

Rules of Procedure for the Supervisory Board of

PNE AG

By resolution of 19 March 2020, the Supervisory Board adopted the following Rules of Procedure, which shall replace the previous Rules of Procedure dated 30 May 2017 with immediate effect:

§ 1

Scope of responsibilities

1. The Supervisory Board shall exercise its activities in accordance with the provisions of law, the Articles of Association and these Rules of Procedure. Its members shall have the same rights and duties and shall not be bound by instructions.
2. In performing its duties, the Supervisory Board shall cooperate in a spirit of trust with the other executive bodies of PNE AG for the weal of the Company.

§ 2

Internal rules of the Supervisory Board, conflicts of interest

1. The Supervisory Board shall have the number of independent members it deems to be sufficient. No more than two former members of the Management Board shall be among the members.
2. Members of the Supervisory Board who are members of the Management Board of a listed joint stock corporation shall hold no more than five Supervisory Board mandates in total outside the group of the dependent companies of this joint stock corporation.
3. Each member of the Supervisory Board shall be obliged to act in the interests of the enterprise. No member may pursue personal interests in his or her decisions or take advantage of business opportunities to which the enterprise is entitled.
4. Consultancy and other service and work agreements between a Supervisory Board member and the Company shall only be permitted if the Supervisory Board approves them.
5. Each member of the Supervisory Board shall disclose to the Supervisory Board any conflicts of interest, in particular those that may arise as a result of a consulting or board function with customers, suppliers, lenders or other business partners.

§ 3

Election of the chairperson and the vice chairperson

1. The Supervisory Board elects a chairperson and a vice chairperson from among its members. The oldest member of the Supervisory Board in terms of age shall chair the election.

2. The election shall be held for the term of office of the elected Supervisory Board member. If the chairperson or vice chairperson resigns from the Supervisory Board during their term of office, a new election for the resigning member must be held immediately.

§ 4

Tasks of the chairperson

1. The chairperson shall represent the Supervisory Board in relation to third parties and the Management Board. Otherwise, the chairperson shall have the rights and duties set out in the law, the Articles of Association and these Rules of Procedure.
2. The chairperson shall coordinate the work of the Supervisory Board and chairs its meetings.
3. The Supervisory Board chairperson shall be authorized to issue the declarations of intent required to implement the resolutions of the Supervisory Board and its committees in the name of the Supervisory Board. In specific cases, this authority may also be delegated to another member of the Supervisory Board by Supervisory Board resolution.
4. The chairperson shall be prepared to hold discussions with investors on Supervisory Board-specific topics within an appropriate framework.
4. If the chairperson is prevented from exercising his or her office, all tasks assigned to the chairperson under these Rules of Procedure shall be exercised by his or her vice chairperson. If neither the chairperson nor the vice chairperson is present at a meeting, the oldest member present in terms of age shall chair the meeting.

§ 5

Reporting

The chairperson of the Supervisory Board shall maintain regular contact with the Management Board, in particular with the chairperson of the Management Board, and discuss with the chairperson the strategy, business development and risk management of the enterprise. The Supervisory Board chairperson is to be informed immediately by the Management Board chairperson of events of major importance for the assessment of the situation and development and for the management of the enterprise. The Supervisory Board chairperson shall then inform the Supervisory Board and, if necessary, convene an extraordinary meeting of the Supervisory Board.

§ 6

Convocation of meetings of the Supervisory Board

1. Ordinary meetings of the Supervisory Board shall be convened once every calendar quarter and must be convened twice every six calendar months.
2. In addition to the ordinary meetings of the Supervisory Board, extraordinary meetings may be convened at any time by the Supervisory Board chairperson at the request of a

member of the Supervisory or Management Boards. In all other respects, the provisions of § 110 of the Corporation Act apply.

3. The meetings of the Supervisory Board shall be convened in writing by the chairperson with 14 days' notice. The day on which the invitation is sent and the day of the meeting shall not be included in the calculation of the deadline. In urgent cases, the chairperson may shorten this period appropriately.
4. At the chairperson's discretion, the meeting shall be convened in writing, by fax, by telephone or using electronic media (e.g. e-mail) to an address last notified by the Supervisory Board members. The notice convening the meeting shall state the place and time of the meeting and the agenda. In justified cases, the chairperson may permit the members of the Supervisory Board to participate in a meeting other than by appearing in person (e.g. by telephone or video transmission).
5. If an agenda item has not been duly announced, a resolution may only be adopted about it if, prior to the vote, no Supervisory Board member objects. In such a case, absent Supervisory Board members shall be given the opportunity to object to the resolution or to cast their vote within a reasonable period to be determined by the chairperson. The resolution shall only become effective if the absent Supervisory Board members have not objected within the specified period or have approved.

§ 7

Voting in the Supervisory Board

1. Supervisory Board resolutions shall generally be adopted in meetings.
2. Outside of meetings, resolutions may also be adopted in writing, by fax, telephone or by using electronic media (e.g. e-mail) at the order of the chairperson. The members of the Supervisory Board shall not have the right to object to the ordered form of the resolution. The provisions of Paragraphs 3 to 6 shall apply accordingly to voting outside meetings.
3. A quorum of the Supervisory Board shall be constituted if all members are invited to a Supervisory Board meeting or requested to vote and at least three members take part in the resolution or otherwise attend. Regarding voting, a member shall also be considered to have participated in the adoption of a resolution if he or she abstains from voting.
4. Absent Supervisory Board members may participate in the adoption of a resolution in a meeting by having another Supervisory Board member submit written ballots. A ballot transmitted by fax or using electronic media (e.g. e-mail) shall also be deemed to be a written ballot.
5. Unless stipulated otherwise by law or the Articles of Association, resolutions of the Supervisory Board shall be adopted by simple majority of the votes cast. An abstention shall not count as a vote cast. In the event of a tie, the chairperson shall cast the tie-breaking vote. If the Supervisory Board chairperson does not take part in the vote, the vote of the vice chairperson shall be decisive.

6. The chairperson shall determine the type of voting. However, if a Supervisory Board member requests a secret ballot, the vote must be secret.
7. The members of the Management Board shall participate in the meetings of the Supervisory Board, unless the Supervisory Board decides otherwise in specific cases.

§ 8 Minutes

1. Minutes must be kept of the deliberations and resolutions of the Supervisory Board and must be signed by the chairperson. The minutes of meetings must state the place and date of the meeting, the participants, the items on the agenda, the material content of the deliberations and the resolutions of the Supervisory Board.
2. Resolutions not adopted in meetings are to be recorded in minutes by the chairperson of the Supervisory Board. A copy of the minutes is to be sent to each Supervisory Board member without delay.

§ 9 Maintenance of secrecy

1. Each Supervisory Board member shall be obliged to maintain secrecy regarding all confidential information and secrets of the Company, in particular business and trade secrets, which have come to the member's knowledge through his or her activity on the Supervisory Board, even after the cessation of his or her office as a member of the Supervisory Board. Upon expiry of the mandate, all confidential documents must be returned to the chairperson of the Supervisory Board.
2. If a Supervisory Board member wishes to disclose information to third parties of which the member has become aware in his or her capacity as a Supervisory Board member, the member must inform the chairperson of the Supervisory Board of this in advance.
3. Written reports from the Management Board to the Supervisory Board shall be handed over to the Supervisory Board members, unless the Supervisory Board decides otherwise in specific cases. Each Supervisory Board member shall be entitled to inspect the audit reports of the auditors, the dependency reports and any special reports. These reports shall not be handed out to the Supervisory Board members, unless the Supervisory Board decides otherwise in specific cases.

§ 10 Committees

1. The Supervisory Board may form committees and, as permitted by law, delegate decision-making powers to them.
2. The Supervisory Board shall form at least one personnel committee, one audit committee and one nomination committee.

3. The committees shall perform the functions assigned to them by these Rules of Procedure and special resolutions of the Supervisory Board in the name of and on behalf of the entire Supervisory Board. However, the committees shall remain entitled, in specific cases, to reassign a task assigned to them in accordance with these Rules of Procedure to the full Supervisory Board by resolution.
4. A committee shall consist of at least three members.
5. The Supervisory Board shall appoint one committee member as committee chairperson for each committee it forms. Each committee chairperson shall report regularly to the full Supervisory Board on the work of the committee he or she chairs. The chairperson of the committee may consult Supervisory Board members who are not members of the committee as advisors.
6. The committees shall be convened by the respective committee chairperson. As a rule, the notice period shall not be less than three working days. The chairperson of the committee may waive the requirement to announce the agenda or to send separate documents relating to the agenda before the meeting.
7. A quorum of committees shall only be constituted if all members participate.
8. As a rule, members of the Management Board shall not attend the committee meetings.
9. Otherwise, §§ 7 and 8 shall apply accordingly to the internal rules of the committees, unless provided otherwise in this § 10.

§ 11 Personnel Committee

1. The Personnel Committee shall prepare the personnel decisions of the Supervisory Board, in particular the appointment, dismissal and extension of the appointment of Management Board members.

The Personnel Committee shall resolve in lieu of the Supervisory Board on:

- a) the conclusion, modification and cessation of the employment and pension agreements of the Management Board members, with the exception of the resolution on the determination or reduction of the Management Board remuneration, in which the Personnel Committee is to be involved in the preparatory work;
- b) the representation of the Company vis-à-vis the Management Board members pursuant to § 112 of the Corporation Act;
- c) the consent to secondary occupations and other activities of a Management Board member pursuant to § 88 of the Corporation Act;
- d) the granting of loans to the group of persons specified in §§ 89 and 115 of the Corporation Act; and

- e) the approval of agreements with Supervisory Board members pursuant to § 114 of the Corporation Act.
2. The decision on the remuneration system and the determination or reduction of the remuneration of the Management Board members shall be reserved for the full Supervisory Board, which shall decide on this on the basis of a proposal by the Personnel Committee.
3. The chairperson of the Personnel Committee shall always be the chairperson of the Supervisory Board. The chairperson of the Personnel Committee shall represent the Committee externally and be entitled to implement the Committee's decisions. Unless stipulated otherwise by the Supervisory Board within the framework of a resolution on the determination or reduction of Management Board remuneration, the Personnel Committee chairperson shall also be entitled to implement this resolution on the determination or reduction of Management Board remuneration.
4. If a Committee member is affected by a decision in accordance with Paragraph 1, Literi d) or e) and is therefore subject to an exclusion of voting rights, the Personnel Committee shall transfer the relevant decision to the Supervisory Board.

§ 12 Audit Committee

1. The Audit Committee shall be responsible for monitoring the financial reporting process and reviewing the effectiveness of the internal controlling, risk management and audit system. The Audit Committee shall also monitor compliance.
2. The Audit Committee shall decide on the award of the audit mandate to the auditor pursuant to § 111(2) of the Corporation Act. In doing so, the Committee may determine the focal points of the audit and additional services to be rendered by the auditor. The Audit Committee shall also obtain all information that is appropriate for assessing the independence of the auditor. The Audit Committee shall also decide on the remuneration of the auditor. The Audit Committee shall also decide on the approval of transactions with related parties pursuant to § 111b(1) of the Corporation Act.
3. Prior to their publication, the Audit Committee shall discuss semi-annual and quarterly financial reports with the Management Board.
4. The chairperson of the Audit Committee shall not be a former member of the Management Board. When appointing the Audit Committee chairperson, the Supervisory Board shall also pay attention to whether such person is an independent financial expert in the terms of § 100(5) of the Corporation Act and has expertise in the fields of accounting or auditing. Within the framework of the resolution on the appointment of the Audit Committee chairperson, the Supervisory Board shall in each case specifically ascertain whether the qualification criteria as an independent financial expert are fulfilled; the main principles of the appointment resolution are to be recorded in the minutes pursuant to § 8(1).

5. If the Supervisory Board appoints someone as Audit Committee chairperson who is not an independent financial expert in the terms of § 100(5) of the Corporation Act, the Supervisory Board shall ensure that at least one other member of the Audit Committee meets the relevant qualification criteria. The minutes in accordance with § 8(1) must state for which member and for what reasons the Supervisory Board deems the qualification criteria as independent financial expert to be fulfilled.
6. The auditor must be consulted at the meetings of the Audit Committee which concern the annual and consolidated financial statements, and must report on the main findings of his or her audit. The auditor must be required to provide information about circumstances that give rise to concerns about his or her bias and about services that he or she has provided in addition to the audit services.

§ 13 Nomination Committee

1. The Nomination Committee shall have the task of proposing suitable candidates to the Supervisory Board for its nominations to the shareholders in general meeting.
2. The Nomination Committee shall only be formed as required, in each case in due time before the expiry of the term of office of at least one Supervisory Board member elected by the shareholders.
3. The Nomination Committee must be composed exclusively of Supervisory Board members elected by the shareholders.
4. The Supervisory Board chairperson shall always be a member of the Nomination Committee and shall always be its chairperson.

§ 14 Efficiency audit

The Supervisory Board shall regularly audit the efficiency of its activities, at least every two years.

§ 15 Declaration of compliance

The Supervisory Board and the Management Board shall agree on a joint declaration in accordance with § 161 of the Corporation Act and shall endeavour to find an amicable solution in the event of differences of opinion.

Hamburg, 19 March 2020

Per Hornung Pedersen
Supervisory Board Chairman