

## CORPORATE GOVERNANCE DECLARATION

The Corporate Governance Declaration pursuant to Sections 289f and 315d HGB is the key instrument for reporting on corporate governance (principle 22 of the German Corporate Governance Code in its version of 16 December 2019). It is part of the Combined management report. Pursuant to Section 317 (2) sentence 6 HGB, the auditor must limit its audit of the information provided pursuant to Sections 289f (2) and (5) and Section 315d HGB to considering only whether or not the information has been provided.

LEONI aims to ensure responsible and transparent management and control of the Company (corporate governance) based on statutory requirements, the provisions of the Articles of Association of LEONI AG, the rules of procedure of the Board of Directors and of the Supervisory Board and the German Corporate Governance Code („DCGK 2020“), which are considered in all decision-making processes.

### Declaration of conformity pursuant to Section 161 AktG

#### **Current declaration pursuant to Section 161 AktG of 10 December 2020**

On 10 December 2020, the Board of Directors and the Supervisory Board of LEONI AG issued the declaration regarding the German Corporate Governance Code pursuant to Section 161 AktG shown below:

#### **Declaration by the Board of Directors and the Supervisory Board of**

**LEONI AG**

**on the recommendations of the**

**„Government Commission on the  
German Corporate Governance Code“**

**in accordance with Article 161 of the German Companies Act  
(AktG)**

**1.** Since submitting the last Declaration of Conformity on 13 December 2019, LEONI AG has complied with all of the recommendations of the German Corporate Governance Code in the version of 7 February 2017 („DCGK 2017“) as published by the Federal Ministry of Justice and Consumer Protection in the official part of the Federal Gazette (Bundesanzeiger) on 24 April 2017, with the below-mentioned exceptions:

**■** In accordance with its duties, the Supervisory Board of LEONI AG has concerned itself with the appropriateness of the compensation of the Board of Directors, giving consideration to the periodic developments of the company-internal salary and wage structures, however, without application of the recommendation in section 4.2.2, para. 2, sentence 3 DCGK 2017 in a targeted and structured way, according to which the ratio of the compensation of the Board of Directors and the compensation of the upper management and the workforce overall have to be considered in regard to temporal development. It is the conviction of the Supervisory Board that earlier practice and statutory specifications in accordance with Article 87 of the German Stock Corporation Act (AktG) suffice for determining the compensation of the Board of Directors in consideration of normal compensation. Standards of comparison are only beneficial if they are realistic, provide a basis for orientation, and allow sufficient leeway for considerations to be made on

a case-by-case basis. It is the opinion of the Supervisory Board that the recommendation in section 4.2.2, para. 2, sentence 3 DCGK 2017 does not satisfy these requirements in the case of a company such as LEONI, where the majority of the workforce is employed in non-European countries. A delineation of the upper management and the relevant workforce would, in the opinion of the Supervisory Board, have been subject to manipulation and ultimately arbitrary, and would not have resulted in standards of comparison which are no longer comprehensible. Therefore, the recommendation did not serve as an efficient tool for determining the compensation of the Board of Directors.

■ According to section 4.2.3, para. 2, sentence 2 DCGK 2017, the compensation structure for members of the Board of Directors shall contain fixed as well as variable components. LEONI AG deviated from this recommendation with regard to the board member Hans-Joachim Ziems. Mr. Ziems was appointed member of the Board of Directors for the period from 1 April 2020 until 31 March 2021. Beginning from October 2019, he has

previously acted in the capacity of general representative (Generalbevollmächtigter) and therefore as an executive employee with a fixed monthly salary. This previously existing financial arrangement was not to be changed at the expense of LEONI AG. Therefore, the existing employment contract was extended as management board service contract under the same material conditions. Accordingly, no variable compensation components were agreed upon. It is the opinion of the Board of Directors and the Supervisory Board that this deviation was justified as the incentive effects, which are usually associated with variable compensation, would not have been appropriate considering that Mr. Ziems' activity on the Board of Directors is limited to one year and the special tasks he was assigned.

2. LEONI AG complies, and will continue to comply, with all the recommendations of the German Corporate Governance Code in the version of 16 December 2019 („DCGK 2020“) as published by the Federal Ministry of Justice and Consumer Protection in the official part of the Federal Gazette (Bundesanzeiger) on 20 March 2020.

Relating to the deviation from section 4.2.3, para 2, sentence 2 DCGK 2017 mentioned under no. 1 above, LEONI AG states, for information purposes only, that the member of the Board of Directors Mr. Ziems continues to receive a fixed compensation. This, however, does not constitute a deviation from the recommendations of the DCGK 2020 as – in contrast to DCGK 2017 – it no longer recommends variable compensation components.

Nuremberg, 10 December 2020

LEONI AG

**For the Board of Directors**

  
Aldo Kamper

**For the Supervisory Board**

  
Dr.-Ing. Klaus Probst

The declarations of conformity issued by LEONI AG for the past five financial years, including the current declaration printed above, may also be viewed on the Company's website at

» [www.leoni.com/en/investor-relations/corporate-governance/](http://www.leoni.com/en/investor-relations/corporate-governance/).

**Update of the declaration during the year on 30 March 2020**

LEONI AG updated the declaration preceding the current declaration of conformity, i.e. the declaration of 13 December 2019, during the year on 30 March 2020 as printed below. The update was made to reflect the appointment of Hans-Joachim Ziemis as a member of the Board of Directors. The Supervisory Board and Hans-Joachim Ziemis as the Chief Restructuring Officer have agreed on payment of a fixed salary; no variable compensation components exist.

**Intrayear-Addition to the Declaration by the Board of Directors and the Supervisory Board of**

LEONI AG

on the recommendations of the

‘Government Commission on the  
German Corporate Governance Code’

in accordance with Article 161 of the German Companies Act  
(AktG)

The Board of Directors and the Supervisory Board of LEONI AG submitted the last Declaration of Conformity in accordance with Article 161 AktG on 13 December 2019. In addition to this declaration dated 13 December 2019, the following is declared:

The Supervisory Board of LEONI AG decided to appoint Mr. Hans-Joachim Ziemis as a member of the Board of Directors for the period of one year (1 April 2020 until 31 March 2021). Mr. Ziemis was assigned the responsibility for the ongoing financial and operational restructuring of the company. Beginning from October 2019, Mr. Ziemis already acted as general representative (Generalbevollmächtigter) as part of the ongoing restructuring of the company, equipped with an employment contract as an executive employee receiving a fixed monthly salary. This previously existing financial arrangement shall not be changed at the expense of LEONI AG due to the change in positions from general representative to member of the Board of Directors. Therefore, the Supervisory Board, in agreement with Mr. Ziemis, decided on a prolongation of the existing employment contract on the same material terms, i.e. with the current fixed salary, as a management board service contract. No variable compensation components were agreed upon with Mr. Ziemis.

Due to the aforementioned compensation agreement with Mr. Ziemis, LEONI AG declares a deviation from the recommendation 4.2.3 of the German Corporate Governance Code in the version of 7 February 2017 as published in the official part of the Federal Gazette (Bundesanzeiger) on 24 April 2017, according to which compensation structure shall encompass both fixed and variable components. Furthermore, the compensation agreement with Mr. Ziemis’ represent deviations from recommendation G.6 to G.11 of the German Corporate Governance Code in the

version of 16 December 2019 as published in the official part of the Federal Gazette (Bundesanzeiger) on 20 March 2020. It is the opinion of the Board of Directors and the Supervisory Board that these deviations are justified as the incentive effects, which are usually associated with variable compensation, would not have been appropriate considering that Mr. Ziemis’ activity on the Board of Directors is limited to one year and the special tasks he was assigned.

With regard to the other members of the Board of Directors, LEONI AG intends to comply with all of the aforementioned recommendations.

Nuremberg, 30 March 2020

LEONI AG

**For the Board of Directors**


Aldo Kamper

**For the Supervisory Board**


Dr.-Ing. Klaus Probst

## Other corporate governance practices

### Suggestions of the Code

LEONI AG follows the suggestions of the 2020 Code and complies with the non-obligatory suggestions of the 2020 Code with the following exception:

The Board of Directors has not taken an advance decision as to whether, in the event of a takeover offer, it should convene an extraordinary general meeting at which shareholders will discuss the takeover offer and may decide on corporate actions (suggestion A.5). The Board of Directors would take such a decision on a case-by-case basis depending on the terms of a potential takeover offer and the specific need for discussions and decisions and taking into account the amount of work and resources that an extraordinary general meeting would require.

### External standards and internal sets of rules

In addition to the legal requirements and the 2020 Code, LEONI's corporate governance is aligned with recognised external standards and various internal sets of rules. These include the UN Global Compact, the LEONI Social Charter and the Diversity Charter, and internal guidelines like the LEONI Code of Conduct and the occupational health, safety and environmental protection policy for LEONI's company divisions that had been transferred

to the divisional level in 2019. Further details are provided in the Group information statement (prepared pursuant to Section 315 HGB) and can be viewed on the website of LEONI AG at

» [www.leoni.com/en/compliance/](http://www.leoni.com/en/compliance/).

### Ethics, risk and compliance management

The areas of risk management, internal control system and compliance management and related additional areas (Group guidelines management, data protection, information security, insurance management and sustainability reporting) are allocated to the "Ethics, Risk & Compliance" department organisationally and procedurally. Efficiency gains are achieved by combining and coordinating activities in the context of the risk management processes, for example through the joint use of systems and integrated reporting. For details regarding the risk management system, the internal control system and the compliance management system, reference is made to the sections headed Risk- and opportunity report and non-financial Group information statement in the Combined management report.

## Website with information on the compensation of the members of the Board of Directors and of the Supervisory Board

In accordance with the applicable transitional provisions, the compensation report on the past financial year and the auditor's report pursuant to Section 162 AktG have not been prepared yet, and no general meeting resolution on the compensation of the Supervisory Board has been adopted yet. The resolution on the compensation paid, and the compensation system applicable, to the members of the Supervisory Board will be on the agenda of the Annual General Meeting on 19 May 2021; the relevant explanations on the compensation and the compensation system as required by law will be set out in the invitation to the meeting. The above documents will also be available on the Company's website immediately after the Annual General Meeting and will remain publicly available on that website in accordance with the legal requirements. The resolution on the compensation system for the members of the Board of Directors was adopted at the Annual General Meeting on 23 July 2020. More detailed information on the currently applicable compensation system for the members of the Board of Directors is publicly available at » [www.leoni.com/en/investor-relations/corporate-governance/board-of-directors/](http://www.leoni.com/en/investor-relations/corporate-governance/board-of-directors/). The compensation report is included in the Annual Report under the heading Compensation report.

## Description of the procedures of the Board of Directors and the Supervisory Board and of the composition and procedures of the Supervisory Board Committees

In the 2020 financial year, the Board of Directors and the Supervisory Board of LEONI AG collaborated closely with mutual trust for the benefit of the Company. The Supervisory Board actively assists in and monitors the Board of Directors' work. In their numerous meetings, the Board of Directors and the Supervisory Board members discuss all key strategic decisions and transactions requiring consent thoroughly and openly while ensuring strict confidentiality.

### Composition and procedures of the Board of Directors

#### Composition of the Board of Directors

As provided for by LEONI AG's Articles of Association, the Board of Directors of the Company has at least two members. On 31 December 2020, the Board of Directors had three members, namely Aldo Kamper as the Chief Executive Officer (CEO), Ingrid Jägering as the Chief Financial Officer (CFO) and Hans-Joachim Ziems as the Chief Restructuring Officer (CRO).

During the 2020 financial year, the following changes occurred regarding the composition of the Board of Directors:

With effect as from 1 April 2020, Hans-Joachim Ziems was appointed as a member of the Board of Directors of LEONI AG. The appointment is for a limited term, ending on 31 March 2021. Mr Ziems has been placed in charge of the Company's ongoing financial and operational restructuring. As reported in the previous year, Mr Ziems had already been working for the Company as a representative of LEONI AG authorised by a general power of attorney (Generalbevollmächtigter) prior to his appointment as a member of the Board of Directors.

With effect as from 1 June 2020, Bruno Fankhauser and Martin Stüttem left the Board of Directors. This change was due to the comprehensive transformation of LEONI AG. The changed composition of the Board of Directors emphasises LEONI's strategic direction and is intended to increase flexibility, accelerate decision-making processes and promote entrepreneurship within the Group.

In 2020, the Board of Directors was, thus, composed as follows:

<b>Bruno Fankhauser, business economist (Betriebsökonom) (licentiatus rerum politicarum), 49</b>	
First appointed: 1 February 2016	Left as at: 1 June 2020
Areas of responsibility:	Until 31 December 2020, CEO of the Wire & Cable Solutions Division and until 31 May 2020 head of the Corporate Digitalization department (after that date, the department was dissolved and the activities were reintegrated into the Wire & Cable Solutions and the Wiring Systems Divisions)
<b>Ingrid Maria Jägering, industrial business management assistant (Industriekauffrau), 54</b>	
First appointed: 1 August 2019	Appointed until: 31 December 2022
Areas of responsibility:	Chief Financial Officer (CFO) and from 1 June 2020 Labour Director; head of the following departments: Corporate Accounting, Corporate Controlling, Corporate Ethics, Risk & Compliance (new designation due to the combination of the former Corporate Risk & Insurance, Corporate Compliance, Corporate Data Protection and Corporate Sustainability departments), Corporate Finance & Treasury, Corporate Information Technology (new designation due to the combination of the former Corporate Information Management and Corporate Information Security departments), Corporate Internal Audit and Corporate Taxes (including Customs Compliance); furthermore, head of Human Resources and head of Purchasing & Facility Management of LEONI AG in Nuremberg, i.e. at holding-level; additionally CFO of the Wiring Systems Division
<b>Aldo Kamper, MBA, 50</b>	
First appointed: 1 September 2018	Appointed until: 31 December 2026
Areas of responsibility:	Chief Executive Officer (CEO) and until 31 May 2020 Labour Director; also head of the Corporate Communications & Investor Relations (new designation due to the combination of the former Corporate Communications & Marketing and Corporate Investor Relations departments), Corporate Human Resources Management, Corporate Legal and Corporate Strategy departments; additionally CEO of the Wiring Systems Division.
<b>Martin Stüttem, degree in engineering (Diplom-Ingenieur), 54</b>	
First appointed: 1 April 2017	Left as at: 1 June 2020
Areas of responsibility:	Until 31 December 2020 COO of the Wiring Systems Division; prior thereto (until 31 December 2019) also head of the Corporate Sustainability (now part of the Corporate Ethics, Risk & Compliance department), of Corporate Process Management, Corporate Quality & SHE Management and Quality & Knowledge Management departments regarding matters of LEONI AG in Nuremberg, i.e. at holding-level; the departments mentioned last were dissolved after that date and reintegrated into the Wire & Cable Solutions and Wiring Systems Divisions)
<b>Hans-Joachim Ziems, degree in business administration (Diplom-Kaufmann), 67</b>	
First appointed: 1 April 2020	Appointed until: 31 March 2021
Areas of responsibility:	Chief Restructuring Officer (CRO); also CRO of the Wiring Systems Division, CRO of the Wire & Cable Solutions Division and head of the Financial & Operational Restructuring and Liquidity Management departments of LEONI AG.

## Leadership and management

The Board of Directors is responsible for directing and managing the business of LEONI AG. The Board acts in the interests of the Company with the aim of increasing the enterprise value in a sustainable way. For this purpose, it develops a suitable strategy, discusses and agrees on it with the Supervisory Board, and ensures its implementation. The Board of Directors' duties also include effective opportunity and risk management, risk controlling and ensuring compliance (observance of statutory requirements and Company-internal policies) throughout the Group.

The law and the rules of procedure govern the collaboration and the allocation of duties among the members of the Board of Directors. The rules of procedure and the related schedule of responsibilities are regularly reviewed by the Supervisory Board as to whether any updates are necessary. The rules of procedure for the Board of Directors as amended from time to time are available on LEONI's website at » [www.leoni.com/en/investor-relations/corporate-governance/](http://www.leoni.com/en/investor-relations/corporate-governance/).

Covid-19-related stresses weighed heavily on the Board of Directors' work in the past financial year, which was focused on improving operating performance, sustained stabilisation of the Group, ensuring sufficient liquidity, monitoring the equity situation and project risks and long-term ability to refinance.

Another focus of the work of the Board of Directors was the VALUE 21 performance and strategy programme. Most of the measures planned to be taken as part of the programme to lower costs and to enhance efficiency have already been implemented since the end of the third quarter of 2020, i.e. earlier than planned.

In addition, in the year under report the Board of Directors continued to press ahead with the preparations for the sale of the Wire & Cable Solutions Division (WCS) and, in the Wiring Systems Division (WSD), the Board of Directors prepared the organisational realignment, which was subsequently started in early 2021, in order to strengthen our core business and to promote financial recovery.

The Covid-19 pandemic not only constituted a financial strain, but also required comprehensive hygiene concepts and new work arrangements to protect staff health to the greatest possible extent. Moreover, in reaction to locally imposed lockdowns and temporary halts in production by customers, sites had to be closed in part or entirely for some time and short-time work or similar measures introduced for limited periods.

### **Compliance**

As part of compliance management, during the year under report, the Board of Directors dealt with the organisation and

the further development of all compliance matters and ensured implementation of the necessary measures. Recommendations for actions that resulted from the external audit of two subsections of the Compliance Management System were translated into improvement projects and the Company continued to implement the recommendations in the year under report. The conclusions drawn from the findings of the external effectiveness test, from the compliance activities that were carried out and from the measures taken with regard to compliance monitoring will be included in the assessment of the effectiveness of the compliance programme and therefore in the compliance risk analysis and assessment. The compliance risk assessment is included in the risk evaluation of the Group as part of the risk management system and also forms the basis for planning the compliance activities in the following year.

### **Communication and transparency**

The Board of Directors is also responsible for all communication with which LEONI AG informs shareholders, associations of shareholders, financial analysts, the media and the interested public about the Company's development and significant events.

All mandatory publications and detailed supplementary information are made available as soon as possible in each case on LEONI's website. Numerous publications, such as ad hoc announ-

cements, press releases, interim and annual reports, are issued in both German and English. LEONI AG broadcasts conference calls and the annual balance sheet press conference and the analyst conference live on the internet. The latest financial calendar with information on the dates of all key publications and events can also be accessed on the website.

The CEO's speech at the Annual General Meeting of LEONI AG and a presentation shown during that speech can be followed online. This presentation will be available on LEONI's website at [» www.leoni.com/fileadmin/corporate/investors/events/2020/annual\\_general\\_meeting/presentation\\_hv\\_2020.pdf](http://www.leoni.com/fileadmin/corporate/investors/events/2020/annual_general_meeting/presentation_hv_2020.pdf) until the next Annual General Meeting.

### **Sharing information with the Supervisory Board**

The Board of Directors informs the Supervisory Board regularly, promptly and comprehensively about all relevant events and about the planning, the business performance, the risk situation and the compliance measures. In addition to the Supervisory Board meetings in which the members of the Board of Directors are present, the chairmen of both Boards consult regularly, also at short notice and as required by specific circumstances, on all relevant current matters. The Supervisory Board report contains additional information on the collaboration between the Board of Directors and the Supervisory Board in the year under report.

### Compensation

All information about the compensation system for the members of the Board of Directors is contained in the compensation report and also available on LEONI's website at » [www.leoni.com/en/investor-relations/corporate-governance/board-of-directors/](https://www.leoni.com/en/investor-relations/corporate-governance/board-of-directors/).

During the year under report, D&O insurance was in place for the members of the Board of Directors that provides for a deductible per occurrence of at least 10 percent and a maximum of one and a half times the amount of the individual member's fixed annual compensation.

### Composition and procedures of the Supervisory Board and its Committees

#### Composition of the Supervisory Board

In accordance with Section 7 (1) sentence 1 no. 1 of the German Co-determination Act (Mitbestimmungsgesetz, "MitbestG"), the Supervisory Board is subject to the principle of equal representation and consists of six members representing the employees and of six members representing the shareholders. Its composition is in conformity with the provisions of the DCGK 2020 concerning diversity and appropriate participation of women and with other criteria that ensure qualified supervision and advice of the Board of Directors of LEONI AG. Additional information regarding the achievement of the gender quota can be found in the section Information regarding the achievement of the quota set forth in Section 96 (2) AktG with regard to the Supervisory Board below.

In the 2020 financial year, Dr Klaus Probst continued to hold the office as the Chairman of the Supervisory Board; the First Deputy Chairman of the Supervisory Board during the entire financial year was Franz Spieß. The position of Second Deputy Chairman of the Supervisory Board was held by Dr Werner Lang until 24 July 2020. After Dr Werner Lang had left the Supervisory Board, the position of Second Deputy Chairman was not filled again and still remains open based on a Supervisory Board resolution of 23 July 2020.

All members of the Supervisory Board comply with the limitation of the total number of supervisory board mandates they may accept in accordance with the recommendations in the 2020 Code, as applicable. The members of the Supervisory Board of LEONI AG, with the exception of one member, each hold a maximum of three other supervisory board mandates at other companies or on supervisory bodies of companies that impose comparable requirements. One member holds a total of four comparable mandates.

As already reported last year, Regine Stachelhaus was appointed by a court to replace Dr Ulrike Frieese-Dormann on the Supervisory Board with effect as of 12 November 2019 and initially for a limited time period until the 2020 Annual General Meeting; the 2020 Annual General Meeting confirmed the appointment of Regine Stachelhaus for the remainder of Dr Ulrike Frieese-Dormann's term of office. Furthermore, in the period under report Dr Werner Lang left the Supervisory Board with effect as of 24 July 2020. To replace him, Dirk Kaliebe was appointed as a member of the Supervisory Board by resolution of 15 August 2020 with immediate effect. The term of office of Dirk Kaliebe is limited in time until the end of the next Annual General Meeting of LEONI AG in May 2021.

As at 31 December 2020, the Supervisory Board therefore had the following members:

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**Dr Klaus Probst, Chairman of the Supervisory Board**

67, former President & CEO of LEONI AG, retired

**Supervisory Board member since:** 2017

**Appointed until:** 2022

**Committee memberships**

- Mediation Committee pursuant to Section 27 (3) MitbestG (Chairman)
- Audit Committee
- Personnel Committee (Chairman)
- Nomination Committee (Chairman)
- Strategy Committee
- Special Committee

**Memberships of other statutory supervisory boards in Germany**

- until 8 July 2020: Chairman of the Supervisory Board of Grammer AG, Amberg (market-listed)
- until 25 June 2020: Member of the Supervisory Board of Zapp AG, Ratingen (not market-listed)

**Memberships of comparable domestic and foreign corporate governance bodies of business enterprises**

none

In the opinion of the Supervisory Board, the Supervisory Board member is independent from the Company and its Board of Directors. It has no personal or business relationship with the Company or its Board of Directors that may cause a substantial – and not merely temporary – conflict of interest. LEONI AG does not have a controlling shareholder.

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**Franz Spieß, Deputy Chairman of the Supervisory Board**

64, first senior authorised signatory of the IG Metall trade union in Schwabach

**Supervisory Board member since:** 2006

**Appointed until:** 2022

**Committee memberships**

- Mediation Committee pursuant to Section 27 (3) MitbestG
- Special Committee
- Audit Committee
- Personnel Committee

**Memberships of other statutory supervisory boards in Germany**

none

**Memberships of comparable domestic and foreign corporate governance bodies of business enterprises**

none

Employee representative

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**Dr Elisabetta Castiglioni**

56, CEO of A1 Digital International GmbH & A1 Digital Deutschland GmbH, Vienna/Munich

**Supervisory Board member since:** 2017

**Appointed until:** 2022

**Committee memberships**

- Nomination Committee
- Strategy Committee

**Memberships of other statutory supervisory boards in Germany**

none

**Memberships of comparable domestic and foreign corporate governance bodies of business enterprises**

- until 29 September 2020: Member of the Board of Directors of Euskaltel S.A., Derio, Spain (market-listed)
- Member of the Supervisory Board of A1 Telekom Austria AG, Austria (not market-listed)

In the opinion of the Supervisory Board, the Supervisory Board member is independent from the Company and its Board of Directors. It has no personal or business relationship with the Company or its Board of Directors that may cause a substantial – and not merely temporary – conflict of interest. LEONI AG does not have a controlling shareholder.

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**Wolfgang Dehen**

67, former CEO of Osram Licht AG, retired

**Supervisory Board member since:** 2017

**Appointed until:** 2022

**Committee memberships**

- Personnel Committee
- Special Committee (Chairman)
- Strategy Committee (Chairman)

**Memberships of other statutory supervisory boards in Germany**

- Member of the Supervisory Board of TÜV SÜD AG, Munich (not market-listed)

**Memberships of comparable domestic and foreign corporate governance bodies of business enterprises**

none

In the opinion of the Supervisory Board, the Supervisory Board member is independent from the Company and its Board of Directors. It has no personal or business relationship with the Company or its Board of Directors that may cause a substantial – and not merely temporary – conflict of interest. LEONI AG does not have a controlling shareholder.

## Continuation of the Supervisory Board composition:

Mark Dischner

47, Chairman of the General Works Council of LEONI AG

**Committee memberships**

- Personnel Committee
- Special Committee

**Supervisory Board member since:** 2017

**Memberships of other statutory supervisory boards in Germany**

- Member of the administrative board of Sparkasse Mittelfranken-Süd (not listed)
- until 25 June 2020: Member of the Supervisory Board of Zapp AG, Ratingen (not market-listed)

**Appointed until:**

2022

**Memberships of comparable domestic and foreign corporate governance bodies of business enterprises**

none

Employee representative

Janine Heide

37, Trade union secretary of the IG Metall trade union, Offenbach office

**Committee memberships**

neine

**Supervisory Board member since:** 2019

**Memberships of other statutory supervisory boards in Germany**

- Deputy Chairwoman of the Supervisory Board of Caverion Deutschland GmbH, Munich (not market-listed)

**Appointed until:**

2022

**Memberships of comparable domestic and foreign corporate governance bodies of business enterprises**

none

Employee representative

Dirk Kaliebe

54, adviser; former CFO of Heidelberger Druckmaschinen AG

**Committee memberships**

none

**Supervisory Board member since:** 2020

**Memberships of other statutory supervisory boards in Germany**

none

**Appointed until:**

2021

**Memberships of comparable domestic and foreign corporate governance bodies of business enterprises**

none

In the opinion of the Supervisory Board, the Supervisory Board member is independent from the Company and its Board of Directors. It has no personal or business relationship with the Company or its Board of Directors that may cause a substantial – and not merely temporary – conflict of interest. LEONI AG does not have a controlling shareholder.

Karl-Heinz Lach

62, Works council chairman at LEONI Kerpen GmbH, Stolberg

**Committee memberships**

- Strategy Committee

**Supervisory Board member since:** 2007

**Memberships of other statutory supervisory boards in Germany**

none

**Appointed until:**

2022

**Memberships of comparable domestic and foreign corporate governance bodies of business enterprises**

none

Employee representative

## Continuation of the Supervisory Board composition:

Richard Paglia

54, Senior Vice President of Global Purchasing, Wire & Cable Solutions Division

**Committee memberships**

- Audit Committee
- Special Committee
- Strategy Committee

**Supervisory Board member since:** 2012

**Appointed until:** 2022

**Memberships of other statutory supervisory boards in Germany**

none

**Memberships of comparable domestic and foreign corporate governance bodies of business enterprises**

none

Employee representative

Prof Dr Christian Rödl

52, Lawyer, tax consultant, managing partner at Rödl & Partner

**Committee memberships**

- Audit Committee (Chairman)
- Special Committee

**Supervisory Board member since:** 2015

**Appointed until:** 2022

**Memberships of other statutory supervisory boards in Germany**

- Member of the Supervisory Board of Concentro Management AG, Nuremberg (not market-listed)

**Memberships of comparable domestic and foreign corporate governance bodies of business enterprises**

- Member of the advisory board (Gesellschafterbeirat) of UVEX Winter Holding GmbH & Co. KG, Fürth (not market-listed)

In the opinion of the Supervisory Board, the Supervisory Board member is independent from the Company and its Board of Directors. It has no personal or business relationship with the Company or its Board of Directors that may cause a substantial – and not merely temporary – conflict of interest. LEONI AG does not have a controlling shareholder.

Regine Stachelhaus

65, Independent entrepreneur

**Committee memberships**

- Mediation Committee pursuant to Section 27 (3) MitbestG
- Nomination Committee

**Supervisory Board member since:** 2019

**Appointed until:** 2022

**Memberships of other statutory supervisory boards in Germany**

- Member of the Supervisory Board of CECONOMY AG, Düsseldorf (market-listed)
- Member of the Supervisory Boards of COVESTRO AG and COVESTRO Deutschland AG, Leverkusen (market-listed)
- Member of the Supervisory Board of SPIE Deutschland & Zentraleuropa GmbH, Ratingen (not market-listed)

**Memberships of comparable domestic and foreign corporate governance bodies of business enterprises**

- Member of the Supervisory Board of SPIE SA, France (market-listed)

In the opinion of the Supervisory Board, the Supervisory Board member is independent from the Company and its Board of Directors. It has no personal or business relationship with the Company or its Board of Directors that may cause a substantial – and not merely temporary – conflict of interest. LEONI AG does not have a controlling shareholder.

Inge Zellermaier

57, Paramedic

**Committee memberships**

- Vermittlungsausschuss gem. § 27 Abs. 3 MitbestG
- Strategieausschuss

**Supervisory Board member since:** 2017

**Appointed until:** 2022

**Memberships of other statutory supervisory boards in Germany**

none

**Memberships of comparable domestic and foreign corporate governance bodies of business enterprises**

none

Employee representative

### Responsibilities and procedures of the Supervisory Board

The Supervisory Board of LEONI AG monitors and advises the Board of Directors on the management of the Company. Its work is governed by applicable law, the Articles of Association, the 2020 Code and the rules of procedure. The rules of procedure for the Supervisory Board as amended from time to time have been published on LEONI's website at » [www.leoni.com/en/investor-relations/corporate-governance/](http://www.leoni.com/en/investor-relations/corporate-governance/). The change to the rules of procedure for the Supervisory Board made in December 2020 is explained in more detail in the Supervisory Board report.

The Supervisory Board regularly reviews the efficiency of its work. In the 2020 financial year, the Supervisory Board held an executive session on 12 November 2020 at which no members of the Board of Directors were present. At that meeting, the Supervisory Board also discussed the findings of the efficiency audit, which had been conducted in the form of a self-evaluation by questionnaire. Based on the findings of that efficiency audit, the Supervisory Board resolved to implement specific recommended actions to raise efficiency. These include, for example, the integration of the Special Committee into the rules of procedure for the Supervisory Board, the regular training of Supervisory Board members and an increased involvement of each Supervisory Board member in the preparation of the agenda. Other measures include the structured long-term leadership development and the long-term succes-

sion planning of the Board of Directors, taking into account the Group-wide top management tier, and also the strategic succession planning of the Supervisory Board based on the continued development of a competence profile derived from the strategy and the current Board composition. Other aims are to keep working, together with the Board of Directors, on the development of LEONI's corporate culture also in the currently challenging environment and to take a closer look at digitalisation at every organisational level.

The objective to hold at least one Supervisory Board meeting per year at a production facility of LEONI AG was met – in light of the current hygiene requirements due to the Covid-19 pandemic – by holding a two-day Supervisory Board meeting in one of our sites in September 2020. The other Supervisory Board meetings in 2020 were held, for the most part, as virtual meetings due to the Covid-19 pandemic. More details on the Supervisory Board's work under the impact of the Covid-19 pandemic and, in particular, on the number of meetings and the key issues discussed are set out in the Supervisory Board report.

In addition, the Chairman of the Supervisory Board takes part, in an appropriate scope and in close coordination with the Board of Directors, in meetings with investors to the extent that those meetings relate to the work and responsibilities of the Supervisory Board.

### Compensation

Information about the structure and the amount of the compensation of the members of the Supervisory Board is provided in the Compensation report in the Annual Report. During the year under report, D&O insurance was in place for the members of the Supervisory Board that provides for a deductible per occurrence of at least 10 percent and a maximum of one and a half times the amount of the individual member's fixed annual compensation.

### Supervisory Board Committees

To increase the efficiency of the Supervisory Board's work, the following Committees are in place, which, except for the Mediation Committee, met regularly during the year under report: the Audit Committee, the Personnel Committee, the Nomination Committee, the Mediation Committee, the Special Committee and the Strategy Committee. The respective Committee chairpersons report on the Committees' work during the Supervisory Board meetings.

The tasks and responsibilities of the Committees are as follows:

The **AUDIT COMMITTEE** consists of four members – two shareholder representatives and two employee representatives – to be elected by the Supervisory Board and one of whom the Supervisory Board appoints as chair. The Committee meets at least four times a year.

In 2020, the year under report, the Audit Committee convened for four ordinary meetings and one extraordinary meeting. The Audit Committee's chairman, Prof. Dr Christian Rödl, is independent and is not also the Chairman of the Supervisory Board; as a financial expert, he has expert knowledge in the fields of accounting and auditing. He has never been a member of the Board of Directors of LEONI AG. The Audit Committee's task is to discuss and review in advance the annual financial statements, the consolidated financial statements, the management report and the Combined management report, the report of the Board of Directors on the relations with affiliated companies (dependency report) as well as the Board of Director's dividend proposal. The Audit Committee furthermore discusses the half-year and any quarterly financial reports with the Board of Directors. The Audit Committee deals with matters concerning accounting and compliance, risk management and internal auditing and with the Internal Control System including testing the effectiveness of the systems and measures that are in place in each case. It prepares the Supervisory Board's proposal to the shareholders at the Annual General Meeting regarding the nomination of the auditor and submits its reasoned recommendation on this nomination to the Supervisory Board. The Audit Committee furthermore verifies the independence of the auditor and obtains the statement of independence. It instructs the auditor to perform the audit and agrees on the fees with said auditor, determines the focal areas of the audit and monitors the audit.

Alongside the Chairman of the Supervisory Board as Committee chair, the **PERSONNEL COMMITTEE** comprises his deputy and one Supervisory Board member to be elected by the shareholder representatives and one Supervisory Board member to be elected by the employee representatives. The Committee meets at least twice a year. In 2020, the year under report, the Personnel Committee convened for a total of six meetings. Its main tasks are to advise on the appointment and removal of the members of the Board of Directors, the compensation system for the members of the Board of Directors, the principal elements of the service contracts of the members of the Board of Directors as well as to approve contracts with Supervisory Board members in accordance with Section 114 AktG.

In addition to the Supervisory Board Chairman, who also chairs the Committee, the **NOMINATION COMMITTEE** has two further members, who are elected by the shareholder representatives. When appointing members to the Committee, the Supervisory Board furthermore ensures that both women and men are represented. As at 31 December 2020, the members of this Committee were the Chairman of the Supervisory Board, Dr Elisabetta Castiglioni and Regine Stachelhaus. It is the Nomination Committee's task to make recommendations to the Supervisory Board for its proposals to the shareholders at the Annual General Meeting of suitable candidates to be elected to the Supervisory Board to represent the

shareholders. The suitability of a candidate is judged based on the competence profile prepared by the entire Supervisory Board, the targets concerning the Board's composition taking into account the applicable statutory requirements, the diversity concept and a questionnaire. In 2020, the year under report, the Nomination Committee convened for a total of three meetings.

To perform the duties set out in Section 31 (3) sentence 1 MitbestG, the Supervisory Board has formed a **MEDIATION COMMITTEE** pursuant to Section 27 (3) MitbestG, which consists of the Chairman of the Supervisory Board as Committee chair, his deputy and one member elected by the members representing the employees and one member elected by the members representing the Shareholders, in each case, by the majority of the votes cast. The Mediation Committee did not meet in the financial year.

The **STRATEGY COMMITTEE** consists of three members of each the shareholder representatives and the employee representatives all of whom are to be elected by the Supervisory Board. The chairman of the Committee is Wolfgang Dehen, who – as a former managing board member of an internationally active group of companies – has the necessary expertise in the field of strategic decisions. The Committee convenes at least twice each calendar year, in addition to the Supervisory Board's annual strategy meeting. In 2020, the year under report, the Strategy Committee

convened for a total of two meetings. The Strategy Committee deals with the corporate strategy in an advisory and preparatory capacity. Its principal tasks comprise advising the Board of Directors on the Company's strategic development, preparing strategy meetings and decisions of the Supervisory Board on matters requiring consent concerning acquisitions, capital expenditure, organisational changes and restructuring as well as advising the Board of Directors on matters involving the corporate strategy and on projects of strategic relevance.

The **SPECIAL COMMITTEE** is subject to the principle of equal representation and consists of six members. Based on his many years of operational experience and expertise, Wolfgang Dehen was appointed as chairman of this Committee. The Special Committee's task is to advise the Board of Directors with regard to the ongoing work in connection with the refinancing of LEONI AG and of its Group and to monitor the asset and liquidity situation, including monitoring the measures initiated by the Board of Directors in that respect. The Special Committee works closely with the Board of Directors. The Board of Directors reports regularly to the Special Committee on the current financial, asset and liquidity situation and on current issues in connection with the Covid-19 pandemic. In 2020, the year under report, the Special Committee's meetings were typically held once a month together with the members of the Board of Directors.

More details on the focal points of the Committees' work in the 2020 financial year are set out in the Supervisory Board report.

#### **Avoiding conflicts of interest**

The competence profile of the Supervisory Board imposes certain rules regarding the independence of Supervisory Board members that are aimed at avoiding conflicts of interest. More details can be found in the section Diversity concept below.

A description of the conflicts of interest that arose in the 2020 financial year and how they were handled is contained in the Supervisory Board report.

#### **Shares held by members of the Board of Directors and of the Supervisory Board**

All members of the Board of Directors and of the Supervisory Board and the persons closely associated with them are obliged pursuant to Article 19 of the European Market Abuse Regulation (Regulation (EU) No 596/2014) to promptly disclose, under certain conditions, any transactions in shares of LEONI AG or in any derivatives or any other financial instruments linked thereto. A list of the transactions that were reported can be found on the website of LEONI AG at » [www.leoni.com/en/investor-relations/corporate-governance/directors-dealings/](http://www.leoni.com/en/investor-relations/corporate-governance/directors-dealings/).

## Diversity on the Board of Directors and the Supervisory Board of LEONI AG

LEONI considers diversity a key factor of success for the Company's future viability. Living diversity is a strategic factor of success. Different career and educational backgrounds facilitate the fulfilment of duties and obligations in accordance with statutory requirements, the provisions of the Company's Articles of Association and the rules of procedure. Increasing internationalisation requires LEONI AG to lead teams reflecting diversity. Without this capability and experience, it is not possible to take appropriate account of different cultural backgrounds within the Group. Maintaining a balanced age structure ensures a regular introduction of leadership talent, and simultaneously ensures that knowledge as well as work and life experience are retained for as long as possible in the Company's best interest. Gender diversity, in turn, is reflected in the consistent continuation of the initiatives launched by the Board of Directors to increase the number of women in management positions. LEONI's activities aim at raising awareness of gender diversity, in particular, among managers but also among the staff by way of mentoring programmes, e-learning courses and targeted training activities.

## Diversity concept for the composition of the Board of Directors

### Competence profile and diversity concept

With regard to the composition of the Board of Directors, a competence profile and a diversity concept were prepared that are intended to serve as a guideline for future appointments. These two sets of rules provide for the following guidelines to be adhered to by the Board of Directors when appointing its members:

- ▮ diversity in terms of cultural background and regional origins as well as religion;
- ▮ experience in the global corporate environment and knowledge of the regions and markets of importance to LEONI;
- ▮ experience with disruptive market developments;
- ▮ variety of career backgrounds, experience and mindset;
- ▮ equal consideration of external and internal candidates in the selection of potential members;
- ▮ age: balanced age structure within set parameters for a standard retirement age at the time of appointment (currently at 65 years of age).

LEONI pursues the objective of appointing a number of women to the Board of Directors that equals a percentage of at least 15 percent and has exceeded this target by appointing Ingrid Jägering as CFO.

More details on the representation of both sexes on the Board of Directors, including information on the progress made in achieving the targets, are set out in Stipulations pursuant to Section 111 (5) AktG regarding representation on the Board of Directors below.

### Manner and progress of the implementation

The implementation of the concept is ensured to a material extent by involving the Supervisory Board in the strategic, financial and current affairs of the Company and of its organisation, as provided for by statutory requirements, the provisions of the Articles of Association and the rules of procedure. The allocation of responsibilities, the appointment of members and the succession planning for the Board of Directors are part of the Supervisory Board's duties. The Board of Directors reports regularly during Supervisory Board meetings on diversity issues and on the development and the potential of the managers within the Group. The afore-mentioned criteria are furthermore taken into account by the Personnel Committee and the Supervisory Board when making decisions regarding internal or external candidates to be appointed to the Board of Directors. Also when filling positions on the first management level below the Board of Directors, which is subject to the Personnel Committee's consent, both the Board of Directors and the Supervisory Board take care to comply with the afore-mentioned criteria.

The implementation of the above-mentioned criteria is further ensured in the following way, which is also a means to promote long-term succession planning within the LEONI Group:

- ▮ reporting on the personnel and succession planning for the Board of Directors and the first management level including step-in solutions (emergency plan) and personnel planning geared to the Group's strategy;
- ▮ scanning of the market for suitable candidates for the Board of Directors and the first and second management level with the involvement of experienced recruitment consultants conducting targeted searches for managers who meet the above criteria;
- ▮ promoting internal employees for the first and second management level while considering knowledge, experience and diversity aspects to promote in-house candidates for future appointments to Board of Directors positions.

In the opinion of the Supervisory Board and the Board of Directors, the measures initiated are suitable for appropriately accounting for the diversity aspect at an early stage of the staff selection and promotion process in the future and for ensuring that the Board of Directors reflects an appropriate structure as regards experience and age.

### Diversity concept for the composition of the Supervisory Board

To ensure that it monitors and advises the Board of Directors in a qualified manner, the Supervisory Board has established a competence profile. The profile emphasises the level of independence, integrity, commitment and professionalism that is expected of all Supervisory Board members and is thoroughly reviewed and updated on a continuous basis. Moreover, the Supervisory Board is of the opinion that the diversity concept integrated into the competence profile ensures that different societal groups and stakeholders of LEONI AG are represented. The competence profile as amended from time to time is available at

» [www.leoni.com/en/investor-relations/corporate-governance/](http://www.leoni.com/en/investor-relations/corporate-governance/).

### Competence profile of the Supervisory Board

The candidates who are proposed to be elected as Supervisory Board members shall be able, based on their experience, expert knowledge, independence, commitment, integrity and personality, to perform the duties of a supervisory board member of a group that operates internationally and also to represent the group well in dealings with third parties. The Supervisory Board members shall be able to devote sufficient time to performing the duties associated with their mandate so that they are able to do so with due regularity and care.

The competence profile pursues the objective to ensure that the Supervisory Board as a whole combines all the knowledge and experience needed to execute its tasks – this applies, in particular, to knowledge and experience that is important to LEONI with regard to

- // general corporate governance;
- // industries, markets, regions, business areas and models;
- // new technologies (also, in particular, information technology and digitalisation);
- // production and distribution;
- // procurement, logistics and finance;
- // law (including compliance);
- // personnel and
- // leadership at a company that operates internationally.

At least one member of the Supervisory Board shall have expertise in the fields of accounting or auditing and particular knowledge as well as experience with regard to internal controlling procedures.

In the event of an impending new appointment to the Board, it must be reviewed which of the knowledge criteria listed above are to be enhanced on the Supervisory Board.

The aim of the diversity criteria integrated into the competence profile is not merely for the Supervisory Board members to be highly qualified in terms of expertise, but to have a sufficient degree of diversity on the Supervisory Board in order to be able to successfully perform tasks in an international setting when working in mixed-gender teams. These criteria are also intended to serve as a blueprint for the Company as a whole. The consideration of consistency and renewal with respect to (impending) appointments shall contribute to sustainability and add new impulses.

Diversity criteria include the following:

- // appropriate consideration of women as members of the Supervisory Board and its Committees;
- // experience in the global corporate environment and knowledge of the regions and markets of importance to LEONI;
- // experience with disruptive market developments;
- // variety of career backgrounds, experience and mindset;
- // age: balanced age structure within set parameters for a standard retirement age (70 years of age) at the time of election;
- // standard 15-year limit for service as Supervisory Board members.

It is intended to appropriately consider the diversity aspect at an early stage of the selection process and to ensure that the Supervisory Board reflects an appropriate structure as regards experience and age.

### **Independence**

The competence profile also provides for rules to be complied with to ensure the independence of the Supervisory Board:

- All shareholder representatives shall be independent within the meaning of the DCGK 2020. In particular, they are not to have any personal or business relation with LEONI AG, its corporate bodies, a controlling shareholder or an affiliated company of the latter that may cause a substantial and not merely temporary conflict of interest.
- Conflicts of interest shall be avoided, for example, by ensuring that no directorships or similar positions or advisory tasks are exercised for key competitors of LEONI.
- The Supervisory Board shall not include more than two former members of the Board of Directors of LEONI AG.

### **Manner of implementation of the competence profile; evaluation**

In elections of new members of the Supervisory Board to act as shareholder representatives, the Nomination Committee takes

the competence profile into account in its work. The election of the employee representatives in accordance with the provisions of the German Co-Determination Act also contributes to having a diversity of career backgrounds.

In addition, the Supervisory Board is of the opinion that the following factors are key in ensuring diversity and the appropriate qualification in terms of expertise of the Supervisory Board:

- scanning of the market for suitable supervisory board candidates with the involvement of experienced recruitment consultants;
- sharing information with the Board of Directors and management levels with respect to diversity (regular reporting at Supervisory Board meetings);
- onboarding programme for new members of the Supervisory Board.

Regular evaluation of the Supervisory Board's work also contributes to the implementation of the competence profile and its further development. The Supervisory Board performs regular evaluations of its work using a questionnaire that has been created specifically for this purpose and by discussing the findings at its executive sessions. One aspect of this evaluation is to detect any areas where the Supervisory Board members feel there are

shortcomings in the composition of the Supervisory Board and, if necessary, to amend the competence profile accordingly in response. The evaluation performed in the year under report showed that the Supervisory Board members did not see any need to make adjustments to the existing competence profile. More details on the findings of the evaluation in the 2020 financial year are set out under Responsibilities and procedures of the Supervisory Board above.

### **Status of the implementation of the objectives with respect to the competence profile and the diversity and independence of the members of the Supervisory Board**

Currently, the Supervisory Board of LEONI AG consists of members who fulfil the requirements as set out in the competence profile. The Supervisory Board members are collectively familiar with the sector in which LEONI AG operates. The degree of diversity deemed to be sufficient under the targets set for the composition of the Supervisory Board regarding differing career backgrounds, professional expertise and experience has also been achieved. The Supervisory Board members' curricula vitae that are published on the website of LEONI AG and updated annually show the diversity of the career and educational backgrounds of the individual Board members.

In addition, the following requirements for the entire Supervisory Board with regard to specific areas of expertise are fulfilled:

- At least one member has experience in the global corporate environment and knowledge of the regions and markets of importance to LEONI.
- At least one member has expertise in the automotive (supply) industry and experience with disruptive market developments.
- At least one independent member of the Supervisory Board furthermore has specialist expertise in the fields of accounting and auditing (financial expert) and advanced knowledge in the areas of international corporate law, compliance, risk management, antitrust law, the capital market and M&A.
- At least one member has in-depth knowledge in the area of attracting and promoting personnel.
- At least one member besides the financial expert has in-depth knowledge regarding corporate governance, risk management and compliance.
- At least one member has many years of experience and competence in the areas of restructuring and liquidity management.

Moreover, none of the members of the Supervisory Board was older than 70 years when elected or has been a member of the Board for more than 15 years.

The Supervisory Board also has an appropriate number of independent members. The Supervisory Board is of the opinion that all of the shareholder representatives are independent within the meaning of the DCGK 2020, as applicable. In particular, they have no personal or business relations with LEONI AG, its corporate bodies, a controlling shareholder or an affiliated company of the latter that may cause a substantial and not merely temporary conflict of interest. In the Supervisory Board's opinion, Dr Werner Lang's role as a managing director (*Geschäftsführer*) of Lang Verwaltungsgesellschaft mbH, which is the general partner (*Komplementärin*) of MEKRA Lang GmbH & Co. KG, a customer of LEONI AG, did not constitute such a conflict of interest. The Supervisory Board members do not hold directorships or similar positions or perform advisory tasks for important competitors of the LEONI Group either. The Supervisory Board report provides information about the handling of possible conflicts of interest in the individual case.

Information on the representation of both sexes on the Board of Directors and the Supervisory Board and at the top management levels at LEONI AG

**Information regarding the achievement of the minimum percentage set forth in Section 96 (2) sentence 1 AktG with regard to the Supervisory Board**

In accordance with Section 96 (2) sentence 1 AktG, at least 30 percent of the members of the Supervisory Board of LEONI AG are women and at least 30 percent of the members are men. Both the shareholder representatives and the employee representatives on the Supervisory Board have objected to joint achievement of these minimum percentages. Therefore, the minimum percentage needs to be achieved both as regards the shareholder representatives and as regards the employee representatives. As the Supervisory Board has a total of twelve members, according thereto, there must be at least two men and two women among the shareholder representatives and at least two men and two women among the employee representatives.

In the 2020 financial year, four of the Supervisory Board members were female: two among the shareholder representatives and two among the employee representatives.

The minimum percentage requirement pursuant to Section 96 (2) sentence 1 AktG is thus fulfilled.

**Stipulations pursuant to Section 111 (5) AktG regarding representation on the Board of Directors**

Section 111 (5) AktG provides for the supervisory board of a listed stock corporation to stipulate target values for the percentage of women sitting on the board of directors.

The Supervisory Board has targeted a minimum percentage for the Board of Directors of LEONI AG of 15 percent to be reached by 30 June 2022. This targeted minimum percentage has been reached as of 31 December 2020 because the Board of Directors had two male members and one female member at that time.

**Stipulations regarding the two management levels below the Board of Directors**

Pursuant to Section 76 (4) AktG, the board of directors furthermore stipulates target values for the percentage of women working in positions at the first and second management levels below the board of directors. In setting its target minimum percentages for the Board of Directors and the two management levels below the Board of Directors, LEONI AG, as a technology-focused company, has taken into account industry-specific circumstances and the current percentage of women among its staff.

For the next two management levels below the Board of Directors, the Board of Directors has set the target minimum percentages to be met by 30 June 2022 at 15 percent for both levels.

As at 31 December 2019, there was no female employee working on the first management level below the Board of Directors. In the 2020 financial year, there was no change in any of the positions on that level so that it was not possible to increase the percentage of women. The target value has therefore not been reached as at 31 December 2020.

On the second management level, the percentage of women is 31 percent (as at 31 December 2020). Compared to the previous year (21 percent), the minimum percentage has risen by 10 percentage points. The target minimum percentage of female employees working on the second management level below the Board of Directors has thereby been exceeded until 31 December 2020.

More information on how LEONI AG addresses equal treatment of both sexes and on the range of diversity topics besides gender equality is contained in the non-financial reporting.