



**cherenkov
telescope
array**

the observatory for
ground-based
gamma-ray astronomy

**Public Corporate Governance Code
Report 2019
according to art. 33 AoA**

A) MANAGEMENT DECLARATION according to art. 33 (1) 1 AoA

The Management of the CTAO gGmbH herewith declares that the applicable recommendations of the Public Corporate Governance Code of the Federal Republic of Germany (7 February 2017 version) have been complied with in the year 2019 with the following exceptions:

Preamble

As the Articles of Association of the CTAO gGmbH did not foresee a Supervisory Board, the task and responsibility of supervising the management was incumbent on the company's Shareholders Assembly (the Council).

In 2019 the management of the CTAO gGmbH consisted of the Managing Director, Prof Dr Federico Ferrini who had managed the company since 1 March 2018.

4. Management Board

4.2.1: "The Management Board shall consist of several members and shall have a Chair or Spokesperson."

Deviation and justification:

The management of the CTAO gGmbH in 2019 consisted of one Managing Director. The company had been setup as an interim legal entity with the goal to establish the final legal entity for the construction and operation of the CTA Observatory. The limited scope and duration of the interim CTAO gGmbH justified the appointment of a single director.

4.2.2: "...The full supervisory Board resolves the Management Board remuneration system and reviews it regularly ..."

Deviation and justification:

No formal remuneration system for the management was established. As the interim legal entity was expected to be soon replaced by the CTAO-ERIC (European Research Infrastructure Consortium), individual negotiations with the Managing Director were considered appropriate.

5. Supervisory Board

CTAO gGmbH did not have a statutory supervisory body. Tasks and responsibilities of the missing Supervisory Board were exercised by the Council.

5.1.2: "... The Supervisory Board shall specify an age limit for the members of the Management Board."

Deviation and Justification:

No age limit was set. CTAO gGmbH being a company with Shareholders from multiple nationalities and for the avoidance of any discrimination, it was deemed inappropriate to set an age limit.

5.6. "The Supervisory Board shall review the efficiency of its activities on a regular basis."

Deviation and Justification:

Efficiency reviews were not foreseen in the Rules of Procedure of the Council, nor in the Articles of Association or by-laws and were not carried out.

**B) Publication of the PCGC Report
according to art. 33 (1) 2 AoA**

The company's annual PCGC reports are publicly available on the company's website at:

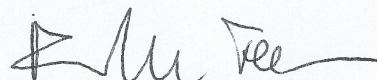
<https://www.cta-observatory.org/%20about/%20governance/#1473147489559-0e6ea653-4004>

The Managing Director, Prof Dr Federico Ferrini, was appointed as of 1 March 2018. In 2019

- Prof Dr Ferrini received
 - Gross salaries 129,600.00 €
 - Gross Bonus for 2018 20.736,00 €
 - Benefits 840,00 €
- The company paid for Prof Dr Ferrini
 - Social security contributions 12.473,04 €
 - Other contributions/compensations 2.907,24 €

A Bonus for 2019 was promised to the Managing Director during Nov 2019 Council meeting for payment in 2020; the amount was not specified. No other benefits were granted to him or promised.

Heidelberg,



Prof Dr Federico Ferrini
Managing Director