

## **Rules of procedure for the Supervisory Board**

### **(Version: 26.11.2021)**

At its meeting on 26 November 2021 the company's Supervisory Board issued new rules of procedure for itself in accordance with Section 11 para. 1 of the Articles of Association. These rules of procedure apply from 26 November 2021 and replace the existing ones (version: 27.11.2020) from that date:

#### **§ 1**

##### **General**

- (1) The Supervisory Board performs its activity in accordance with legal provisions, the Articles of Association and these rules of procedure. It also follows the recommendations of the current version of the German Corporate Governance Code, unless the Executive Board and Supervisory Board have declared that recommendations shall not be applied in accordance with Section 161 of the German Stock Corporation Act (AktG).
- (2) The members of the Supervisory Board are not bound by orders and instructions. Unless the law, Articles of Association or these rules of procedure specify otherwise, they have the same rights and duties.
- (3) The members of the Supervisory Board are committed to the interest of the company and, when making their decisions, do not pursue personal interests, nor shall they exploit business opportunities available to the company for their own ends.

#### **§ 2**

##### **Duties and responsibility**

- (1) It is the Supervisory Board's duty to advise and oversee the Executive Board in its management of the company on a regular basis.
- (2) In addition, the Supervisory Board performs all the duties assigned to it by law, the Articles of Association, or these rules of procedure.

### **§ 3**

#### **Personal requirements**

- (1) When nominating candidates for election to the Supervisory Board it is important to ensure that at all times the Supervisory Board consists of members who have the knowledge, skills and professional experience required to perform their tasks correctly. Nominations for election to the Supervisory Board should take into account the targets fixed by the Board with regard to its composition.
- (2) Each member of the Supervisory Board shall ensure that he has enough available time for performing his mandate. A member of the Supervisory Board must not hold positions on more than three supervisory boards in listed companies outside the Group or supervisory bodies of companies with similar requirements.

### **§ 4**

#### **Chairman and deputy**

- (1) Following annual general meetings in which one or more new members have been elected to the shareholders' Supervisory Board, a meeting of the Supervisory Board is held without notice at which a chairman and his deputy are elected for their respective terms of office as Supervisory Board members, if these positions are vacant. If all members of the shareholders' Supervisory Board are newly elected at an annual general meeting, Section 9 para. 1 of the Articles of Association shall apply.
- (2) During the voting process the oldest Supervisory Board member present shall act as chairman if the offices of chairman and deputy are vacant or neither the Chairman nor his deputy are available. In the event that all members of the shareholders' Supervisory Board are newly elected, Section 9 para. 2 of the Articles of Association shall apply.
- (3) If the Chairman or his deputy resigns during their term of office, the Supervisory Board must immediately hold a supplementary election for the remaining term of office of the member who has resigned.

## **§ 5**

### **Duties of the Chairman of the Supervisory Board**

- (1) The Chairman shall represent the Supervisory Board externally and vis-à-vis the Executive Board. In addition he has the duties and rights laid down in law, the Articles of Association and these rules of procedure.
- (2) The Chairman is authorised to issue and accept the statements required for implementing the decisions of the Supervisory Board and its committees, insofar as their implementation is the responsibility of the Supervisory Board.

## **§ 6**

### **Convening of Supervisory Board meetings**

- (1) Supervisory Board meetings shall be convened as required. The number of meetings shall comply with statutory provisions. A Supervisory Board meeting shall also be convened if requested by a Supervisory Board member or the Executive Board stating the purpose and reasons.
- (2) Meetings shall be convened in writing by the Chairman or, if he is prevented from doing so, by his deputy, giving two weeks' notice and stating the business for consideration. This notice period does not include the day the invitation is sent out or the day of the meeting. The Chairman or, in the event of him being unavailable, his deputy may shorten this period in urgent cases and in this event convene the meeting verbally, by telephone, fax, e-mail or via other customary means of telecommunication.
- (3) The members of the Supervisory Board must be sent the documents required for decision-making and any proposed resolutions as early as possible. Resolutions may only be passed on proposals and motions that are not notified to all the members of the Supervisory Board at least one week before the meeting if no members present at the meeting object to the vote.
- (4) The Supervisory Board meetings shall be chaired by the Chairman or, if he is unavailable, his deputy. The chair of the meeting shall determine the order in which the agenda items are discussed as well as the form of voting. The chair of the meeting may order a secret ballot prior to a decision being taken on a proposal.

- (5) The Executive Board shall attend Supervisory Board meetings if the Chairman of the Supervisory Board does not provide otherwise. The Supervisory Board shall also meet on a regular basis without the Executive Board.

## **§ 7**

### **Decision-making**

- (1) As a rule the Supervisory Board makes decisions at meetings. Members of the Supervisory Board who are absent can participate in the decision-making by submitting written votes via another member.
- (2) Decisions may also be made outside of meetings verbally, by telephone, in writing, by fax, by e-mail or via other customary means of telecommunication if ordered by the Chairman of the Supervisory Board and no member of the Board objects to this process within a reasonable period specified by the Chairman. An objection period shall not apply if the decision-making is carried out in such a way that the participating members of the Supervisory Board are in contact with each other via telecommunications so that they can all see and hear each other simultaneously and can discuss the proposal. Also in the event of decisions being made outside of a meeting the members of the Supervisory Board must be sent the documents required for decision-making as early as possible, but no later than three working days before the decision is to be made; the aforementioned period does not, however, have to be adhered to in urgent cases.
- (3) The Supervisory Board is quorate if at least three members, including the Chairman or his deputy, participate in the decision-making. Abstention from voting is deemed to be participating in the decision-making. A majority of the votes cast shall be required for the Supervisory Board to pass resolutions, whereby abstentions are not deemed to be votes cast. In the event of a tie vote the Chairman or, if the Chairman is not participating in the decision-making, his deputy shall have the casting vote.
- (4) A member of the Supervisory Board may not participate in the voting process relating to an agenda item if the decision being made relates to the execution of a legal transaction with legal implications for the member concerned or the institution or settlement of a legal dispute between him and the company.
- (5) The effectiveness of a Supervisory Board decision can only be contested within one month of the decision being known, but at most within three years of the decision being made.

## **§ 8**

### **Minutes of meetings and resolutions**

- (1) Minutes of Supervisory Board meetings shall be drawn up and are to be signed by the Chairman. The minutes must state the place and date of the meeting, the attendees, the items on the agenda, the principle content of discussions and the resolutions passed by the Supervisory Board. A copy of the minutes shall be sent to each member of the Supervisory Board without delay.
- (2) Decisions that are made outside of meetings shall be minuted by the Chairman. In addition to the details under para. 1, the minutes shall also include the form the decision-making took. A copy of the minutes shall be sent to each member of the Supervisory Board without delay.
- (3) The decisions made by the Supervisory Board can be recorded verbatim during the meeting, signed by the Chairman and included in the minutes of the meeting. If decisions have been recorded during the meeting, it is only possible to object to the minutes at the meeting.
- (4) The Chairman shall appoint the minute taker.

## **§ 9**

### **Committees**

The Supervisory Board shall form an Audit Committee and other committees if needed according to the specific requirements of the Company. The Audit Committee shall consist of the Chairman of the Supervisory Board as the Chairman of the committee, his deputy and one other member of the Supervisory Board to be elected by the Supervisory Board. Further details are set out in the Rules of Procedure for the Audit Committee of the Supervisory Board of Schweizer Electronic AG.

## **§ 10**

### **Conflicts of interest**

- (1) Each member of the Supervisory Board must disclose any conflicts of interest to the Supervisory Board, in particular those conflicts which may arise due to an advisory or organisational role or other activity with regard to customers, suppliers, creditors, competitors or other business partners.

- (2) The Supervisory Board must provide information in a report to the annual general meeting on any conflicts of interest that may have arisen and how they were handled.
- (3) Significant conflicts of interest faced by a member of the Supervisory Board that are of more than a temporary nature shall result in the termination of the mandate.
- (4) A member of the Supervisory Board shall require the consent of the Supervisory Board for any advisory contracts and other contracts for work and services with the company.

## **§ 11**

### **Duty of confidentiality**

The members of the Supervisory Board must maintain confidentiality with regard to confidential company information and secrets, specifically trade or commercial secrets, that have become known to them through their activity. If a member of the Supervisory Board intends to pass on information to third parties about the content and proceedings of a Supervisory Board meeting, he shall inform the Chairman of the Supervisory Board in advance in order to clear up any differences of opinion regarding the confidentiality of the information.

Schramberg, 26 November 2021

**Schweizer Electronic AG**

The Supervisory Board