b) Long-term variable remuneration (LTIP)

The Executive Board is encouraged to commit themselves to the company for the long term. In light of this, the majority of the performance-related variable remuneration is linked to the long-term and sustainable development of freenet (LTIP). The performance will be assessed on the basis of an earnings target, a share price target and sustainability targets. A basic amount for the LTIP is agreed upon individually for each Executive Board member in their respective Executive Board service agreement (basic amount). This basic amount is used to determine the number of virtual shares each year by dividing the individual basic amount by the average share price of freenet shares in the time leading up to the grant date of the annual tranche of the LTIP (annual tranche). The number of virtual shares calculated in this way cannot be paid out earlier than after the expiry of a performance period of four years – in line with the previous holding period.

Payment will only be made if the minimum targets set by the Supervisory Board for the respective annual tranche have been achieved. The number of virtual shares that is paid out will be adjusted by the target achievement score: an under- or over-achievement of the defined performance criteria leads to a decrease or increase in the virtual shares respectively. The payout amount depends also on the development of the share price of freenet shares (taking into account all dividend payments) at the end of the performance period.

Specifically, the LTIP is structured as follows:

(1) Crediting of virtual shares to the account

Every Executive Board member is allocated virtual shares at the start of a financial year (starting number). Virtual shares are virtual equity securities which, when due, grant the holder a contractual right to participate financially in the performance of the share price. However, the holder does not become a shareholder in the company at any point in time and does not dilute the shareholders.

The virtual shares are allocated based on a basic amount agreed individually when concluding or extending the Executive Board service agreement (within the scope of the provisions set out in section 3).

The basic amount is divided by the unweighted average closing price of freenet shares on the XETRA trading system (or an equivalent successor system) of the Frankfurt Stock Exchange on the 60 trading days prior to the start of the performance period. This results in the number of virtual shares to be allocated for the corresponding year or the corresponding annual tranche of the LTIP (starting number), which are booked into a virtual account for the LTIP for the respective Executive Board member, commercially rounded to the next full virtual share. The performance period of an annual tranche runs for four full years each, beginning with the start of a financial year.

Figure 6: Crediting of virtual shares to the account



(2) Payout of virtual shares

The final number of virtual shares that can be paid out at the end of the performance period of an annual tranche (holding period of 4 years) (final number) depends on the following weights: 50% of the achievement depends on the earnings-related target EBT (earnings before taxes), 30% depends on the share price-based “relative Total Shareholder Return (relative TSR)” target and 20% depends on non-financial sustainability targets (ESG targets).

The Supervisory Board determines the target ranges for the earnings-related target and for the ESG targets for each new annual tranche in order to be able to sufficiently take adjustments in the long-term corporate strategy and changes in the market environment into account.

Figure 7: Overview LTIP

Long-term variable remuneration (LTIP)	
0% – 200% target achievement	
Type	→ Virtual shares
Performance period/holding period	→ 4 years
Performance criteria	50% → Earnings target: EBT
	30% → Share price target: Relative TSR
	20% → Sustainability targets: ESG area – e.g., employees, customers, environmental
Starting number	Basic amount ÷ Ø closing price of freenet shares on the last 60 trading days
Total target achievement	(50% × target achievement of the earnings target in %) + (30% × target achievement of the share price target in %) + (20% × target achievement of the sustainability targets in %)
Final number	Starting number of virtual shares of the annual tranche × total target achievement in %
Payout amount	Final number × Ø closing price of freenet shares on the last 60 trading days
Cap at 250% of the basic amount	

EBT is used as an earnings-related target, which the Supervisory Board sets annually for each annual tranche on the basis of corporate planning. The EBT target achievement is determined by the Supervisory Board on the basis of the consolidated financial statements for the last financial year of the performance period which have been audited and approved by the Supervisory Board, after adjusting for non-recurring items and non-organic effects.

The Supervisory Board also annually sets ESG targets for each annual tranche. The supervisory board selects the ESG targets from the following categories derived from the company's materiality analysis: Employees, Digital Responsibility, Customer Matters, Corporate Environmental Protection, Compliance and Integrity, and Supply Chain and Human Rights Due Diligence. It is assured that the ESG targets are quantifiable and transparent, that they differ from the targets set out in the STIP and that they motivate the Executive Board to ensure the sustainable development of the company.

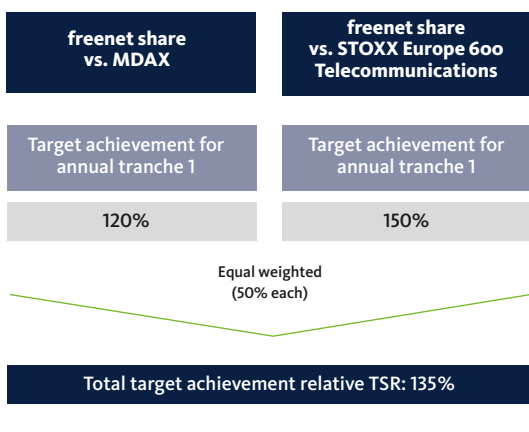
As a share price-based target, the relative TSR is determined using suitable reference indices. The MDAX and the STOXX Europe 600 Telecommunications currently serve as appropriate reference indices. In order to determine the performance of the freenet share price in relation to the two reference indices, the absolute outperformance is calculated annually over the four years of the performance period. The gross dividends paid out per share of freenet AG are fictitiously reinvested during this period. The absolute outperformance is determined annually in percentage points (pp) and translated into the corresponding annual target achievement according to the target scale for the relative TSR. To determine the overall target achievement, the arithmetic average of the annual target achievements is calculated over the four-year performance period of the respective annual tranche.

Figure 8: Illustrative determination of the absolute outperformance against the MDAX

Annual tranche 1								
	TSR freenet	–	TSR MDAX	=	Absolut outperformance in percentage points	=	Target achievement	
Year 1	20%	–	25%	=	–5pp	=	90%	
Year 2	–5%	–	–20%	=	+15pp	=	130%	
Year 3	25%	–	15%	=	+10pp	=	120%	
Year 4	30%	–	10%	=	+20pp	=	140%	
Equal weighted (25% each)								Target achievement annual tranche 1
								120%

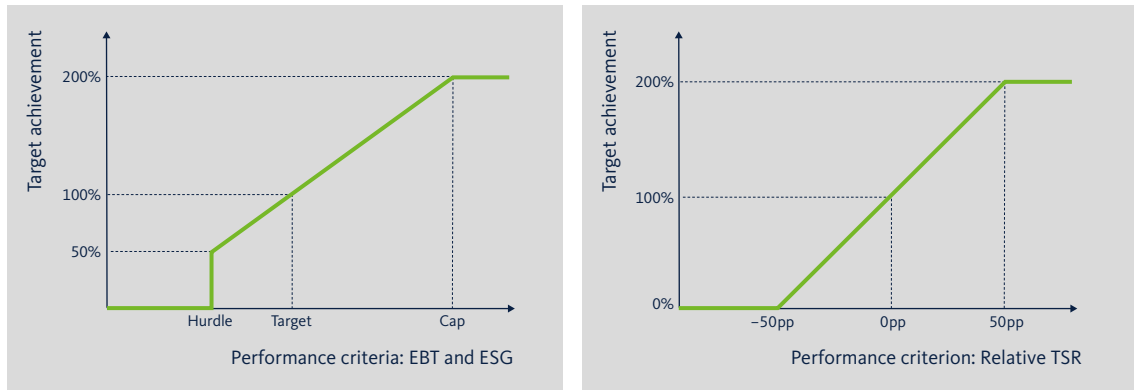
In order to avoid the influence of possible one-time effects on individual reference dates, the average share price of freenet shares and the average performance of the respective reference indices of the last 60 trading days at the relevant reporting date are used to determine the relative TSR. The target achievement of the relative TSR of freenet when compared with the respective reference index is converted into a target achievement percentage within a range of 0% to 200% (see below). To determine the overall target achievement of the relative TSR, the target achievement percentages for both reference indices are evenly weighted and added.

Figure 9: Illustrative determination of absolute out-performance over the four-year performance period



For both the earnings-related target and the ESG targets, the Supervisory Board sets target achievement ranges at the beginning of the performance period. These performance targets range from 50% to 200% and the corresponding minimum and maximum values for these target achievements are also specified. The target achievement for the share price target ranges between 0% and 200%. The minimum share-price target achievement of 0% is achieved at -50 percentage points, the share-price target achievement of 100% is achieved at 0 percentage points and the maximum target achievement of 200% is achieved at a share-price outperformance of +50 percentage points.

If the minimum value (hurdle) of a target is not exceeded, the target achievement for this performance criterion is 0%. If the actual value exceeds the defined maximum value (cap) the corresponding target achievement is limited to 200%. Target achievements between the defined anchor points, i.e. between the minimum target and the target value as well as between the target value and the maximum value, are calculated by linear interpolation.

Figure 10: Target scale of the performance criteria

The respective target achievements of the three performance criteria of the LTIP are summed up according to their weighting to determine the total target achievement. To determine the number of virtual shares to be paid out (final number), the starting number of allocated virtual shares of the corresponding annual tranche is multiplied by the total target achievement.

To determine the payout amount of an annual tranche, the final number of virtual shares is multiplied by the arithmetic mean of the unweighted closing prices of freenet shares on the XETRA trading system (or an equivalent successor system) of the Frankfurt Stock Exchange on the last 60 trading days of the performance period plus the gross dividend paid per share during the performance period.

Figure 11: Payout of virtual shares

The payout amount per annual tranche is limited to 250% of the respective individual basic amount. The payout amount of an annual tranche is paid out in cash after approval of the consolidated financial statements of freenet AG.

(3) Further provisions

The LTIP also includes customary dilution protection provisions as well as the option for the Supervisory Board to reduce the number of recognized virtual shares at their reasonable discretion after prior consultation with the Executive Board member due to extraordinary developments by the end of the relevant holding period.

In the event of breaches of duty or compliance violations, the Supervisory Board can review LTIP payout claims and reduce or reclaim them where appropriate (clawback).

If an Executive Board member's service agreement begins or ends regularly during a financial year, a pro-rata basic amount is taken as a basis for crediting; adjustment provisions are possible when a contract is initially concluded or if it is extended during the year. If the Executive Board service agreement and/or Executive Board position is terminated prematurely, the Executive Board's claims can be curtailed, reduced or excluded depending on the circumstances leading to the termination.

6. CAPS FOR OVERALL REMUNERATION

In addition to the individual cap amounts on base remuneration, STIP, LTIP and fringe benefits, a cap is also applied to the overall remuneration of each Executive Board member. The maximum remuneration achievable for a full year of the Executive Board employment contract (based on the term of the Executive Board employment contract, not on individual payout years) is EUR six (6) million for the Chief Executive Officer (CEO) and EUR three (3) million for each ordinary Executive Board member. If the remuneration exceeds this cap, any claim to the payout of virtual shares from the LTIP equivalent to the excess remuneration expires.

7. LIMITATION OPTION

If the company's situation deteriorates to the extent that it would be unreasonable for the company to continue granting the remuneration set out in the Executive Board service agreement, the Supervisory Board is entitled to reduce this remuneration to an appropriate level in accordance with section 87 (2) AktG. The limitation options as set out above also exist for the variable remuneration instruments.

8. COMMITMENTS IN THE EVENT OF ILLNESS AND IN CONNECTION WITH THE TERMINATION OF EXECUTIVE BOARD ACTIVITIES

If an Executive Board member is temporarily unable to work due to illness or for another reason for which the Executive Board cannot be held responsible, they will continue to receive base remuneration for a period of up to six months. In addition, such circumstances do not reduce the Executive Board member's claim to performance-related remuneration elements; however, these elements will be curtailed by one-twelfth for each additional month of absence caused by such an inability to work in each affected financial year.

In the event that the employment relationship is terminated prematurely without giving a compelling reason for termination in accordance with section 626 of the German Civil Code (BGB), the Executive Board member has a claim to severance pay for each full month that the Executive Board employment contract ends prematurely before the agreed end of the contract term, amounting to 1/12 of the total annual fixed salary instrument and the annual variable remuneration instrument that the Executive Board member can claim for the last full financial year before their departure but not exceeding 24/12 (severance cap).

No subsequent claims exist if the employment relationship is terminated prematurely by giving a compelling reason in accordance with section 626 BGB.

In the event that an Executive Board member's service agreement is terminated, outstanding variable remuneration instruments earned before the termination of the contract are paid out in line with the originally agreed targets and benchmarks and in accordance with the due dates and holding periods set out in the contract.

If the Executive Board member dies during their tenure on the Executive Board, their widow(er) and dependent children receive the pro-rata base remuneration for six months in addition to the month of the Executive Board member's death. Claims to benefits arising from pension commitments (survivor's and orphans' pension) are suspended during this period.

The Executive Board service agreements provide the usual extent of waiting compensation for a post-contractual 12-month non-competition clause. Any severance payments are offset against this waiting compensation payment.

In the event of a change of control that materially changes the role of an individual Executive Board member, the Executive Board member has the right to terminate their contract. If the Executive Board member terminates their contract, they do not receive any commitments arising from the premature termination of their employment contract.

9. CONTRIBUTION OF REMUNERATION TO SUPPORT CORPORATE STRATEGY AND FOR THE LONG-TERM DEVELOPMENT OF THE COMPANY

Performance targets are developed in accordance with freenet's corporate strategy. Linking these targets to performance indicators, particularly the customer base, facilitates further economic development with a focus on establishing relationships with valuable customers. The aim of this is to pay particular attention to the customer relationships that are important for the long-term existence of the company when remunerating members of the Executive Board.

Non-financial performance targets are based on the material ESG matters for the Group, which are relevant not only for future economic viability but also for sustainable development.

A large part of the variable remuneration takes account of services rendered in the longer term with delayed payments and reflects the absolute and relative performance of freenet shares. It is therefore in line with shareholder interests.

10. TEMPORARY DEVIATIONS FROM THE REMUNERATION SYSTEM

In accordance with section 87a (2) AktG, the Supervisory Board can temporarily deviate from the remuneration system if this is necessary for the long-term welfare of the company. For example, this includes adjusting the remuneration system in the event of a significant change in the corporate strategy to ensure that appropriate incentives are created, or in the event of a serious economic crisis. The exceptional circumstances underlying and requiring the deviation shall be determined by a Supervisory Board resolution. The elements of the remuneration system that can be deviated from are the procedure, provisions governing the structure and amount of remuneration and the individual remuneration instruments. In justified individual cases, the Executive Board can also be reimbursed for expenses relating to exceptional fringe benefits (e.g. security measures or legal prosecution or defence costs), if necessary without being offset against the cap for fringe benefits. The Supervisory Board also has the right to make special payments to new Executive Board members to compensate them for loss of salary from their previous employment relationship or to cover costs arising from relocation.

11. EXECUTIVE BOARD REMUNERATION PROCEDURE

a) Competence

Executive Board remuneration is determined by the entire Supervisory Board. For this purpose, the Supervisory Board's Personnel Committee prepares appropriate recommendations. The entire Supervisory Board also designs the system for remunerating Executive Board members based on the recommendations of the Personnel Committee and taking into account applicable laws and regulations, particularly the provisions of the current version of the German Stock Corporation Act as well as the provisions of the German Corporate Governance Code, paying attention to clarity and comprehensibility as it does so. The Supervisory Board determines specific individual targets for total remuneration based on the remuneration system.

For all decisions made by the Supervisory Board and the Personnel Committee on the Executive Board remuneration system, the existing regulations for the handling of conflicts of interest apply in principle. Accordingly, the members of the Supervisory Board are obliged to disclose conflicts of interest to the Chairman of the Supervisory Board without undue delay. The Supervisory Board shall regularly provide information on any conflicts of interest and how they are handled in its report to the annual general meeting.

b) Appropriateness of Executive Board remuneration

The structure, weighting and amount of the Executive Board remuneration and its individual remuneration instruments should be appropriate and adequate and should not exceed the usual remuneration without special reasons.

Horizontal comparison:

The Supervisory Board regularly compares the Executive Board remuneration with a group of other German companies of comparable size or that operate in similar areas. This review takes account of target total remuneration, consisting of basic salary and variable remuneration instruments while taking pension arrangements and fringe benefits into consideration.

Vertical comparison:

The individual target remuneration of an Executive Board member is determined within the company in relation to the remuneration paid to the top level of management and the overall workforce of the freenet Group in Germany, together with the development of this remuneration over time. The Supervisory Board has defined the top level of management for this purpose. It consists of divisional directors who report directly to the individual Executive Board members.

In the event of significant shifts in the relationships between the remuneration of the Executive Board and the comparison groups, the Supervisory Board reviews the causes of this and, if there are no objective reasons, makes adjustments to Executive Board remuneration where appropriate.

The Personnel Committee and Supervisory Board can consult independent external advisors to review the appropriateness of the remuneration. Where there is a need to change the remuneration system for the Executive Board as a result of this advice or for other reasons, the Personnel Committee submits appropriate amendment proposals to the Supervisory Board for resolution. Material changes are also presented to the annual general meeting for resolution.

c) Annual General Meeting

The Executive Board remuneration system is reviewed by the Supervisory Board on an ongoing basis and submitted to the Annual General Meeting for approval at least every four years or in the event of material changes.

12. ENTRY INTO FORCE

The new structure of the Executive Board remuneration system becomes effective with the approval of the annual general meeting and will be applied to Executive Board service agreements concluded, renewed or amended for the first time after the annual general meeting gives its approval. Executive Board service agreements concluded or extended in 2020 or later are, in principle, intended to apply the new structure of the Executive Board remuneration system.

IV. ADDITIONAL INFORMATION ON AGENDA ITEM 8

REMUNERATION REPORT FOR FINANCIAL YEAR 2021

A. BACKGROUND

The remuneration report provides information and explanations regarding the remuneration granted and owed to current and former members of the Executive Board and Supervisory Board of freenet AG for financial year 2021, along with the benefits awarded for the financial year. The report complies with the requirements of section 162 of the German Stock Corporation Act (Aktiengesetz – AktG) and was prepared jointly by the Executive Board and Supervisory Board.

The content of the remuneration report was reviewed by the auditor of the financial statements.

B. EXECUTIVE BOARD DISCLOSURES

1. REMUNERATION STRUCTURE

The remuneration of the Executive Board of freenet AG consists of non-performance-related (fixed) and performance-related (variable) elements and includes the following main instruments: base remuneration (“fixed salary”), short-term variable remuneration (“STIP”) and long-term share-based payment (“LTIP”). Fringe benefits and retirement benefits also form part of the remuneration system.

The instruments that make up the remuneration of Executive Board members are generally equivalent to the remuneration system approved by the Annual General Meeting of freenet AG on 17 May 2018, referred to here as the “2018 remuneration system”. In contrast, the long-term LTIP Programme 2, which ended in 2021 with the payout to Mr Esch (see the explanation in note 3.2), is a component of

the 2014 remuneration system. A new remuneration system for Executive Board members amended to meet the requirements of section 87a AktG was presented to freenet AG’s Annual General Meeting on 18 June 2021, but was not approved. The Executive Board service agreements signed with Messrs v. Platen and Fromme with effect from 1 June 2021 for the time being correspond to this remuneration system, referred to here as the “2021 remuneration system”. The company is currently revising the 2021 remuneration system. The revised remuneration system is expected to be presented for approval to the Annual General Meeting in 2022.

The description of the remuneration system in the notes below covers all of these arrangements and notes the relevant elements for the individual Executive Board members.

2. NON-PERFORMANCE-RELATED INSTRUMENTS

Non-performance-related remuneration consists of base remuneration (fixed salary) as well as fringe benefits and retirement benefits.

2.1 Base remuneration (fixed salary)

Base remuneration consists of a non-performance-related fixed salary paid in equal monthly instalments. This usually remains unchanged for the duration of the service agreement.

2.2 Fringe benefits

The company provides every Executive Board member with a company car (or, if the company car is waived, pays out the flat-rate equivalent of the expenses saved to the Executive Board member). The relevant Executive Board member pays taxes arising in connection with the personal use of their company car.

Where the Executive Board member resides somewhere other than their place of business when starting work with the company and maintains this place of residence, they can be reimbursed for travel costs between their place of business and residence to the extent agreed in their service agreement.

The company has arranged for an appropriate level of accident insurance for two Executive Board members.

For information on the limitation of the value of various fringe benefits, see note 6 "Compliance with maximum remuneration for current Executive Board members".

2.3 Retirement benefits

Defined-benefit obligations from indirect pension commitments are in place for Executive Board members Messrs Vilanek and Esch as well as former Executive Board member Mr Preisig. These pension benefits are funded with a reinsured provident fund. All pension commitments were determined by the salary amount and the length of service at the company.

For the Chief Executive Officer Mr Vilanek, the following arrangement has applied since 1 January 2019:

- On reaching the age of 60, Mr Vilanek shall receive an annual retirement pension amounting to 2.7 percent of their last annual fixed salary for each service year commenced on the Executive Board of the company, to a maximum of 35 percent of the last annual fixed salary (maximum pension).
- Surviving dependant pension for the spouse or life companion and orphan's pension for any children until the end of their schooling or vocational training, terminating at the latest when they reach the age of 25 years, to a maximum total amount of the guaranteed pension or the value of pension entitlements accrued at the time of Mr Vilanek's death.

For the Executive Board member Mr Esch, the following arrangement has applied since 1 January 2020:

- On reaching the age of 60, Mr Esch shall receive an annual retirement pension amounting to 2.5 percent of his last annual fixed salary for each service year commenced on the Executive Board of the company or its legal predecessor freenet.de AG, but no more than 225 thousand euros per annum (maximum pension).
- Surviving dependant pension for the spouse or life companion and orphan's pension for any children until the end of their schooling or vocational training, terminating at the latest when they reach the age of 27 years, to a maximum total amount of the guaranteed pension or the value of pension entitlements accrued at the time of Mr Esch's death.

For the former Executive Board member Mr Preisig, the following arrangement applies:

- On reaching the age of 60, Mr Preisig shall receive an annual retirement pension amounting to 2.5 percent of their last annual fixed salary for each service year commenced on the Executive Board freenet AG or the former debitel AG. This means that the annual retirement pension is expected to amount to 32.5 percent of the most recent annual fixed salary (172 thousand euros).
- Surviving dependant pension for the spouse or life companion and orphan's pension for any children until the end of schooling or vocational training, terminating at the latest when they reach the age of 27 years, to a maximum total amount of the guaranteed pension.
- On reaching the age of 60, Mr Preisig shall receive a retirement pension from the debitel pension fund. Based on an awarded monthly retirement pension of 9,333 euros, this is taken into account on a pro rata basis in accordance with the actual length of service. All claims of Mr Preisig, his spouse or a life companion with rights as beneficiary, and any surviving dependants from the debitel pension fund shall be offset against the aforementioned claims arising from the service agreement with freenet AG.

Messrs Arnold, v. Platen and Fromme were each granted defined contribution benefits, with the pension benefits being reinsured by a life insurance policy. An amount of 8,333 euros are paid monthly into a provident fund for each Executive Board member in line with the company's commitment. The pension benefit amount is calculated according to the provident fund benefit schedule and depends on the actuarial factors applied to the contributions.

3. PERFORMANCE-RELATED REMUNERATION

The performance-related remuneration of Executive Board members is linked to performance and constitutes a significant portion of the Executive Board member's total remuneration.

Performance-related remuneration comprises a short-term and a long-term instrument: the short-term variable remuneration (STIP) and the long-term variable remuneration (LTIP). The ultimate amount of each instrument depends on the achievement of certain targets. If the targets are not met, this remuneration is not paid. If they are significantly exceeded, the target achievement and therefore the remuneration resulting from the STIP are each capped. The performance criteria and target parameters of the STIP are derived from the company's strategic goals and operational management, and therefore serve to further the company's performance. The starting point for the LTIP is the specific targets to be achieved for the STIP. However, in the long run the LTIP is based on the company's share price performance and achievement of an EBT target and therefore serves as an incentive for the long-term, sustainable performance of the company.

In cases of exceptional performance or successes for the company, the Supervisory Board can decide at its own discretion whether to award any additional bonuses (special bonus) also retrospectively. However, the sum of these bonuses must not exceed 50 percent of base remuneration (fixed salary) for the relevant financial year.

3.1 Short-term variable remuneration (STIP)

Short-term variable remuneration (STIP) consists of an annual performance-related cash bonus that depends on the achievement of various targets for the relevant financial year. The amount accrued upon 100 percent target achievement is specifically laid down when the Executive Board service agreements is signed and applies to all of the years covered by the Executive Board service agreements ("expected variable remuneration" or "target remuneration").

The Supervisory Board stipulates the specific performance criteria and, in the event there are several strategic targets, their weighting prior to the beginning of each financial year for that financial year, taking into account the company's planning. This is intended to guarantee implementation of strategic and operational requirements materially important to the long-term performance of the company.

A target achievement scale corridor is set for each performance criterion and ranges from a quantitatively defined minimum to a quantitatively defined maximum level. Between the minimum and maximum levels, another figure is quantified to represent 100 percent target achievement ("target"). This target is assigned to the expected variable STIP remuneration laid down in the Executive Board service agreement. If the minimum level is not achieved, the variable remuneration for the relevant performance criterion is 0 percent of the expected variable remuneration. If the maximum level is achieved or exceeded, the variable remuneration for the relevant performance criterion is 150 percent of the expected variable remuneration (cap on variable remuneration). If the target achievement falls between the minimum and maximum, then the variable remuneration is determined on a straight-line basis between minimum and target as well as between target and maximum respectively. It may be stipulated that certain changes in the fundamentals for the individual performance criteria occurring during the financial year are not taken into account or lead to adjustments, e.g. that the acquisition of a significant company is not taken into account in the current financial year when calculating the company earnings.

The Supervisory Board determines the degree of achievement of each of the defined targets following approval of the consolidated financial statements for the previous financial year. Taking into account the weighting of the individual performance criteria and the actual target achievement, the aforementioned methodology is then applied to determine the STIP payout amount for the previous financial year. The current approach stipulates that a partial amount of 70 percent of the relevant STIP payout amount for 100 percent target achievement is paid during the year as an advance payment. After determining the actual target achievement, the advance payment is set off against the final remuneration earned from the STIP; the difference must be repaid if it exceeds this amount.

3.2 Long-term variable remuneration (LTIP)

The LTIP described below enables the participating members of the Executive Board to share in the sustainable, long-term business success of the company and functions as a special long-term incentive. Due to the different times at which Executive Board members were first or newly appointed, they participate in various LTIP programmes (see note 1). The details are outlined below.

All LTIP programmes grant Executive Board members share-based remuneration in the form of virtual shares annually over a multi-year assessment period depending on actual STIP target achievement. A payout from the virtual shares is not possible until the end of a multi-year performance period, and therefore after expiration of the corresponding holding period, if the further payout conditions are fulfilled. The amount of the cash payout is calculated depending on the share price at that time, taking into account dividend payments made in the meanwhile and achievement of an earnings target (EBITDA or EBT). If the programme's earnings target is not met, the remuneration from the LTIP is zero. The company believes that this system brings the interests of shareholders, the company and the Executive Board into alignment.

LTIP Programme 1, which had been granted to members of the Executive Board in 2011, was terminated in 2015 when paid out to the beneficiaries. As at 31 December 2021, Programme 2, which was issued in 2014, was also terminated due to payout – the last payout to Mr Esch took place in financial year 2021.

When the respective service agreements were extended (with Mr Vilanek from 1 April 2019, and with Mr Esch from 1 March 2020) and the respective first-time appointment to the Executive Board made (for both Mr v. Platen and Mr Fromme with effect from 1 June 2018; for Mr Arnold with effect from 1 January 2019), supplemental agreements to the service agreements were entered into with the aforementioned members of the Executive Board that granted new LTIP benefits (hereinafter referred to as "Programme 3"). No payments have yet been made under Programme 3.

When the respective service agreements of Mr v. Platen and Mr Fromme, which originally had a term of three years, were extended with effect from 1 June 2021, supplemental agreements to the service agreements were entered into with the aforementioned members of the Executive Board that granted new LTIP benefits (hereinafter referred to as "Programme 4"). No payments have yet been made under Programme 4 either.

PROGRAMME 2

In 2014, agreements concerning the service agreements that grant new LTIP benefits (hereinafter referred to as “Programme 2”) were entered into with the members of the Executive Board at the time.

In addition to the annual STIP target agreement, a five-year target agreement was concluded in which EBITDA in financial years 2014 to 2018 (for Mr Vilanek) and EBITDA in financial years 2015 to 2019 (for Mr Preisig and Mr Esch) was designated as the target parameter. A basic amount was specified in each beneficiary’s service agreements for this remuneration instrument; this basic amount was entered in a virtual account for the Executive Board member in question as a positive or negative amount as described below and in accordance with target achievement in each financial year, and paid out in annual instalments depending on future performance provided that account shows a credit balance. Basic amounts totalling 1,050 thousand euros per financial year were specified as target remuneration for the beneficiaries, of which 550 thousand euros for Mr Vilanek, 300 thousand euros for Mr Preisig and 200 thousand euros for Mr Esch.

If the Group EBITDA target is achieved in a financial year, 100 percent of the basic amount was credited to the virtual account as the basic amount multiplier. If the Group EBITDA defined for 120 percent target achievement was reached, 200 percent of the basic amount was credited to the virtual account. If target achievement was between 100 and 120 percent, linear interpolation was used. Even if the 120 percent target is exceeded, no more than 200 percent of the basic amount is credited to the virtual account. If the target achievement for the defined Group EBITDA was between the fixed 90 percent target and 100 percent, a percentage of the basic amount which is reduced on a linear basis was credited to the virtual account; if only 90 percent of the target was achieved, nothing was credited to the virtual account for the financial year in question. If Group EBITDA failed to meet the 90 percent target, a negative amount of up to 200 percent of the basic amount (if Group EBITDA is 80 percent of the target or less) was debited to the virtual account.

The amount shown on the virtual account (referred to as the “allotment amount” as the product of the basic amount and the respective basic amount multiplier described above) was converted into virtual shares. This calculation was based on a reference share price, i.e. the average Xetra closing price on the 20 stock exchange trading days after the day on which the consolidated financial statements for the relevant financial year are published.

In the event of payouts from Programme 2, the balance of virtual shares was converted into cash on the basis of the average Xetra closing price on the 20 stock exchange trading days following the date of publication of the consolidated financial statements for the relevant financial year. The increase in the share price was taken into account only up to a price of 50 euros (cap). With the exception of the final payout at the completion of the programme, a payout of 25 percent of the balance of virtual shares was possible for each financial year. Irrespective of that, the gross payout amount was restricted additionally as follows: the maximum gross amount to be paid out per financial year corresponded to 500 percent of the number of virtual shares in the respective sub-account, multiplied by the applicable share price on which the calculation of the allotment amount when the respective post was made in the sub-account was based and multiplied by 25 percent for the cap on the annual payout described above.

For the purpose of conversion into virtual shares, dividend payments, as well as circumstances for which dilution protection provisions were applicable in the case of marketable financial instruments dependent on the share value, must be included in the calculations.

The development of the number of virtual shares in Programme 2 in the previous year (2020) and in financial year 2021 is shown in the following overview:

Programme 2	Number of virtual shares 01.01.2021	Addition	Disposal by payout	Number of virtual shares 31.12.2021
Stephan Esch	88,718	0	88,718	0
	88,718	0	88,718	0

Programme 2	Number of virtual shares 01.01.2020	Addition	Disposal by payout	Number of virtual shares 31.12.2020
Joachim Preisig	30,691	0	30,691	0
Stephan Esch	64,549	24,169	0	88,718
	95,240	24,169	30,691	88,718

Details of the specific payments made under Programme 2 for Mr Esch (in 2021) and Mr Preisig (in 2020) can be found in notes 4 and 7.

PROGRAMME 3

Under Programme 3, a target agreement in line with the term of the respective service agreements covering five years (in relation to Mr Vilanek and Mr Esch) and three years (in relation to Mr Arnold, Mr v. Platen and Mr Fromme) was entered into, in addition to the annual target agreement, designating as the target parameter the target achievement from the respective annual variable remuneration for financial years 2019 to 2023 (for Mr Vilanek), financial years 2020 to 2024 (for Mr Esch), financial years 2019 to 2021 (for Mr Arnold) and financial years 2018 (prorated as of the date of appointment to the Executive Board, i.e. from 1 June 2018) to 2021 (prorated until the end of the service agreement's term on 31 May 2021) (for Mr v. Platen and Mr Fromme).

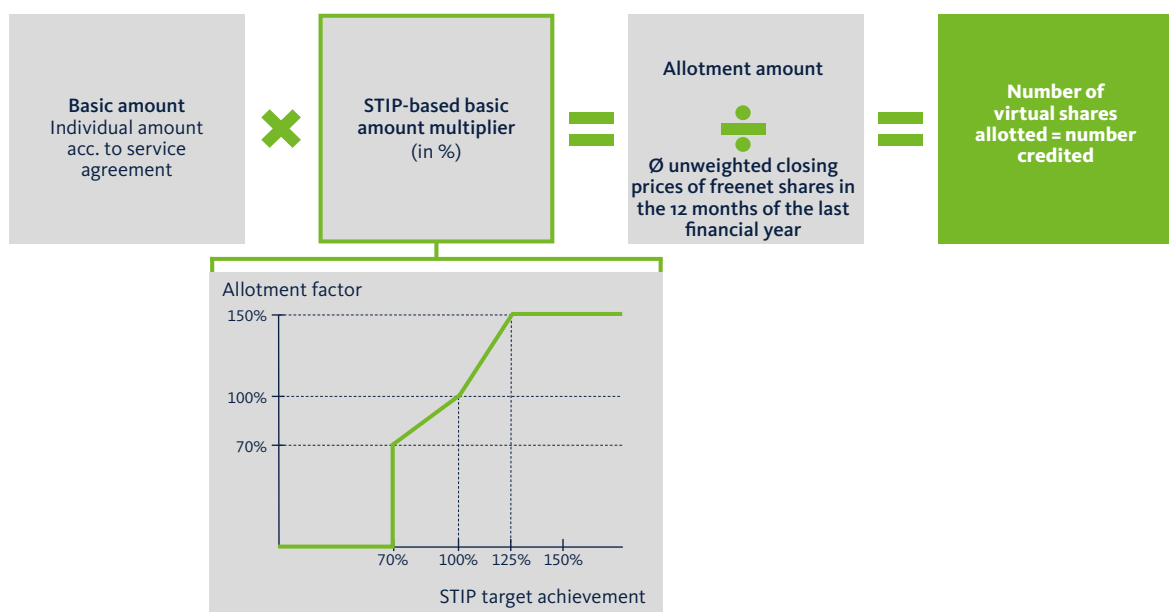
A basic amount was specified as the target remuneration in each beneficiary's service agreement for Programme 3; this basic amount is entered in a virtual account for the respective Executive Board member as a positive amount as described below and in accordance with target achievement in each financial year, and paid out after the further terms of payout described in more detail in the text below are met, depending on future performance. Basic amounts totalling 1,650 thousand euros (of which 650 thousand euros for Mr Vilanek and 250 thousand euros in each case for Messrs Esch, Arnold, v. Platen and Fromme) were specified as target remuneration for the beneficiaries for each full financial year.

If the level of target achievement of the annual variable target agreement (STIP) for a financial year is 100 percent, 100 percent (as the basic amount multiplier) of the basic amount is credited to the virtual LTIP account. At most (if the level of target achievement is 125 percent or above), 150 percent of the basic amount is credited to the virtual account. If the level of target achievement is less than 70 percent, no virtual shares are credited for the financial year in question. If target achievement is between 70 and 125 percent, linear interpolation is used, in each case to the 100 percent value.

The amount shown on the virtual account (referred to as the “allotment amount” for the target period as the product of the basic amount and the aforementioned basic amount multiplier) is divided by the reference share price to convert it into the virtual shares credited. The reference share price is the average Xetra closing price for all stock exchange trading days in the twelve months of the relevant target period, i.e., the previous financial year. In any event, the credited number is limited in each case to 100,000 virtual shares annually (for Mr Vilanek) and to 40,000 annually (for Messrs Esch, Arnold, v. Platen and Fromme).

The explanations above are again summarised in the following figure:

Posting of virtual shares



In the case of all payouts from the programme, a beneficiary is entitled to payouts from the LTIP only after adhering to the holding periods and exercise dates, if and to the extent that a certain long-term EBT target is achieved. The applicable reference value for this is Group EBT for financial year 2022 for all Executive Board members except for Mr Esch who are beneficiaries of Programme 3, and Group EBT for financial year 2023 for Mr Esch. If the Group EBT target is achieved precisely, the number of virtual shares credited to the account over several years as described above remains unchanged. If the EBT target is exceeded or missed, the number of virtual shares credited is doubled at most if

target achievement is 105 percent of more or, in the worst-case scenario, set to zero if target achievement is 90 percent or less. In each case, a value is linearly interpolated between the aforementioned levels of achievement of the EBT target. The Executive Board member may request that the payout resulting from this be disbursed at the earliest when achievement of the EBT target (for all Executive Board members except for Mr Esch) is determined at the beginning of 2023 (and for Mr Esch at the beginning of 2024), but not before the end of the holding period for the number entered.

About the holding period: Basically, the number entered must be held by the Executive Board member for three years as of 1 January of the year in which the virtual shares are entered in the virtual LTIP account. If the service agreement is not extended at the end of the regular service agreement term, the holding period for Messrs Vilanek, Esch and Arnold instead ends at the latest 18 months after the penultimate target period during the service agreement term (i.e. six months after the end of the regular service agreement term) and for Messrs v. Platen and Fromme at the latest 18 months after the last full target period during the service agreement term (i.e. 13 months after the end of the regular service agreement term).

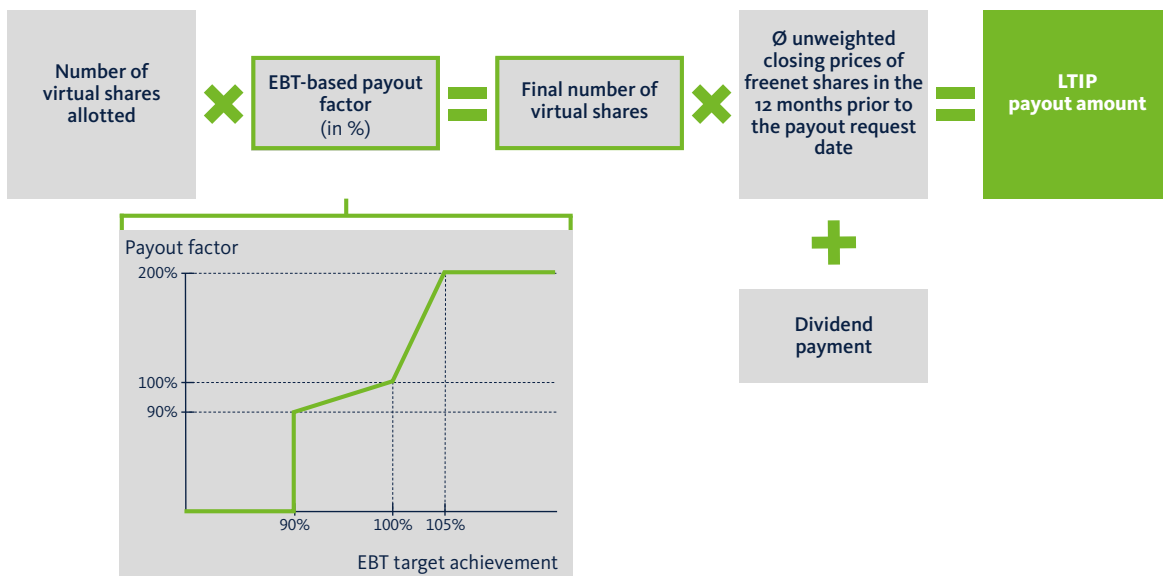
About the exercise period: At the end of the holding period, but no earlier than after achievement of the EBT target is determined, the Executive Board member is entitled during a period of two years to request that the payout amount be disbursed. The payout may also be requested in partial amounts. If no payout is requested or if a payout is not requested within the specified period, the virtual shares concerned expire.

The maximum amount payable in each case is the number of virtual shares payable as calculated in accordance with the aforementioned principles, multiplied by the payout multiplier, plus the dividend. The payout multiplier is the

average of the Xetra closing prices on all trading days during the twelve months before the date on which the payout is requested. The Executive Board member can therefore continue to benefit from the share price increase during the exercise period by not exercising virtual shares, but also bears the risk of a loss in value during this period. Irrespective of share price performance, the payout multiplier is in each case capped at 50 euros. The dividend is the sum total of the amounts of the gross dividend per share distributed in the period between the beginning of the holding period for the number entered and the date on which the payout is requested, multiplied by the number of virtual shares payable. When calculating this dividend, however, an amount of 20 euros per virtual share payable may not be exceeded (dividend cap). The last financial year of the service agreement in which Messrs Vilanek and Esch are beneficiaries of Programme 3 (2023 for Mr Vilanek, 2024 for Mr Esch) comes after the year in which the EBT target must be met (2022 for Mr Vilanek, 2023 for Mr Esch). For this last financial year, the crediting of virtual shares depends on achievement of the EBT target. A payout is only possible for this last financial year if the EBT in this last financial year exceeds the EBT of the previous year (the year of the EBT target) by at least 1.5 percent.

The conditions for payout are again summarised in the following figure:

Payout of Virtual Shares



In the event of early termination of the employment relationship, separate provisions apply (which are presented in note 8).

Standard market anti-dilution provisions apply, i.e. in the event of a share split, a share consolidation or a capital increase from retained earnings where new shares are issued, for example, the number of virtual shares in the LTIP virtual account is adjusted accordingly.

The development of the number of virtual shares in Programme 3 in the previous year (2020) and in financial year 2021 is shown in the following overview:

Programme 3	Number of virtual shares	Addition	Disposal by payout	Number of virtual shares
	01.01.2021			31.12.2021
Christoph Vilanek	44,479	55,682	0	100,161
Ingo Arnold	17,107	21,416	0	38,523
Stephan Esch	0	21,416	0	21,416
Rickmann v. Platen	27,442	21,416	0	48,858
Antonius Fromme	27,442	21,416	0	48,858
	116,470	141,346	0	257,816

Programme 3	Number of virtual shares	Addition	Disposal by payout	Number of virtual shares
	01.01.2020			31.12.2020
Christoph Vilanek	0	44,479	0	44,479
Ingo Arnold	0	17,107	0	17,107
Rickmann v. Platen	10,335	17,107	0	27,442
Antonius Fromme	10,335	17,107	0	27,442
	20,670	95,800	0	116,470

The shares added in 2021 are for financial year 2020 and in 2020 are for financial year 2019. At the time this report was prepared, virtual shares had not yet been added to the LTIP virtual account for financial year 2021. For financial year 2021, 46,763 virtual shares are expected to be added for Mr

Vilanek, 17,986 virtual shares each are expected to be added for Messrs Arnold and Esch, and 7,494 virtual shares each are expected to be added for Messrs v. Platen and Fromme (for the partial financial year up to 31 May 2021).

PROGRAMME 4

In Programme 4, a target agreement was signed with Messrs v. Platen and Fromme (also in addition to the annual target agreement) for a five-year term corresponding to the term of the new service agreements. This target agreement defines the target achievement for the annual variable remuneration of financial years 2021 (pro-rated from the new Executive Board appointment, from 1 June 2021 onward) to 2026 (pro-rated up to 31 May 2026) based on target parameters.

Basic amounts totalling 290 thousand euros in each case were specified as the target remuneration for the beneficiaries for each full financial year.

The basic principles and terms of exercise for Programme 4 generally correspond to those of Programme 3 as outlined above. In contrast to Programme 3, the holding period of three years was increased to four years. Limits on the annual number of shares to be credited, a dividend cap and a maximum payout factor are not specified – instead, the total payout amount from Programme 4 (in relation to the term of the service agreement, not individual payout years) is limited to 400 percent of the basic amount for Programme 4 (for each full calendar year of the service agreement; the pro-rated basic amount for partial calendar years).

The reference value applicable to the EBT target is Group EBT for financial year 2025.

The last partial financial year 2026 of the service agreement covered by Programme 4 follows the year of the EBT target (2025). For this last partial financial year, the crediting of virtual shares depends on achievement of the EBT target. A payout is only possible for this last financial year if the EBT for 2026 exceeds the EBT for 2025 by at least 1.5 percent.

As of the date of this report, no virtual shares have been credited for Programme 4. For partial financial year 2021 (from 1 June 2021 onward), 12,170 virtual shares are expected to be added for Messrs v. Platen and Fromme.

4. REMUNERATION OF CURRENT EXECUTIVE BOARD MEMBERS IN FINANCIAL YEARS 2021 AND 2020

The following table illustrates the remuneration granted and owed to current Executive Board members in financial

years 2021 and 2020 as defined in section 162 (1) AktG. The information in the table and how it was determined is explained in detail following the table and supplemented in note 5 with additional information on retirement benefits.

Current members of the Executive Board 2021 remuneration in EUR thousand	Christoph Vilanek	rel. share in %	Ingo Arnold	rel. share in %	Stephan Esch	rel. share in %	Rickmann v. Platen	rel. share in %	Antonius Fromme	rel. share in %	Total	Share of total in %
Fixed salary	1,000	54.9	500	59.0	500	16.2	500	56.9	500	57.1	3,000	39.9
Fringe benefits	15	0.8	11	1.3	18	0.6	12	1.4	8	0.9	64	0.9
Total non-performance-related remuneration	1,015	55.7	511	60.3	518	16.8	512	58.2	508	58.1	3,064	40.8
Short-term variable remuneration (STIP)	806	44.3	336	39.7	336	10.9	367	41.8	367	41.9	2,212	29.5
Short-term variable remuneration (special bonus)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Long-term variable remuneration (LTIP)												
LTIP Programme 2	0	0.0	0	0.0	2,236	72.4	0	0.0	0	0.0	2,236	29.8
LTIP Programme 3	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
LTIP Programme 4	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total performance-related remuneration	806	44.3	336	39.7	2,572	83.2	367	41.8	367	41.9	4,448	59.2
Total remuneration	1,821	100.0	847	100.0	3,090	100.0	879	100.0	875	100.0	7,512	100.0

Current members of the Executive Board 2020 remuneration in EUR thousand	Christoph Vilanek	rel. share in %	Ingo Arnold	rel. share in %	Stephan Esch	rel. share in %	Rickmann v. Platen	rel. share in %	Antonius Fromme	rel. share in %	Total	Share of total in %
Fixed salary	1,000	36.3	500	37.9	500	60.8	500	61.0	500	61.2	3,000	45.9
Fringe benefits	15	0.5	11	0.8	15	1.8	12	1.5	9	1.1	62	0.9
Total non-performance-related remuneration	1,015	36.9	511	38.7	515	62.6	512	62.4	509	62.3	3,062	46.9
Short-term variable remuneration (STIP)	739	26.8	308	23.4	308	37.4	308	37.6	308	37.7	1,971	30.2
Short-term variable remuneration (special bonus)	1,000	36.3	500	37.9	0	0.0	0	0.0	0	0.0	1,500	23.0
Long-term variable remuneration (LTIP)												
LTIP Programme 2	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
LTIP Programme 3	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total performance-related remuneration	1,739	63.1	808	61.3	308	37.4	308	37.6	308	37.7	3,471	53.1
Total remuneration	2,754	100.0	1,319	100.0	823	100.0	820	100.0	817	100.0	6,533	100.0

Fixed salary and fringe benefits

The fixed salary granted to current Executive Board members in the 2021 reporting period amounted to a total of 3,000 thousand euros (previous year: 3,000 thousand euros). Fringe benefits of 64 thousand euros (previous year: 62 thousand euros) were granted.

Short-term variable remuneration: STIP and special bonus

The short-term variable remuneration granted under the short-term incentive programme (STIP) amounted to 2,212 thousand euros (previous year: 1,971 thousand euros). On the one hand, this includes prepayments granted in the

current 2021 financial year (previous year: 2020) for the current financial year. On the other hand, it includes the amounts accrued for the current financial year and not yet paid in the current financial year, which will be paid out in the following year after approval by the Supervisory Board. The company has decided to consider the year of granting for the STIP, which is calculated for a one-year period in each case, to be the financial year in which the service underlying the remuneration is rendered in full (for an overview of payments received, see the table further below).

The following is an overview of the calculation of the STIP for 2021 and 2020 (performance criteria, actual figures, target achievement, target weighting, etc.):

Short-term variable remuneration (STIP), 2021	Actual figure	Figure, 50% target achievement	Figure, 100% target achievement	Figure, 150% target achievement	Target achievement in %	Weighting of target in %	Target achievement in %, weighted
Performance criterion							
Group EBITDA (in € million)	447.3	400.0	420.0	440.0	150.0	40.0	60.0
Contract customers (postpaid, freenet FUNK/freenet Flex, TV) (in '000s)	8,785.0	8,500.0	8,800.0	9,100.0	97.5	30.0	29.3
Revenue from Digital Lifestyle, waipu.tv, freenet FUNK, freenet Flex (in € million)	276.6	220.0	240.0	270.0	150.0	30.0	45.0
							134.3

Short-term variable remuneration (STIP), 2020	Actual figure	Figure, 50% target achievement	Figure, 100% target achievement	Figure, 150% target achievement	Target achievement in %	Weighting of target in %	Target achievement in %, weighted
Performance criterion							
Group EBITDA (in € million)	425.9	400.0	415.0	435.0	127.2	40.0	50.9
Subscribers, excl. app-based customers (in'000s)	8,553	8,300.0	8,500.0	8,700.0	113.3	30.0	34.0
Revenue from Digital Lifestyle, DVBT2 B2C and waipu.tv (in € million)	273.4	250.0	265.0	280.0	127.9	30.0	38.4
							123.2

In calculating the STIP, the same performance criteria were applied for all Executive Board members. The application of the performance criteria met resulted in the following STIP remuneration granted for 2021 and 2020:

Short-term variable remuneration (STIP) Target remuneration and remuneration granted per Management Board member in € '000s	2021 STIP (100%)	2021 STIP (134.3%)	2020 STIP (100%)	2020 STIP (123.2%)
Christoph Vilanek	600	806	600	739
Ingo Arnold	250	336	250	308
Stephan Esch	250	336	250	308
Rickmann v. Platen	273	367	250	308
Antonius Fromme	273	367	250	308
	1,646	2,212	1,600	1,971

A breakdown of STIP remuneration granted by year of payment is presented in the following overview:

Short-term variable remuneration (STIP) Remuneration granted per Management Board member by year of payment in € '000s	Paid in 2021 for 2021	Payable in 2022 for 2021	2021 Total	Paid in 2020 for 2020	Paid in 2021 for 2020	2020 Total
Christoph Vilanek	420	386	806	420	319	739
Ingo Arnold	175	161	336	175	133	308
Stephan Esch	175	161	336	175	133	308
Rickmann v. Platen	191	176	367	175	133	308
Antonius Fromme	191	176	367	175	133	308
	1,152	1,059	2,212	1,120	851	1,971

In the prior year (2020), short-term variable remuneration included special bonuses amounting to 1,500 thousand euros – 1,000 thousand euros thereof were for Mr Vilanek and 500 thousand euros for Mr Arnold. These special bonuses were granted by the Supervisory Board on 19 October 2020 in view of the exceptional performance of Mr Vilanek and Mr Arnold. On the one hand, these were for prevention of the takeover of UPC Schweiz GmbH by Sunrise Communications Group AG in 2019 (500 thousand euros were for Mr Vilanek, 250 thousand euros for Mr Arnold), and on the other hand, for the sale of the stake in Sunrise Communications Group AG to Liberty Global plc. for around 1.1 billion euros in 2020 (500 thousand euros for Mr Vilanek, 250 thousand euros for Mr Arnold). The amount of 750 thousand euros for the exceptional performance in 2019 were paid out in 2020.

The other amount of 750 thousand euros for the exceptional performance in 2020 were paid out in 2021. The year of granting for the special bonuses is also deemed to be the financial year in which the service giving rise to the remuneration is rendered in full. However, since the special bonuses were decided by the Supervisory Board in October 2020, the partial amount attributable to 2019 according to this standard could not be recognised (subsequently) for 2019 and is therefore also reported in 2020.

Long-term variable remuneration: LTIP

The company reports LTIP remuneration as granted when the work is performed in full and all other conditions precedent and subsequent for exercise are met (e.g. EBT target achievement, holding terms, declarations for exercise, calculation of the share price relevant for payout). The granting date is therefore generally in the payout year.

In 2021, cash payments from LTIP Programme 2 amounting to 2,236 thousand euros were made to Mr Esch, which brought Programme 2 to an end. No payouts to active Executive Board members were made from Programme 2 in 2020. No payouts whatsoever have been made yet from LTIP Programmes 3 and 4 because exercise is not yet possible. The LTIP remuneration in 2021 therefore totalled 2,236 thousand euros in contrast to 0 euros for the previous year.

The following is an overview of the performance criteria applied to determine the payout amount for Mr Esch in financial year 2021:

LTIP Programme 2: Payout amount for Mr Esch	for 2015	for 2016	for 2017	for 2018	for 2019	Total
Basic amount (€ '000s)	200.0	200.0	200.0	200.0	200.0	
EBITDA figure (without Sunrise) for 120% target achievement (€ million)	368.0	373.0	381.0	385.0	385.0	
Actual EBITDA figure (without Sunrise) (€ million)	370.0	402.1	409.1	441.2	426.8	
Actual target achievement (in %)	120.0	120.0	120.0	120.0	120.0	
Basic amount multiplier (in %)	200.0	200.0	200.0	200.0	200.0	
Allotment amount (€ '000s)	400.0	400.0	400.0	400.0	400.0	
Relevant share price at allotment (in €)	27.22	29.53	25.24	19.55	16.55	
Number virtual shares credited to the account	14,695	13,546	15,848	20,460	24,169	
Relevant share price at payout (in €)	22.38	22.38	22.38	22.38	22.38	
Dividend amount per virtual share at payout (in €)	6.49	4.94	3.34	1.69	0.04	
Payout amount per virtual share (in €)	28.87	27.32	25.72	24.07	22.42	
Payout amount (€ '000s)	424	370	408	492	542	2,236

5. RETIREMENT BENEFITS FOR CURRENT EXECUTIVE BOARD MEMBERS IN FINANCIAL YEARS 2021 AND 2020

Regarding retirement benefits, a total of 1,690 thousand euros (previous year: 1,701 thousand euros) was paid into the provident fund for active Executive Board members in 2021. Mr Vilanek accounted for 960 thousand euros (previous year: 964 thousand euros) of this amount, Mr Arnold for 100 thousand euros (previous year: 100 thousand euros), Mr Esch for 430 thousand euros (previous year: 437 thousand euros), Mr v. Platen for 100 thousand euros (previous year: 100 thousand euros), and Mr Fromme for 100 thousand euros (previous year: 100 thousand euros). These payments into the provident fund do not have to be reported as remuneration within the meaning of section 162 AktG, because in the case of these commitments, the Executive Board members have no direct legal claim in respect of the provident fund or reinsurer, but rather in respect of freenet AG.

The pension expense according to IAS 19 (current and past service cost) amounted to 900 thousand euros in financial year 2021 compared with 1,216 thousand euros in the previous year. In 2021, Mr Vilanek accounted for 382 thousand euros (previous year: 569 thousand euros) of this amount, Mr Esch for 218 thousand euros (previous year: 347 thousand euros), Mr Arnold for 100 thousand euros (previous year: 100 thousand euros), Mr v. Platen for 100 thousand euros (previous year: EUR 100) and Mr Fromme for 100 thousand euros (previous year: EUR 100). Pension payments have not yet been made to the active Executive Board members. As of 31 December 2021, the present value of the funded obligation for Mr Vilanek amounted to 7,247 thousand euros (previous year: 7,458 thousand euros) and for Mr Esch to 6,446 thousand euros (previous year: 6,469 thousand euros). Due to the nature of the selected commitment, there is no present value for funded obligations for Messrs Arnold, v. Platen and Fromme. As at 31 December 2021, the pension provision for Mr Vilanek amounted to 2,223 thousand euros (previous year: 3,435 thousand euros) and for Mr Esch to 3,292 thousand euros (previous year: 3,788 thousand euros).

6. COMPLIANCE WITH MAXIMUM REMUNERATION FOR CURRENT EXECUTIVE BOARD MEMBERS

The remuneration of currently serving Executive Board members is limited in various ways. On the one hand, caps have been laid down for variable fringe benefits and individual performance-based instruments which in some cases comprise individual limits. On the other hand, the Executive Board service agreements for Messrs v. Platen and Fromme entering into force on 1 June 2021 specify various caps on remuneration that limit the total amount of remuneration

that can be granted in a particular financial year in accordance with the requirements of section 87a AktG.

The total value of their fringe benefits is not permitted to exceed a total of 5 percent of their annual salary per financial year (comprising fixed salary, STIP at 100 percent target achievement and the annual basic amount LTIP at 100 percent target achievement).

Regarding the performance-based STIP remuneration instrument, the upper limit is 150 percent of the target amount in each case. All Executive Board members were granted 134.3 percent of the target amount for 2021 and 123.2 percent of the target amount for 2020. Mr Vilanek was granted an STIP payout amounting to 806 thousand euros for 2021 and 739 thousand euros for 2020 out of the maximum possible 900 thousand euros in each case. The STIP remuneration for Messrs Arnold and Esch amounted to 336 thousand euros each for 2021 and 308 thousand euros each for 2020 out of the maximum possible 375 thousand euros for each of those two financial years. Messrs v. Platen and Fromme were each granted 367 thousand euros for 2021 and 308 thousand euros for 2020 out of the maximum possible 410 thousand euros for 2021 and 375 thousand euros for 2020.

In addition to the STIP, a special bonus of no more than 50 percent of the fixed salary is possible for extraordinary achievements. This is paid out for the financial year in which the exceptional performance occurred on which the special bonus is based. The special bonus granted for the prior year (2020) amounted to 1,000 thousand euros for Mr Vilanek and 500 thousand euros for Mr Arnold (see note 4 for an explanation of the disclosure for 2020). In each case, 50% of these amounts were paid for extraordinary achievements in 2019 and 2020, which means the maximum remuneration was not exceeded.

Virtual shares were credited under the LTIP programme in financial years 2021 (for work accomplished in 2020) and 2020 (for work accomplished in 2019). In financial year 2021, 55,682 virtual shares from Programme 3 were credited for Mr Vilanek (previous year: 44,479 virtual shares) out of a maximum possible 100,000 virtual shares per financial year. In financial year 2021, 21,416 virtual shares from Programme 3 each were credited for Messrs Arnold, v. Platen and Fromme (previous year: 17,107 virtual shares) out of a maximum possible 40,000 virtual shares per financial year. For Mr Esch the number of virtual shares credited for Programme 3 in financial year 2021 amounted to 21,416 out of a maximum possible 40,000. In the prior year 2020, Mr Esch was granted 24,169 virtual shares from Programme 2. In calculating Mr Esch's payout amount of 2,236 thousand euros

from Programme 2 in 2021, the relevant caps for the share price and maximum gross amount per financial year were not exceeded.

In the Executive Board service agreements for Messrs v. Platen and Fromme each beginning 1 June 2021, the maximum amount of total benefits (fixed salary, fringe benefits, any special bonus, STIP, LTIP, retirement benefit contributions) for a full financial year was set at 4,000 thousand euros each. Since the calculation of this maximum amount for financial year 2021 is required to include the prorated LTIP amounts, the amount of which is not determined until payout in some years, no further disclosures can currently be made in this regard; in terms of the provisions of Programme 4, however, a contractual agreement was made to reduce payout claims from the LTIP if this is necessary to comply with the maximum remuneration for the relevant financial year.

7. REMUNERATION AND RETIREMENT BENEFITS FOR FORMER EXECUTIVE BOARD MEMBERS FOR FINANCIAL YEARS 2021 AND 2020

Cash payments of 559 thousand euros were made to Mr Preisig as variable remuneration in the previous year (2020) to terminate his LTIP Programme 2.

No pension payments arising from the pension commitments have been made to former Executive Board members to date. As at 31 December 2021 the defined benefit obligation (DBO) for Mr Preisig amounted to 5,943 thousand euros (previous year: 6,204 thousand euros). In 2021, 373 thousand euros (2020: 373 thousand euros) were paid into the provident fund for Mr Preisig. The DBO for other former Executive Board members whose service was more than 10 years ago amounted to 11,725 thousand euros as at 31 December 2021 (individual amounts: 5,435 thousand euros, 4,792 thousand euros and 1,498 thousand euros) and to 12,437 thousand euros as at 31 December 2020 (individual amounts: 5,756 thousand euros, 5,090 thousand euros and 1,591 thousand euros). As at 31 December 2021, the pension provision for Mr Preisig amounted to 1,363 thousand euros (previous year: 2,047 thousand euros) and for other former Executive Board members whose service was more than 10 years ago to 4,447 thousand euros (previous year: 5,755 thousand euros).

In 2021, 399 thousand euros (individual amounts: 175 thousand euros, 167 thousand euros and 57 thousand euros) were paid into the pension plan for the retirement benefits of these former Executive Board members. In 2020, this amount was 399 thousand euros (individual amounts: 175 thousand euros, 167 thousand euros and 57 thousand euros).

However, the payments into the provident fund for Mr Preisig and the former Executive Board members whose service was more than 10 years ago do not have to be reported as remuneration within the meaning of section 162 AktG, because in the case of these commitments, the Executive Board members have no direct legal claim in respect of the provident fund or reinsurer, but rather in respect of freenet AG.

8. REMUNERATION ARRANGEMENTS IN THE EVENT OF SCHEDULED OR EARLY TERMINATION OF EMPLOYMENT

In the event employment is ended as scheduled, i.e. when the term of office ends and the service agreement expires, fixed remuneration and fringe benefit payments also end. Likewise the STIP is only calculated proportionately for the period up to the end of employment and is paid out after the assessment criteria are determined, which may be after the scheduled end of employment.

The performance periods for Programmes 3 and 4 of the LTIP are calculated such that they only run during the term of office and the applicable service agreements. This means that no further remuneration can be earned from the LTIP following the scheduled end of the term of office or service agreement. Regardless of this, the value of the credited virtual shares may still change depending on the share price during the holding period and up to the payout date. In addition, the holding periods and payout dates may fall after the scheduled end of employment. Therefore, the payout may occur after the scheduled end of employment (see note 3.2 for details).

In the event of early termination of employment, the following commitments have been made:

In the event that the term of office ends early due to revocation and subsequent termination of the service agreement, the member of the Executive Board will receive a settlement, except in cases of termination for good cause pursuant to section 626 of the German Civil Code (Bürgerliches Gesetzbuch – BGB). The amount of the settlement is one-twelfth of the annual fixed salary and short-term variable remuneration (STIP) at 100% target achievement applicable to the financial year prior to termination for every full month the service agreement would have run to the end of its scheduled term but did not due to the termination. The maximum is 24 twelfths. The same is true in the event the service agreement is cancelled prior to expiration if a new appointment with a new service agreement does not follow, or it is cancelled to avoid termination for good cause.

Multi-year target agreements were concluded with the active Executive Board members for the purpose of granting long-term variable remuneration (LTIP), see note 3.2 “Long-term variable remuneration (LTIP)”, Programmes 3 and 4. If the service agreement ends prematurely due to termination, cancellation or otherwise, or his appointment to the position is revoked, the Executive Board member is entitled to payout of the LTIP virtual account at the time of termination, provided it shows a positive balance. In this case, the number of virtual shares in the LTIP virtual account is increased by the number of virtual shares resulting from the achievement of the target agreement (STIP) for the current financial year, prorated up to the date of termination of the service agreement or (if earlier) revocation of the appointment. However, such an addition is made only if

(i) the termination of the service agreement on the part of the company is not for good cause pursuant to section 626 BGB, or that the revocation of his appointment to the position is not connected to the termination of the service agreement on the part of the company, for which there is good cause under section 626 BGB,

(ii) the service agreement is terminated by the member of the Executive Board,

(iii) the service agreement terminates prematurely due to permanent incapacity to serve, or due to the death of the member of the Executive Board, or

(iv) the service agreement is terminated prematurely by mutual consent, provided that the cancellation is not made in order to avoid a termination of the service agreement by the company, for which an important reason pursuant to section 626 BGB exists.

9. OTHER DISCLOSURES PURSUANT TO SECTION 162 AKTG

Equivalence to the applicable Executive Board remuneration system

The disclosures in the table in note 5 “Remuneration of active Executive Board members for financial years 2021 and 2020” are without exception equivalent to the applicable 2021, 2018 or 2014 Executive Board remuneration systems, in particular in terms of compliance with the stipulated caps and maximum remuneration. There were no deviations from the Executive Board remuneration system. Especially in the 2021 remuneration system and with regard to STIP and LTIP, the individual variable remuneration instruments serve to further the sustainable, long-term performance of the company already outlined elsewhere in this remuneration report.

Comparative presentation

The following disclosures provide a comparative view of annual changes in Executive Board remuneration, the development of the company's results of operations and the average remuneration of employees (expressed as FTEs):

	2021	Δ 2021– 2020	2020	Δ 2020– 2019	2019	Δ 2019– 2018	2018	Δ 2018– 2017	2017
Executive Board members in office as at 31.12.2021									
Remuneration, Christoph Vilanek (€ '000s)	1,821	- 33.9%	2,754	- 61.3%	7,124	432.8%	1,337	- 5.0%	1,408
Remuneration, Ingo Arnold (€ '000s)	847	- 35.8%	1,319	+65.5%	797				
Remuneration, Stephan Esch (€ '000s)	3,090	275.4%	823	+13.8%	723	0.1%	723	- 6.2%	770
Remuneration, Rickmann v. Platen (€ '000s)	879	7.2%	820	+2.9%	797	71.4%	465		
Remuneration, Antonius Fromme (€ '000s)	875	7.1%	817	+2.7%	796	71.6%	464		
Former Executive Board members									
Remuneration, Joachim Preisig (€ '000s)			559	- 75.2%	2,256	125.2%	1,002	- 27.8%	1,387
Total remuneration of current and former Executive Board members	7,512	5.9%	7,092	- 43.2%	12,493	213.0%	3,991	12.0%	3,565
Earnings KPIs									
Group EBITDA (€ million)	447.3	5.0%	425.9	- 0.2%	426.8	- 3.3%	441.3	+8.2%	408.0
Net income of freenet AG acc. to HGB (€ million)	102.1	- 79.3%	493.6	336.4%	113.1	- 78.4%	523.1	272.6%	140.4
Average remuneration of the workforce									
Remuneration of the entire workforce (€ million)	209.7		221.5		228.0		215.1		219.5
Average number of employees (FTEs)	3,162		3,336		3,583		3,533		3,562
Remuneration of the workforce (avg. per FTE in € '000s)	66.3	- 0.1%	66.4	+4.3%	63.6	+4.5%	60.9	- 1.2%	61.6

All of the Group's employees were included. A simplified procedure was applied to the average number of employees whereby the average was determined from the number of employees on 31 March, 30 June, 30 September and 31 December of a financial year (expressed as FTEs).

Mr Vilanek's remuneration in 2019 includes a payout from his LTIP Programme 2 in the amount of 5,421 thousand euros. In financial year 2020, a special bonus of 1,000 thousand euros was granted to Mr Vilanek and of 500 thousand euros to Mr Arnold; see note 4 for information on why this item was fully recognised in 2020 instead of 50% in each case in 2019 and 2020. Mr Esch's remuneration in 2021 includes a payout from his LTIP Programme 2 in the amount of 2,236 thousand euros. When disclosing the remuneration

for Messrs v. Platen and Fromme in financial year 2018 (and the percentage comparison with 2019), it should be noted that their Executive Board service did not begin until 1 June 2018 and therefore the remuneration only has to be reported in the table from this date.

Shares and stock options

No shares or stock options have been awarded as remuneration to the currently serving members of the Executive Board or former members of the Executive Board. Regarding the virtual shares awarded, refer to section 3.2 on long-term variable remuneration (LTIP).

Other disclosures pursuant to section 162 AktG

There was no clawback of variable remuneration instruments in the reporting period.

Benefits were neither awarded nor granted to any Executive Board member by a third party for their Executive Board activity in the reporting period.

The 2021 remuneration system that was presented for approval to the 2021 Annual General Meeting has only been applied to date to current Executive Board remuneration when the new service agreements were signed with Messrs v. Platen and Fromme starting in June 2021. It will not be applied to the other current Executive Board contracts, since the 2021 Annual General Meeting did not approve the 2021 remuneration system and a revised remuneration system will be presented for approval to the 2022 Annual General Meeting.

C. SUPERVISORY BOARD DISCLOSURES

1. REMUNERATION STRUCTURE UP TO 31 DECEMBER 2020

In accordance with the Articles of Association, the remuneration of the Supervisory Board applicable until 31 December 2020 consisted of three instruments:

- Base remuneration
- Attendance fees
- Performance-related remuneration

The Supervisory Board's members received from the company fixed base remuneration of 30,000 euros for each full financial year of their Supervisory Board membership.

The chairperson of the Supervisory Board received double this amount, the vice chairperson one-and-a-half times this amount.

In addition, every Supervisory Board member received an attendance fee of 1,000 euros for each Supervisory Board meeting that he/she attends. Supervisory Board members who were members of a Supervisory Board committee – with the exception of the committee constituted in accordance with section 27 (3) of the German Co-determination Act (Mitbestimmungsgesetz) – received an additional attendance fee of 1,000 euros for each meeting of the respective committee that they attend. The committee chairperson received double this amount.

After the end of each financial year, the Supervisory Board's members also received variable, performance-related remuneration in the amount of 500 euros for each 0.01 euros dividend in excess of 0.10 euros per no-par-value share in the company which was distributed to shareholders for the financial year ended. The amount of the remuneration was limited to the amount owed as base remuneration. The chairperson of the Supervisory Board received double this amount, the vice chairperson one-and-a-half times this amount.

Members of the Supervisory Board were also reimbursed for their necessary expenses.

2. REMUNERATION STRUCTURE AS OF 1 JANUARY 2021

The main change compared with the remuneration arrangements in effect until 31 December 2020 is that only fixed remuneration instruments are now paid. The dividend-related and therefore variable remuneration instrument has been abolished. In the company's opinion, moving to exclusively fixed and more activity-based Supervisory Board remuneration enables it to take account of the Supervisory Board's independent advisory and control function to an even greater extent and reinforces the independence of Supervisory Board members. As a result, it makes a contribution to the sustained performance of the company.

The remuneration of the Supervisory Board approved by the 2021 Annual General Meeting, stipulated in the Articles of Association and applicable as of 1 January 2021 consists of three instruments:

- Base remuneration
- Attendance fees
- Remuneration depending on membership and chairpersonship of Supervisory Board committees

The Supervisory Board's members receive from the company fixed base remuneration of 50,000 euros for each full financial year of their Supervisory Board membership.

The chairperson of the Supervisory Board receives double this amount, the vice chairperson one-and-a-half times this amount.

In addition, every Supervisory Board member receives an attendance fee of 1,000 euros for each Supervisory Board or committee meeting that he/she attends. Several meetings on one day are only remunerated once.

Members of the audit committee receive additional annual remuneration of 15,000 euros each for being members of this committee. Members of other committees – with the exception of the mediation committee – receive additional remuneration of 10,000 euros per committee for being members of these committees. The chairperson of each committee receives double this amount. Remuneration for chairpersonship and membership of the committees only applies if the committees meet to fulfil their duties at least once during the financial year in question.

Members of the Supervisory Board are also reimbursed for their necessary expenses.

3. REMUNERATION OF THE MEMBERS OF THE SUPERVISORY BOARD FOR FINANCIAL YEARS 2021 AND 2020

Individualised figures for financial years 2021 and 2020 are shown in the following tables.

Remuneration for financial year 2021 in € '000s	Total remuneration		Attendance fees		Committee remuneration		Exceeding maximum remuneration		Total	rel. share in %
	rel. share in %	rel. share in %	rel. share in %	rel. share in %	rel. share in %	rel. share in %	rel. share in %			
Active members										
Prof. Dr. Helmut Thoma	100.0	62.5	9.0	5.6	60.0	37.5	- 9.0	- 5.6	160.0	100.0
Knut Mackeprang ¹	75.0	72.8	8.0	7.8	20.0	19.4	0.0	0.0	103.0	100.0
Claudia Anderleit ¹	50.0	74.6	7.0	10.4	10.0	14.9	0.0	0.0	67.0	100.0
Thorsten Kraemer	50.0	76.9	5.0	7.7	10.0	15.4	0.0	0.0	65.0	100.0
Marc Tüngler	50.0	58.8	10.0	11.8	25.0	29.4	0.0	0.0	85.0	100.0
Robert Weidinger	50.0	56.2	9.0	10.1	30.0	33.7	0.0	0.0	89.0	100.0
Sabine Christiansen	50.0	64.1	8.0	10.3	20.0	25.6	0.0	0.0	78.0	100.0
Thomas Reimann ¹	50.0	67.6	9.0	12.2	15.0	20.3	0.0	0.0	74.0	100.0
Fränzi Kühne	50.0	92.6	4.0	7.4	0.0	0.0	0.0	0.0	54.0	100.0
Theo-Benneke Bretsch ¹	50.0	92.6	4.0	7.4	0.0	0.0	0.0	0.0	54.0	100.0
Bente Brandt ¹	50.0	67.6	9.0	12.2	15.0	20.3	0.0	0.0	74.0	100.0
Gerhard Huck ¹	50.0	76.9	5.0	7.7	10.0	15.4	0.0	0.0	65.0	100.0
Total	675.0	69.7	87.0	9.0	215.0	22.2	- 9.0	- 0.9	968.0	100.0

¹ Employee representative in accordance with section 7 (1) clause 1 no. 1 Co-determination Act (Mitbestimmungsgesetz – MitbestG) of 4 May 1976.

Remuneration for financial year 2020 in € '000s	Total remunera- tion	rel. share in %	Atten- dance fees	rel. share in %	Perfor- mance- related remunera- tion	rel. share in %	Total	rel. share in %
Active members								
Prof. Dr. Helmut Thoma	60.0	45.5	12.0	9.1	60.0	45.5	132.0	100.0
Knut Mackeprang ¹	45.0	46.9	6.0	6.3	45.0	46.9	96.0	100.0
Claudia Anderleit ¹	30.0	46.2	5.0	7.7	30.0	46.2	65.0	100.0
Thorsten Kraemer	30.0	46.2	5.0	7.7	30.0	46.2	65.0	100.0
Marc Tüngler	30.0	43.5	9.0	13.0	30.0	43.5	69.0	100.0
Robert Weidinger	30.0	41.7	12.0	16.7	30.0	41.7	72.0	100.0
Sabine Christiansen	30.0	46.2	5.0	7.7	30.0	46.2	65.0	100.0
Thomas Reimann ¹	30.0	44.1	8.0	11.8	30.0	44.1	68.0	100.0
Fränzi Kühne	30.0	46.9	4.0	6.3	30.0	46.9	64.0	100.0
Theo-Benneke Bretsch ¹	30.0	46.9	4.0	6.3	30.0	46.9	64.0	100.0
Bente Brandt ¹	30.0	44.1	8.0	11.8	30.0	44.1	68.0	100.0
Gerhard Huck ¹	30.0	46.2	5.0	7.7	30.0	46.2	65.0	100.0
Total	405.0	45.4	83.0	9.3	405.0	45.4	893.0	100.0

¹ Employee representative in accordance with section 7 (1) clause 1 no. 1 Co-determination Act (Mitbestimmungsgesetz – MitbestG) of 4 May 1976.

4. MAXIMUM REMUNERATION

The remuneration arrangement applicable from 1 January 2021 onward stipulates that the total remuneration of a Supervisory Board member may not exceed 160 thousand euros per year (maximum remuneration).

The Supervisory Board remuneration for the 2021 financial year presented in note 3 falls within the maximum remuneration permitted, as it does not exceed the annual cap of 160 thousand euros. Compliance with the cap of 160 thousand euros, which was mathematically exceeded by Prof. Dr. Thoma, was achieved by reducing his payout to the maximum remuneration permitted in accordance with the provision in the articles of association.

5. OTHER DISCLOSURES PURSUANT TO SECTION 162 AKTG

The information in the table in note 4 "Remuneration of the members of the Supervisory Board for financial years 2021 and 2020" corresponds without exception to the applicable remuneration system as presented in note 1 "Remuneration structure up to 31 December 2020" and note 2 "Remuneration structure as of 1 January 2021". In the reporting period, no deviations occurred from the applicable remuneration systems for the Supervisory Board.

The following disclosures provide a comparative view of annual changes in Supervisory Board remuneration, the development of the company's results of operations and the average remuneration of employees (expressed as FTEs):

	2021	Δ 2021– 2020	2020	Δ 2020– 2019	2019	Δ 2019– 2018	2018	Δ 2018– 2017	2017
Supervisory Board members in office as at 31.12.2021									
Remuneration, Prof. Dr. Helmut Thoma (€ '000s)	160	+21.2%	132	+83.3%	72	-50.0%	144	+42.6%	101
Remuneration, Knut Mackeprang (€ '000s)	103	+7.3%	96	+88.2%	51	-50.0%	102	+8.5%	94
Remuneration, Claudia Anderleit (€ '000s)	67	+3.1%	65	+85.7%	35	-48.5%	68	+4.6%	65
Remuneration, Thorsten Kraemer (€ '000s)	65	0.0%	65	+85.7%	35	-48.5%	68	+4.6%	65
Remuneration, Marc Tüngler (€ '000s)	85	+23.2%	69	+86.5%	37	-46.4%	69	+3.0%	67
Remuneration, Robert Weidinger (€ '000s)	89	+23.6%	72	+67.4%	43	-41.9%	74	+4.2%	71
Remuneration, Sabine Christiansen (€ '000s)	78	+20.0%	65	+85.7%	35	-47.8%	67	+4.7%	64
Remuneration, Thomas Reimann (€ '000s)	74	+8.8%	68	+78.9%	38	-43.3%	67	+39.6%	48
Remuneration, Fränzi Kühne (€ '000s)	54	-15.6%	64	+88.2%	34	-46.9%	64	+68.4%	38
Remuneration, Theo Benneke-Bretsch (€ '000s)	54	-15.6%	64	+88.2%	34	-15.0%	40		
Remuneration, Bente Brandt (€ '000s)	74	+8.8%	68	+78.9%	38	-11.6%	43		
Remuneration, Gerhard Huck (€ '000s)	65	0.0%	65	+85.7%	35	-16.7%	42		
Former Supervisory Board members									
Remuneration, Ronny Minak (€ '000s)							26	-61.8%	68
Remuneration, Michael Stephan (€ '000s)							26	-61.8%	68
Remuneration, Gesine Thomas (€ '000s)							25	-60.9%	64
Remuneration, Dr. Hartmut Schenk (€ '000s)									53
Remuneration, Birgit Geffke (€ '000s)									17
Total remuneration of current and former Supervisory Board members	968	+8.4%	893	+83.4%	487	-47.4%	925	+4.8%	883
Earnings KPIs									
Group EBITDA (€ million)	447.3	+5.0%	425.9	-0.2%	426.8	-3.3%	441.3	+8.2%	408.0
Net income of freenet AG acc. to HGB (€ million)	102.1	-79.3%	493.6	336.4%	113.1	-78.4%	523.1	272.6%	140.4
Average remuneration of the workforce									
Remuneration of the entire workforce (€ million)	209.7		221.5		228.0		215.1		219.5
Average number of employees (FTEs)	3,162		3,336		3,583		3,533		3,562
Remuneration of the workforce (avg. per FTE in € '000s)	66.3	-0.1%	66.4	+4.3%	63.6	+4.5%	60.9	-1.2%	61.6

See our statement on Executive Board remuneration under section B, note 9 for information on the calculation of the average number of employees and of employee remuneration.

No shares or stock options have been awarded as remuneration to the currently serving members of the Supervisory Board or former members of the Supervisory Board.

There was no clawback of any variable remuneration instrument in the reporting period.

Benefits were neither awarded nor granted to any Supervisory Board member by a third party for their Supervisory Board activity in the reporting period.

AUDITOR'S REPORT

(Translation – the German text is authoritative)

TO FRENET AG, BÜDELSDORF

We have audited the remuneration report of freenet AG, Büdelsdorf, for the financial year from January 1 to December 31, 2021 including the related disclosures, which was prepared to comply with § [Article] 162 AktG [Aktiengesetz: German Stock Corporation Act].

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD

The executive directors and the supervisory board of freenet AG are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of § 162 AktG. The executive directors and the supervisory board are also responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITIES

Our responsibility is to express an opinion on this remuneration report, including the related disclosures, based on our audit. We conducted our audit in accordance with German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report, including the related disclosures, is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts including the related disclosures stated in the remuneration report. The procedures selected depend on the auditor's judgment. This includes the assessment of the risks of material misstatement of the remuneration report including the related disclosures, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the preparation of the remuneration report including the related disclosures. The objective of this is to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the executive directors and the supervisory board, as well as evaluating the overall presentation of remuneration report including the related disclosures.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

AUDIT OPINION

In our opinion, based on the findings of our audit, the remuneration report for the financial year from January 1 to December 31, 2021, including the related disclosures, complies in all material respects with the accounting provisions of § 162 AktG.

REFERENCE TO AN OTHER MATTER – FORMAL AUDIT OF THE REMUNERATION REPORT ACCORDING TO § 162 AKTG

The audit of the content of the remuneration report described in this auditor's report includes the formal audit of the remuneration report required by § 162 Abs. [paragraph] 3 AktG, including the issuance of a report on this audit. As we express an unqualified audit opinion on the content of the remuneration report, this audit opinion includes that the information required by § 162 Abs. 1 and 2 AktG has been disclosed in all material respects in the remuneration report.

RESTRICTION ON USE

We issue this auditor's report on the basis of the engagement agreed with freenet AG. The audit has been performed only for purposes of the company and the auditor's report is solely intended to inform the company as to the results of the audit. Our responsibility for the audit and for our auditor's report is only towards the company in accordance with this engagement. The auditor's report is not intended for any third parties to base any (financial) decisions thereon. We do not assume any responsibility, duty of care or liability towards third parties; no third parties are included in the scope of protection of the underlying engagement. § 334 BGB [Bürgerliches Gesetzbuch: German Civil Code], according to which objections arising from a contract may also be raised against third parties, is not waived.

Hamburg, March 4, 2022

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Niklas Wilke
Wirtschaftsprüfer
(German Public Auditor)

ppa. Christian Simon
Wirtschaftsprüfer
(German Public Auditor)

V. ADDITIONAL INFORMATION ON AGENDA ITEM 9

Under agenda item 9, the Executive Board and Supervisory Board propose that the company should be authorised, in accordance with section 71 (1) no. 8 AktG in line with standard company practice (with the existing authorisation being cancelled), to acquire treasury shares in an amount of up to 10% of the share capital existing at the time of the resolution on 5 May 2022 or – if this figure is lower – the share capital existing at the time at which this authorisation is exercised.

For this purpose, in accordance with section 71 (1) no. 8 in conjunction with section 186 (4) sentence 2 AktG, the Executive Board submits a written report which is published in full in the following:

REPORT REGARDING AGENDA ITEM 9

GENERAL

The existing authorisation to acquire treasury shares in accordance with section 71 (1) no. 8 AktG in line with the resolution of the annual general meeting of 27 May 2020 has been exercised to a large extent. In order to be able to implement share buyback programmes in the next few years, the Executive Board is again to be authorised to acquire treasury shares in accordance with section 71 (1) no. 8 AktG. Accordingly, at the annual general meeting of 5 May 2022, a new authorisation is to be created and the existing authorisation is to be cancelled.

The Supervisory Board can specify that measures as a result of this authorisation can be carried out only with the approval of the Supervisory Board or the approval of a Supervisory Board Committee.

ACQUISITION

With regard to the acquisition of treasury shares, the principle of equal treatment in accordance with section 53a AktG must be safeguarded. The proposed acquisition of the shares via the stock exchange, by way of a public offer to purchase shares, a public invitation to submit offers to sell shares or by the granting of put options to the shareholders takes account of this principle. However, even in the case of such an acquisition, it may become necessary to exclude fractions or not to allocate fractions of put options in order to permit practical processing. Accordingly, any partial put options are disapplied.

If a public offer to purchase shares or a public invitation to submit offer to sell shares is oversubscribed, i.e. more shares are in total offered to the company than are to be purchased by the company, the acceptance must be scaled down on the basis of ratios. The relevant factor is accordingly the ratio of the number of shares offered by individual

shareholders with respect to each other. On the other hand, the total number of shares held by a shareholder who offers the shares for sale is not the decisive factor. This is because only the shares which are offered are available to be purchased. Moreover, it would not be practical for the shareholding of the individual shareholder to be checked. Accordingly, any right of the shareholders to tender their shares is partially disapplied. In addition, in such a case it is possible to provide for preferential acceptance of small quantities of up to 50 tendered shares per shareholder as well as rounding in accordance with commercial principles. The purpose of these options is to avoid fractions for defining the ratios to be acquired and minor residual holdings and thus to facilitate technical processing. Here too, any right of the shareholders for tendering their shares is accordingly partially disapplied.

DISPOSAL AND OTHER UTILISATION

In accordance with the proposed authorisation, the treasury shares acquired by the company can either be retired or resold by way of a public offer to all shareholders in accordance with their percentage shareholding or via the stock exchange. With the two latter possibilities of disposing of the acquired treasury shares, the right of shareholders to equal treatment is also safeguarded when the shares are disposed of. However, in accordance with sections 71 (1) no. 8, 186 (3) AktG, in the following cases, there should be the possibility of disapplying the pre-emption rights of shareholders or the pre-emption rights of shareholders is necessarily disapplied:

- a) Firstly, the Executive Board is authorised, in the event of an offer to all shareholders, to exclude fractions from the pre-emption right in order to achieve round figures. If the pre-emption rights were not to be disappplied with regard to fractions, the technical performance of the disposal and the exercising of the pre-emption right would be much more difficult. The shares which are excluded as fractions from the pre-emption rights of shareholders are either sold via the stock exchange or are otherwise utilised for the company in an optimum manner.
- b) In line with the statutory provision in section 71 (1) no. 8 sentence 5 AktG, the proposed authorisation also specifies that the Executive Board can dispose of the acquired treasury shares in a manner other than via the stock exchange or via an offer to all shareholders if the acquired treasury shares, in line with the provision laid down in section 186 (3) sentence 4 AktG, are sold in return for cash payment for a price which is not significantly lower than the market price

of the shares of the company with the same terms at the time of the disposal. The time of the disposal is defined as the time at which the obligation to transfer shares is entered into, even if this is still conditional. If the transfer is not preceded by a separate obligation, the time of the disposal is defined as the time of the transfer. This is also applicable if the time of the transfer is specified as the relevant time in the obligation agreement. The disposal price for the treasury shares is definitively defined just before the disposal of the treasury shares. This possibility of disposing of treasury shares is limited to 10% of the respective share capital, with due consideration being given to the netting specified in the resolution proposal.

The possibility of selling treasury shares as described above is in the interest of the company and the shareholders since, as a result of selling shares for instance to institutional investors, it is possible for additional domestic and international shareholders to be gained. The company is also enabled to adjust its equity and bring it into line with the respective business requirements and to respond quickly and in a flexible manner to favourable situations on the market. The shareholders' interests in relation to assets and voting rights are safeguarded. In view of the low volume of max. 10%, the shareholders do not suffer any disadvantage, as the shares sold subject to the disapplication of the pre-emption right of shareholders are only permitted to be sold for a price which is not significantly lower than the market price of the shares of the company at the time of the sale. Interested shareholders are therefore able to acquire via the stock exchange a number of shares necessary for maintaining their percentage of external shares at conditions which are essentially equivalent.

- c) The company is also to have the opportunity of being able to offer treasury shares as a consideration within the framework of business combinations and in the case of acquisitions (including indirect acquisitions) of companies, parts of companies or equity interests or other assets including real estate and receivables (including receivables due from the company – also dividends receivable – or due from subsidiaries).

The price for which treasury shares are used in this case depends on the specific circumstances of the individual case and also on the specific time. For the purpose of fixing the price, the Executive Board will focus on the interests of the company and, where possible, the market price.

The acquisition of equity interests, companies or parts of companies is in the interest of the company if the acquisition is likely to consolidate or strengthen the market position of the freenet Group or if it will enable the company to break into new areas of operation or facilitate this process. In the other cases of the acquisition of assets including real estate and receivables, the granting of shares is in the interest of the company if the acquired assets are beneficial for the activity of the company or are advantageous for the financial position, net assets or results of operations of the company and an acquisition in return for cash payment is not possible or is not possible subject to reasonable conditions.

In order to be able to take account of a legitimate interest of the vendors or the company in relation to payment (possibly also proportionate payment) in the form of shares of the company for such acquisitions in a timely and flexible manner, it is necessary, if there is no possibility or intention of using authorised capital, for the Executive Board to be authorised to use treasury shares with shareholders' pre-emption rights being disapplied. Because the volume of treasury shares will be limited and because the shares are to be issued for a price which, where possible, is linked to the market price, interested shareholders have the possibility of acquiring additional shares via the stock exchange subject to essentially the same conditions at a time which is closely linked with a disposal of treasury shares which is carried out for the above-mentioned purposes of the acquisition of a company, part of company or equity interest or which is otherwise carried out and for which the shareholder pre-emption rights are disapplied.

In view of the above considerations, and in the opinion of the Executive Board, the proposed authorisation for using treasury shares is in the interest of the company and may, in individual cases, justify disapplying the pre-emption rights of shareholders. The specific decision to disapply the shareholders' pre-emption rights must be taken by the Executive Board, with due consideration being given to the interests of the company in relation to the specific measure, the necessity of (partial) granting of shares and the valuation of the shares and the consideration.

- d) The company should also be given the opportunity of offering treasury shares for purchase to persons who are or were in an employment or work relationship which companies of the freenet Group (with the exception of members of the governing bodies of the company), or to transfer treasury shares to such persons.

The way in which employees and members of the governing bodies of downstream companies identify with their company is of considerable importance for motivation and commitment. The need to maintain or boost motivation and commitment is therefore in the interest of the company. Issues of shares to such persons can make a contribution in this respect. This is also applicable for former employees and members of the governing bodies of downstream companies, e.g. if the commitment is provided during the activity of such persons for the period after they no longer work for the company. The Executive Board should therefore be enabled to take advantage of this opportunity.

It is in the nature of things that the shares must not be offered to such persons at the current market price, and instead might have to be offered at a discount to the market price in order to achieve the desired effect. The Executive Board will therefore assess the conditions for the offer of shares to such persons, in each case giving due consideration to this aspect, and will base its decision on the interests of the company.

- e) The company should also be given the opportunity of using treasury shares for fulfilling option or conversion rights or option or conversion obligations or a right to delivery of shares of the company by means of using bonds issued by the company or a downstream Group company on the basis of an authorisation of the annual general meeting.

The proposed resolution does not create a new or further authorisation for issuing bonds. The only purpose of the proposed resolution is to provide the company with the opportunity of using treasury shares instead of the otherwise specified conditional capital for meeting option or conversion rights or option or conversion obligations or rights to delivery of shares of the company which have been established on the basis of other authorisations of the annual general meeting, if this, following an assessment carried out by the Executive Board, is in the interest of the company. Option or conversion rights or option or conversion obligations or rights to delivery of shares which can be considered for servicing by treasury shares on the basis of the proposed authorisation are based on (i) bonds which will be issued in future on the basis of the authorisation for issuing option and/or convertible bonds adopted by the annual general meeting on 27 May 2020 as well as (ii) bonds which are issued on the basis of a future authorisation of the annual general meeting.

REPORTING

The Executive Board will always carefully assess whether the utilisation of the authorisation and the disapplication of pre-emption rights are in the interest of the company and its shareholders. The Executive Board will report to the annual general meeting regarding any use of the authorisation.

VI. ADDITIONAL INFORMATION ON AGENDA ITEM 10

In addition to the report regarding agenda item 9, the Executive Board also submits a written report regarding the resolution proposal in respect of agenda item 10 in accordance with section 71 (1) no. 8 in conjunction with section 186 (4) sentence 2 AktG; this is published completely in the following:

REPORT REGARDING AGENDA ITEM 10

In addition to the possibilities for acquiring treasury shares detailed in point 9 of the agenda, the company is also to be authorised to acquire treasury shares using certain equity derivatives. The volume of shares which overall can be acquired should not thus be increased; this only provides further options for acquiring treasury shares. These additional options extend the opportunities of the company for providing a flexible structure for the process of acquiring treasury shares.

For the company, it may be beneficial to acquire call options, to sell put options or to acquire shares of the company using a combination of call and put options or other equity derivatives (e.g. forward purchase contracts) instead of directly acquiring shares of the company. These options are limited to 5% of the share capital existing at the time at which the resolution of the annual general meeting is adopted or – if this figure is lower – the share capital existing at the time at which this authorisation is exercised. The term of the equity derivatives must not exceed 18 months in each case, and must be fixed in such a way that, if the equity derivatives are exercised, the shares are not acquired after 4 May 2027. This ensures that, after the expiry of the authorisation to acquire treasury shares which is valid until 4 May 2027, the company will not acquire any treasury shares – unless a new authorisation is provided.

If a call option is agreed, the company, in return for the payment of an option premium, receives the right, within a specified period or at a specified time, to purchase a pre-defined number of shares of the company for a fixed price (exercise price) from the respective vendor of the option or his legal successor, the writer. From the point of view of the company, it makes sense to exercise the call option if the price of the share is higher than the exercise price, as the company can then buy the shares from the writer for a lower price than would be payable in the market. This is also applicable if, as a result of the option being exercised, the company acquires a package of shares which could otherwise only be purchased for higher costs. In addition, the use of call options has a positive impact on the liquidity of the company because the exercise price for the shares only has to be paid at the point at which the call option is exercised. In individual circumstances, these aspects may justify the decision of the

company to use call options for a planned acquisition of treasury shares. The option premium must be established in line with general market conditions, and must therefore essentially correspond to the value of the call option, taking account of various factors, including the exercise price, the term of the option and the volatility of the shares.

By concluding put options, the company grants to the respective holder of the put option the right to sell, within a specific period or at a specific time, shares of the company to the company for a price specified in the put option (exercise price). In return for the obligation to acquire treasury shares in accordance with the put option, the company receives an option premium which in turn has to be established subject to conditions which reflect the market, in other words which essentially corresponds to the value of the put option, or may be higher than that value – with due consideration being given to various factors, including the exercise price, the term of the option and the volatility of the shares. For the option holder, it only makes financial sense for the put option to be exercised if the price of the share at the time at which the option is exercised is lower than the exercise price, as he can then sell the shares to the company for a price which is higher than the price realisable on the market; the company can in turn use instruments available in the market to hedge against an excessive risk arising from the share price trend. For the company, the advantage of buying back shares by way of using put options is that a specific exercise price can already be defined at the point at which the option is concluded, whereas there is an outflow of liquidity only on the day on which the option is exercised. From the point of view of the company, the consideration provided for acquiring the shares is reduced by the option premium which has already been received. If the holder of the option does not exercise the option, in particular because the share price on the day on which the option is to be exercised or in the period in which the option is due to be exercised is higher than the exercise price, the company does not acquire any treasury shares in this way; however, it keeps the option premium without having to provide any further consideration.

In the case of equity derivatives being used, the consideration to be provided by the company for the shares is the respective exercise price (excluding incidental purchasing costs, but including the option premium which is paid or received). This may be higher or lower than the market price of the shares of the company on the day on which the transaction is concluded and on the day on which the shares are acquired as a result of the equity derivative being exercised.

The purchase price per share payable at the exercise of a put option or upon the maturity of the forward purchase must not be more than 10% higher and not more than 20% lower than the market price of the shares of the company established by the opening auction in electronic trading on the Frankfurt Stock Exchange on the day on which the respective option is concluded, in each case excluding incidental purchasing costs but including the agreed option premium or the forward rate. In the case of call options being used, the consideration for the shares to be provided by the company is the respective exercise price. This may be higher or lower than the market price of the shares of the company on the day on which the call option is concluded and on the day on which the shares are acquired as a result of the call option being exercised. However, it must not be more than 10% higher or 10% lower than the average closing price of the shares of the company in electronic trading on the Frankfurt Stock Exchange on the last three market trading days before the call option is exercised. The option premium paid will be included in this amount, but not incidental purchasing costs.

Finally, the company can also agree equity derivatives which provide for delivery of shares with a discount in relation to a weighted average price.

The obligation to agree options and other equity derivatives only with one or more credit institution(s) or equivalent companies and to ensure that the options and other equity derivatives are only serviced with shares which have been acquired in line with the principle of equal treatment means that shareholders are not disadvantaged when treasury shares are acquired using equity derivatives. In accordance with the statutory provision in section 71 (1) no. 8 AktG, it is sufficient, in order to comply with the principle of equal treatment, if the shares have been acquired via the stock exchange at the market price of the shares of the company which existed at the time at which they were acquired via the stock exchange. Because the price of the option (option price) is established in line with market conditions, nor will the shareholders who are not involved in the options suffer a value-related disadvantage. On the other hand, as a result of the possibility of agreeing equity derivatives, the company is enabled to take advantage of market opportunities which arise at short notice and to conclude corresponding options or other equity derivatives. Any right of the shareholders to conclude such options and other equity derivatives with the company is disappplied, as is any put option of the shareholders. This disapplication is necessary to enable equity derivatives to be used within the framework of a process of buying back treasury shares and in order to achieve the associated advantages for the company. It would not be possible for corresponding equity derivatives to be concluded with all shareholders.

After considering the interests of the shareholders and the interests of the company as a result of the benefits which may result for the company as a result of the use of call options, put options, a combination of call and put options or other above-mentioned equity derivatives, the Executive Board therefore considers that there are justified grounds for the authorisation not to grant or to limit shareholder rights for concluding such equity derivatives with the company and a put option of the shareholders.

With regard to the use of the treasury shares acquired on the basis of equity derivatives, there are no differences with respect to the possible uses proposed in agenda item 9. In respect of the justification for disapplying the pre-emption rights of shareholders for using the shares, please refer to the report of the Executive Board regarding agenda item 9.

The Executive Board will always carefully assess whether the utilisation of the authorisation is in the interest of the company and its shareholders. The Executive Board will report to the annual general meeting regarding any use of the authorisation.

VII. TOTAL NUMBER OF SHARES AND VOTING RIGHTS

At the time the annual general meeting is convened, the share capital of the company amounts to 128,061,016 euros, comprising 128,061,016 registered no-par-value shares (shares), each of which confer one vote. The total number of shares with voting rights of freenet AG in accordance with the terms of section 49 (1) sentence 1 no. 1 Securities Trading Act (Wertpapierhandelsgesetz – WpHG) amounts

to 128,061,016 at the time the annual general meeting is convened. The above total number comprises 9,210,418 treasury shares held on 22 March 2022, which do not confer any rights to the company.

VIII. INFORMATION ON CARRYING OUT THE VIRTUAL ANNUAL GENERAL MEETING

In accordance with the COVID-19 Relief Act, the Executive Board of freenet AG, with the approval of the Supervisory Board, has decided to hold the 2022 annual general meeting as a virtual annual general meeting without the physical presence of the shareholders or their authorised representatives (with the exception of the proxies appointed by the company). Consequently, it will not be possible for the shareholders or their authorised representatives (with the exception of the proxies appointed by the company) to attend in person.

The entire annual general meeting will be broadcast for shareholders and their proxies live over the Internet starting at 10:00 a.m. (CEST) on 5 May 2022 via our Online Service (more details are provided below in point VIII.8). Shareholders or their proxies will be able to cast their votes by post or authorise the proxies appointed by the company (more details provided below) to vote on their behalf. Furthermore, shareholders or their authorised representatives will be able, among other things (more details provided below), to submit questions in advance, to submit counterapplications, to send nominations for elections and requests to add items to the agenda, and to have their objections recorded in the minutes.

1. Conditions for participating in the virtual annual general meeting and exercising voting rights

Shareholders who – personally or through their authorised representatives – have registered no later than by **Thursday, 28 April 2022 (midnight CEST)** with the company, either by mailing their registration to

freenet AG annual general meeting
c/o ADEUS Aktienregister-Service-GmbH
Postfach 57 03 64
22772 Hamburg
E-mail: hv-service.freenet@adeus.de

or, following the procedure stipulated by the company, over the Internet by utilising the Online Service at

<https://www.fn.de/online-service>

and who are entered in the share register for the relevant shares are eligible to participate in the virtual annual general meeting and to exercise their voting rights in accordance with the provisions of Germany's Stock Corporation Act (AktG) and of the company's articles of association in conjunction with the COVID-19 Relief Act. The date of record for share status entered in the share register establishing eligibility to exercise voting rights and other shareholder rights is the end of the day on 28 April 2022 (midnight CEST).

Shareholders will need their shareholder number and associated password to sign in to the Online Service. Shareholders who had already signed up to receive the invitation to the annual general meeting by e-mail will receive their shareholder number together with the e-mailed invitation to the annual general meeting and

must use the password that they chose when they originally registered. All other shareholders entered in the share register will receive their shareholder number and password with the invitation to the annual general meeting sent to them.

Requests for share register changes received by the company after the end of the day on 28 April 2022 (midnight CEST) (referred to as the Technical Record Date) until the end of the annual general meeting will only be processed in the company's share register effective after the annual general meeting on 5 May 2022.

The shares are not blocked as a result of registration for the annual general meeting. Shareholders can therefore continue to freely dispose of their shares even after they have registered.

2. Procedure for postal voting

Shareholders can exercise their voting rights by postal voting (including by means of electronic communication).

Only shareholders who – personally or through their authorised representatives – have registered no later than by Thursday, 28 April 2022 (midnight CEST) with the company in accordance with point VIII.1. and who are entered in the share register for the relevant shares may exercise their voting rights by post. The date of record for share status in the share register establishing eligibility to exercise voting rights by post is the end of the day on 28 April 2022 (midnight CEST).

Votes to be cast by post can be submitted, changed, and even revoked by sending these to the company either in writing (preferably by using the form provided in accordance with point VIII.5.) to the postal address stated above in point VIII.1 or to the e-mail address provided there or via the Online Service at the website

<https://www.fn.de/online-service>

until **3 May 2022 (midnight CEST)**. After 3 May 2022, votes to be cast by post can be submitted, changed, or revoked only via the Online Service up until the start of voting during the virtual annual general meeting. This also applies to postal votes that have been previously transmitted by other means.

Duly authorised intermediaries (in particular financial institutions), shareholders' associations, proxy advisors, or other individuals described in section 135 (8) of the Stock Corporation Act can also utilise the option of voting by post as described above.

Where both votes by post as well as authorisations/instructions to the company's appointed proxies concerning matters to be voted on at the meeting are received from shareholders or their authorised representatives, the statement/proxy card that was last received will always be deemed definitive. If conflicting statements/proxy cards are received via different channels and it is not clear which was received last, the statements/proxy cards submitted will be considered as follows: Statements made via the online service are considered before any statements made by e-mail or before any statements made by post and statements made by e-mail are considered before statements made by post.

3. Authorisation of proxies appointed by the company

We are also offering our shareholders the option of having their votes cast at the annual general meeting by the company's appointed proxies.

Only shareholders who – personally or through their authorised representatives – have registered no later than by Thursday, 28 April 2022 (midnight CEST) with the company in accordance with point VIII.1. and who are entered in the share register for the relevant shares may exercise their voting rights by authorising the proxies appointed by the company. The date of record for share status in the share register establishing eligibility to exercise voting rights through the proxies appointed by the company is the end of the day on 28 April 2022 (midnight CEST).

Authorisations and instructions can be granted/issued, changed, and even revoked in text form by sending these to the postal address stated above in point VIII.1 or to the e-mail address provided there or via the Online Service at the website

<https://www.fn.de/online-service>

if received until **3 May 2022 (midnight CEST)**. After 3 May 2022, authorisations and instructions to the company's proxies can be granted/issued, changed, or revoked only via the Online Service up until the start of voting during the virtual annual general meeting. This also applies to authorisations and instructions that have been previously transmitted by other means.

The company's proxies will exercise voting rights solely on the basis of the instructions issued by the shareholder. If an item on the agenda is to be decided by separate ballot, any general instruction issued with regard to that item will be deemed applicable to all individual sub-items (if no instruction for voting on separate ballots has been issued). Please note that the company's proxies will not

be accepting any requests or instructions to raise objections to proposed annual general meeting resolutions or to ask questions or submit any motions.

If conflicting instructions are received by company's appointed proxies, the instruction that was last received will always be deemed definitive. If it is not possible to determine which instruction was received last, instructions are considered as follows: instructions submitted via the online service are considered before any instructions submitted by e-mail or before any instructions submitted by post and instructions submitted by e-mail are considered before instructions submitted by post.

4. Procedure for voting by proxy

Shareholders can also have their voting rights exercised via a proxy holder, e.g., by an intermediary (in particular a financial institution), a shareholders' association, or proxy advisor. In this case as well, it is essential that the shareholder or proxy register before the deadline and that the shareholder is registered in the share register pursuant to point VIII.1. Where an intermediary (in particular a financial institution) is entered in the share register, this party can exercise the voting rights for shares it does not own only on the basis of an authorisation completed by the shareholder, to which the following requirements apply accordingly.

Except in the specific situations described below, the appointment of a proxy or revocation of appointment as well as any proof of the appointment (for the company) must be declared in text form, which can be sent to the postal address stated above in point VIII.1. or via e-mail to

hv-service.freenet@adeus.de.

In the event of revocation of a proxy appointment, this will then also result in any votes cast on the basis of such appointment being disregarded where such votes were cast prior to the revocation. Revocation after the vote at the annual general meeting is invalid.

Where an intermediary, shareholders' association, proxy advisor, or other individual described in section 135 (8) AktG is appointed as proxy, the procedure and format for the appointment is based on the rules set by those parties, which can be requested from them. Any intermediaries, shareholders' associations, or proxy advisors who utilise the company's Online Service can also be authorised at

<https://www.fn.de/hv>

following the procedure stipulated by the company.

Even proxies (with the exception of the proxies appointed by the company) will only be able to exercise voting rights at the annual general meeting by post or authorising the proxies appointed by the company as described in points VIII.2. and VIII.4.

If the shareholder authorises more than one person, the company may refuse to accept one or several of them.

5. Forms for registering, appointing proxies, and postal voting

The form provided by the company can be used for registering, appointing proxies, giving instructions and/or postal voting if the password-protected online service has not been used for the respective action. Shareholders entered in the share register who have not signed up to receive the invitation to the annual general meeting by e-mail will receive the form by post. Shareholders entered in the share register who have signed up to receive the invitation to the annual general meeting by e-mail can access the Online Service for the annual general meeting via the link provided in the e-mail and use this to register, appoint proxies, give instructions and/or elect to vote by post. The form for registering, appointing proxies, giving instructions and/or electing to vote by mail is also available online at

<https://www.fn.de/hv>.

6. Information regarding shareholders' rights under section 122 (2) AktG, section 126 (1) and section 127 AktG, in each case in conjunction with section 1 (2) sentence 3 COVID-19 Relief Act, section 131 (1) AktG in conjunction with section 1 (2) sentence 1 no. 3 sentence 2 COVID-19 Relief Act, section 245 no.1 AktG in conjunction with section 1 (2) sentence 1 no. 4 COVID-19 Relief Act

a) Motions to add items to the agenda pursuant to section 122 (2) AktG

Shareholders who are recorded in the share register and whose shares together account for a proportionate amount of 500,000 euros may demand that items be placed on the agenda and published. Every request for a new agenda item must be accompanied by an explanation of the reasons therefor or a proposed resolution. The applicants are required to provide evidence that they are holders of an adequate number of shares for a period of at least 90 days before receipt of the motion (sections 122 (2), 122 (1) sentence 3 AktG as well as section 70 AktG) and that they hold these shares up to the point at which the decision regarding the motion is taken.

The request must be sent to the company's Executive Board in writing or in electronic form in accordance with section 126 of the German Civil Code (Bürgerliches Gesetzbuch – BGB) (i.e. with a qualified electronic signature) and must be received by the company no later than by **4 April 2022 (midnight CEST)**. Please send your request only to the following postal address:

freenet AG
The Executive Board c/o Investor Relations
Deelbögenkamp 4
22297 Hamburg
E-mail: hv@freenet.ag (with qualified electronic signature)

Where notice is required, any requests to add items to the agenda not provided in the invitation to the meeting will be published in Germany's Legal Gazette, the Bundesanzeiger, promptly upon receipt of the request. They will also be published on the Internet at

<https://www.fn.de/hv>

and made available to shareholders there.

b) Applications and shareholder nominations under sections 126 (1) and 127 AktG, in each case in conjunction with section 1 (2) sentence 3 COVID-19 Relief Act

Every shareholder has the right to submit applications countering the recommendations of the Executive and/or Supervisory Board regarding specific agenda items and to submit nominations for the election of Supervisory Board members or the selection of the auditor of the annual/consolidations financial statements (sections 126 (1) and 127 AktG).

The company will make counterapplications and shareholder nominations that are received in due time and form and meet the requirements of sections 126 and 127 AktG available online at

<https://www.fn.de/hv>

in accordance with sections 126 and 127 AktG; these will include the name of the shareholder, a supporting statement that is to be made accessible, and any position statement issued by the company's management.

Counterapplications and shareholder nominations as described in sections 126 (1) and 127 AktG must be received by the company no later than **20 April 2022 (midnight CEST)** and are to be sent exclusively to the address stated below. Counterapplications and shareholder nominations sent in any other way cannot be made public:

freenet AG
Investor Relations
Deelbögenkamp 4
22297 Hamburg
E-mail: hv@freenet.ag

Applications and nominations for election that meet the requirements specified above shall be treated as having been made at the annual general meeting if the shareholder submitting the application or the nomination is duly authorised and has duly registered for the annual general meeting.

c) Right of shareholders to ask questions (section 131 (1) AktG; section 1 (2) sentence 1 no. 3 sentence 2 COVID-19 Relief Act)

Under the Covid-19 Relief Act, shareholders do not have a right to information at the Annual General Information as within the meaning of section 131 AktG, however, they have the right to ask questions in accordance with the rules below.

Shareholders or their authorised representatives can submit questions on matters concerning the company, insofar as they are necessary for the proper assessment of the items on the agenda within the meaning of section 131 AktG, to the Executive Board via the Online Service at

<https://www.fn.de/online-service>

Questions from shareholders or their authorised representatives must be received by the company via the Online Service by no later than **3 May 2022 (midnight CEST)**. No questions may be asked after this time, in particular during the virtual annual general meeting, or by any other means. Shareholders may object to their name being used in answering questions.

The Executive Board will decide, at its discretion in keeping with its obligations, how it will respond to questions. In particular, it may summarise questions. Questions in foreign languages will not be considered.

To help shareholders prepare for the annual general meeting, the company intends to make the planned speeches by the chairman of the Executive Board and the Chief Financial Officer available in full or in part or in summary form at <https://www.fn.de/hv> in good time before the annual general meeting.

d) More information

More information regarding shareholders' rights under section 122 (2), section 126 (1), section 127, section 131 (1) and section 245 AktG, in each case in conjunction with the COVID-19 Relief Act, is available at

<https://www.fn.de/hv>

7. Website with information pursuant to section 124a of the AktG / Documents relating to the annual general meeting

The information pursuant to section 124a AktG is available on the Internet at

<https://www.fn.de/hv>

The following documents to be made available for the meeting can be found there: the approved consolidated financial statements and the group management report for financial year 2021, the adopted annual financial statements and the management report of freenet AG for financial year 2021, the explanatory report of the Executive Board regarding the disclosures in accordance with sections 289a (1), 315a (1) HGB, the report of the Supervisory Board and the proposal of the Executive Board regarding the appropriation of net retained profits, the remuneration system for the members of the Executive Board dated 22 March 2022, the 2021 remuneration report with the auditor's report, information on the candidates proposed for election to the Supervisory Board, and the reports of the Executive Board on agenda items 9 and 10.

After the end of the annual general meeting, the voting results of the annual general meeting can also be found on the website indicated.

8. Broadcast of the annual general meeting over the Internet

The entire annual general meeting will be broadcast for freenet AG shareholders and their authorised representatives live over the Internet starting at 10:00 a.m. (CEST) on 5 May 2022 (<https://www.fn.de/online-service>). There, they can also exercise their rights that are exercisable during the virtual annual general meeting as described in detail below under point 9. Shareholders will be able to gain online access by entering their shareholder number and the associated password. Other interested parties will also be able to follow the opening of the annual general meeting by the Meeting Chair and the speeches by the CEO and CFO live online (<https://www.fn.de/hv>), and a recording of these will be made available after the annual general meeting.

9. Raising objections to annual general meeting resolutions

Shareholders who themselves or via an authorised representative have exercised their voting rights by postal vote or by authorising the proxies appointed by the company can have their objections to proposed annual general meeting resolutions recorded in the minutes by the officiating notary as set out in section 245 (1) AktG via the Online Service at

<https://www.fn.de/online-service>.

It will be possible to submit such statements exclusively via the Online Service, but from the start of the annual general meeting until its end. The proxies appointed by the company do not accept any instructions to submit objections.

10. Data protection notice

The attachment to this invitation contains information on data privacy.

Büdeltsdorf, March 2022

freenet AG
The Executive Board

DATA PROTECTION INFORMATION FOR SHAREHOLDERS

freenet AG, Hollerstraße 126, 24782 Büdelsdorf, Germany, processes personal data of the shareholders (name and first name, address, e-mail address, number of shares, class of share, type of share and number of admission ticket, proxy recipient) as well as personal data of the shareholder representatives on the basis of applicable data protection laws. The shares of freenet AG are registered shares. The company is required to maintain a share register. The processing of personal information is required by law for the proper preparation and execution of the virtual annual general meeting, for the exercise of shareholders' voting rights, for participation in the virtual annual general meeting by means of electronic media, and for the maintenance of the share register. The legal basis for such processing is Art. 6 (1) sentence 1 (c) of the European General Data Protection Regulation (GDPR) in conjunction with sections 67 and 118 et seq. AktG and in conjunction with Art. 2 section 1 COVID-19 Relief Act enacted 27 March 2020 (as amended on 10 September 2021).

Additionally, data processing activities required for the organisation of the virtual annual general meeting may be performed on the basis of overriding legitimate interests (Art. 6 (1) sentence 1 (f) GDPR). Insofar as shareholders do not provide their personal information themselves, as a general rule, freenet AG receives this from the custodian bank.

Insofar as you, as the shareholder, take advantage of the opportunity to submit questions in advance of the virtual annual general meeting and your questions are addressed there, you thereby also agree to be identified by name in connection with the virtual annual general meeting question-and-answer session. As a result, other participants of the virtual annual general meeting may learn this information. This data processing is performed in pursuit of our legitimate interests in creating a virtual annual general meeting that most closely approximates a physical annual general meeting and in pursuit of the legitimate interests of the other annual general meeting participants in learning the name of the party raising the question. The legal basis for this processing is Art. 6 (1) (f) of the GDPR. You may object to being identified by name when submitting your question.

The service providers commissioned by freenet AG for the purpose of holding the annual general meeting process the personal data of shareholders and shareholder representatives exclusively in accordance with the instructions of freenet AG and only to the extent necessary for executing the commissioned service. All employees of freenet AG and the employees of the commissioned service providers who have access to and/or process personal data of shareholders and shareholder representatives are obliged to treat this data confidentially. Personal data will also be made available to shareholders and shareholder representatives as permitted by statutory provisions, specifically via the list of participants.

freenet AG deletes the personal data of shareholders and shareholder representatives in accordance with statutory provisions, in particular if the personal data is no longer required for the original purposes of collection or processing, the data is no longer required in connection with any administrative or court proceedings and there are no statutory requirements to store such data.

Under the legal requirements, shareholders and shareholder representatives have the right to obtain information about their processed personal data and to request the correction or deletion of their personal data or the restriction of processing. Shareholders and shareholder representatives also have the right to lodge a complaint with the supervisory authorities.

To the extent that Art. 6 (1) sentence 1 f) GDPR is the legal basis for the processing of personal data, shareholders and shareholder representatives also have a right to object under the statutory conditions.

For comments and queries regarding the processing of personal data, shareholders can contact the data protection officer of freenet AG at:

freenet AG
Data Protection Officer
Hollerstraße 126
24782 Büdelsdorf
E-mail: datenschutz@freenet.ag

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