

# **RULES OF PROCEDURE FOR THE MANAGEMENT BOARD OF SAF-HOLLAND SE**

– Version dated August 4, 2023 –

Pursuant to Section 8 (4) of the Articles of Association of SAF-HOLLAND SE (the “**Company**” and, together with all Group companies within the meaning of Section 18 of the German Stock Corporation Act (AktG), the “**Group**”), these Rules of Procedure apply to the Management Board of the Company (the “**Management Board**”) and were issued by the Supervisory Board of SAF-HOLLAND SE (the “**Supervisory Board**”). Natural persons are referred to in these Rules of Procedure in the male form merely for the reasons of linguistic convenience. In terms of content, such references refer to individuals of any gender identities.

## **§ 1**

### **Responsibility of the Management Board**

- (1) The Management Board manages the Company’s business with the diligence of a prudent and conscientious manager in accordance with the law, the Company’s Articles of Association, these Rules of Procedure and the respective employment contracts. It works together with the other bodies of the Company, in particular the Supervisory Board, in a spirit of trust for the benefit of the Company.
- (2) The Management Board manages the Company on its own responsibility with the objective of creating sustainable value and in the interests of the Company, i.e. taking the interests of shareholders, employees and other groups associated with the Company (*stakeholders*) into account. The Management Board and the individual members of the Management Board comply with the recommendations of the German Corporate Governance Code (GCGC) relating to the Company, unless deviations are declared in the Company’s Declaration of Conformity.
- (3) The Management Board determines the Company’s business policy and develops the strategic direction of the Company, coordinates this with the Supervisory Board and ensures its implementation.
- (4) The Management Board sets targets for the proportion of women in the two management levels below the Management Board.
- (5) The Management Board ensures compliance with legal provisions and internal guidelines and works towards their observance within the Company (Compliance). The Internal Control System and the Risk Management System also include a Compliance Management System geared towards the Company’s risk situation.

**§ 2**  
**Allocation of Responsibilities**

- (1) The Management Board is divided into business areas in accordance with the schedule of responsibilities attached as an annex, which forms part of these Rules of Procedure, and the allocation of responsibilities within the Management Board is defined in this schedule of responsibilities. Issuing, amending and revoking the schedule of responsibilities requires a resolution by the Supervisory Board.
- (2) The Chairperson of the Supervisory Board decides on any differences of opinion between the individual members of the Management Board regarding the delimitation of business areas.
- (3) Every member of the Management Board reports to the Management Board on measures, transactions, events and developments in their area of responsibility that are important for the business area or the Company. Reporting should take place as early as possible. Measures and transactions that require the approval of the Management Board in accordance with Section 4 para. (1) of these Rules of Procedure must be reported to the Management Board in advance.
- (4) In the event that a member of the Management Board is absent, the members of the Management Board, in consultation with the Chairman/Speaker of the Management Board, shall arrange for the relevant business area to be managed during the period of absence.

**§ 3**  
**Overall Responsibility**

- (1) The members of the Management Board are jointly responsible for the overall management of the Company. Within the scope of this overall responsibility of the Management Board for the management of the Company, every member of the Management Board shall, without prejudice to his or her own responsibility for the business assigned to him or her in accordance with § 2 para. (1) of these Rules of Procedure, every member of the Management Board shall cooperate with the other members of the Management Board on a collegial basis.
- (2) The members of the Management Board are obliged to inform each other on an ongoing basis, in particular at meetings of the Management Board, about important business transactions, plans, developments and measures in their business area, especially about particular risks or impending losses, and to consult the full Management Board on matters of considerable importance. Every member of the Management Board is obliged to bring about a resolution by the full Management Board in the event of concerns about measures from another business division if the concerns cannot be resolved through a discussion with the other member of the Management Board or by involving the Chairperson/Speaker of the Management

Board. In this case, the measure may not be implemented until a decision has been made by the full Management Board.

- (3) Notwithstanding the overall responsibility of the Management Board, every member of the Management Board acts within the scope assigned to them in accordance with § 2 para. (1) of these Rules of Procedure and, unless otherwise stipulated in these Rules of Procedure, is solely authorized to manage the Company. Every member of the Management Board must always subordinate the interests of the business area to the success and well-being of the Company and the Group.
- (4) Insofar as measures of a business division simultaneously affect one or more other business divisions, the affected members of the Management Board must reach agreement. If no agreement can be reached, a resolution must be passed by the entire Management Board. In derogation of this, a member of the Management Board may, in exceptional cases, act alone if an immediate measure is necessary at their own discretion to avoid imminent disadvantages for the Company. In this case, the Chairperson/Spokesman of the Management Board and the Chairperson of the Supervisory Board must be informed immediately and the full Management Board must be informed at the next meeting.

#### **§ 4**

##### **Decision of the full Management Board**

- (1) Notwithstanding the provisions in § 2 of these Rules of Procedure, the Management Board decides in its entirety:
  - a) in matters for which the law, the Company's Articles of Association or these Rules of Procedure provide for a decision by the full Management Board;
  - b) in matters requiring the approval of the Supervisory Board;
  - c) on periodic reporting to the Supervisory Board;
  - d) on measures and transactions of a business division that are of extraordinary importance for the business division or the Company or that involve an extraordinary economic risk;
  - e) on the preparation of the Annual Financial Statements and of the Management Report of the Company;
  - f) on the annual and multi-year planning of the Company and the Group;
  - g) on fundamental issues relating to the organization and business policy of the Company, plans for the Company and principles of cooperation;

- h) on the convening of the Annual General Meeting and on motions and proposals of the Management Board for resolutions to be passed at the Annual General Meeting; and
  - i) in all other matters submitted to the Management Board by a member of the Management Board for resolution.
- (2) If a decision of the Management Board pursuant to para. (1) cannot be brought about in good time and a delay is not justifiable in order to avoid imminent serious disadvantages for the Company, the members of the Management Board who can be reached shall decide. The other members of the Management Board must be informed of the decision without delay.
- (3) The implementation of resolutions and the execution of measures resolved by the Management Board as a whole are the responsibility of the respective member of the Management Board responsible for the business area concerned, unless otherwise specified in the resolution.

## **§ 5**

### **Cooperation between the Management Board and the Supervisory Board**

- (1) The Management Board is subject to supervision and control by the Supervisory Board.
- (2) The Management Board is obliged to support the Supervisory Board in every way.
- (3) The Management Board reports to the Supervisory Board on information that is important for assessing the economic and financial situation of the Company and its associated companies.
- (4) At the request of the Supervisory Board, the Management Board is obliged to submit its reports in writing or by e-mail.
- (5) The Management Board must inform the Supervisory Board in advance of any decisions that go beyond the scope of day-to-day business operations and are of material importance for the further development of the Company or its affiliated companies. This applies irrespective of any existing reservations of consent.
- (6) The Supervisory Board may request reports from the Management Board (in addition to any regular reports that may be required) on the Company's affairs, in particular on matters relating to the asset position and liquidity. The members of the Management Board are obliged to provide the requested information promptly after such a request and to disclose the Company's books and records in such a way that the Supervisory Board can examine them or have them examined by an expert who is obliged to maintain professional secrecy.

- (7) Further details are governed by information regulations, which are issued by the Supervisory Board and are intended to ensure that the Management Board provides the Supervisory Board with appropriate information.

## **§ 6**

### **Transactions and measures requiring approval**

- (1) In addition to the transactions that require the approval of the Supervisory Board in accordance with the law or the Company's Articles of Association, the Management Board may only carry out the following transactions and measures with the prior approval (consent) of the Supervisory Board:
- a) Transactions and measures that pertain to
    - (a) the Company's structure under Company law or
    - (b) the principles of the Company strategyor that lead to a significant change in the
    - (c) the development of the Company or
    - (d) the organizational structure of the Company;
  - b) the sale, transfer or lease of the entire business operations or significant parts of the business operations as well as the sale or encumbrance of the entire Company assets or significant parts thereof;
  - c) the formation, acquisition, sale or liquidation of companies, as well as the acquisition, sale, increase, reduction or encumbrance of shareholdings in companies if the total contribution value or purchase price exceeds EUR 1,000,000.00;
  - d) the granting, amendment or termination of silent participations, sub-participations, profit-participating legal relationships, dividends or other participations in the business operations, sales or results of the Company or its affiliated companies;
  - e) the establishment, acquisition, sale or closure of branch offices;
  - f) the acquisition, sale or encumbrance of real estate or rights equivalent to real estate with a nominal value (purchase price or amount of the encumbrance) of EUR 1,000,000.00 or more;
  - g) collateral pledged as security for Company assets and other collateral that goes beyond the ordinary course of business;

- h) assumption of sureties, guarantees and joint liability for obligations of third parties that are not affiliated companies;
- i) granting loans to third parties that are not affiliated companies if or as soon as they exceed a (total) amount of EUR 1,000,000.00 to a single borrower, as well as granting loans outside the ordinary course of business;
- j) conclusion, amendment or termination of loan, finance lease, installment plan or other financing agreements for a financing amount of more than EUR 1,000,000.00 in individual cases;
- k) conclusion, amendment and termination of financial transactions, such as currency hedges, derivative financial transactions, SWAPS, interest rate hedges and option transactions for foreign currencies, forward exchange transactions, foreign exchange or derivative trading; with the exception of hedging transactions that arise in the ordinary course of business;
- l) conclusion, amendment or termination of contracts for
  - (a) the granting of exclusive licenses to or
  - (b) the transfer of
 industrial property rights or other intellectual property rights (in particular patents) or know-how as well as other dispositions of industrial property rights, with the exception of software licenses required for business operations;
- m) carrying out legal transactions that require the approval of the Supervisory Board in accordance with Section 111b of the German Stock Corporation Act (AktG) (related party transactions);
- n) investments that amount to more than EUR 2,000,000.00 in individual cases;
- o) granting of general powers of attorney and power of attorney for the Company;
- p) conclusion and significant amendment of employment contracts with annual remuneration of more than EUR 250,000.00;
- q) assumption of pension obligations, insofar as these obligations are not based on statutory or collectively agreed regulations;
- r) conclusion or amendment of consulting agreements with an expected remuneration of more than EUR 1,000,000.00 in individual cases;

- s) other transactions and measures of material importance that go beyond the ordinary business operations of the Company; and
  - t) initiation or termination of legal or arbitration proceedings with a value in dispute of more than EUR 1,000,000.00 or that are of material importance to the Company for other reasons.
- (2) The prior approval of the Supervisory Board is also required,
- a) if the transactions and measures specified in Section 6 (1) of these Rules of Procedure are to be carried out in Group companies or joint ventures (Section 310 (1) HGB) (with the exception of (o)), and
  - b) if Managing Directors or persons with comparable management functions in the foreign Group companies are to be appointed or dismissed in the following Group companies or if employment contracts or other contracts under the law of obligations are to be concluded with them: [REDACTED]  
[REDACTED]  
[REDACTED].

As far as legally possible, the Management Board must ensure that these transactions and measures at Group companies and joint ventures require its prior approval and may only approve them after the Supervisory Board has given its consent.

- (3) The Supervisory Board may grant its revocable consent to certain types of transactions or measures in general or in advance in the event that the individual transaction or measure meets certain requirements.
- (4) If the approval of the Supervisory Board cannot be awaited without significant disadvantage to the Company due to special circumstances, the approval of at least the Chairperson of the Supervisory Board must be obtained. In this case, the approval of the Supervisory Board must be obtained without delay.
- (5) The Supervisory Board may, by resolution, make other transactions or measures not listed in these Rules of Procedure subject to approval by the Supervisory Board.

#### **§ 7 Chairperson/Spokesperson of the Management Board**

- (1) The Supervisory Board may appoint a Chairperson or Spokesperson of the Management Board and a Deputy Chairperson or Spokesperson of the Management Board by resolution. If the Chairperson/Spokesperson of the Management Board is unable to attend, the Deputy Chairperson/Spokesperson of the Management Board shall assume the rights and duties of the Chairperson/Spokesperson of the Management Board.

- (2) The Chairperson/Spokesperson of the Management Board has the duties arising from the law, the Company's Articles of Association and these Rules of Procedure.
- (3) The Chairperson/Spokesperson of the Management Board coordinates the business divisions among themselves. At the same time, he is responsible for monitoring the individual divisions within the Management Board. In particular, he must ensure that the management of the divisions is uniformly aligned with the objectives and plans defined by the resolutions of the Management Board. The members of the Management Board report to the Chairperson/Spokesperson of the Management Board on an ongoing basis on all significant events, in particular the course of business, in their respective divisions. The Chairperson/Spokesperson of the Management Board may request information from the members of the Management Board at any time on individual matters relating to their divisions and may determine that he be informed in advance of certain types of transactions.
- (4) The Chairperson/Spokesperson of the Management Board is responsible for leading the cooperation with the Supervisory Board and its members in all business matters.

## **§ 8**

### **Meetings of the Management Board**

- (1) The Management Board meets regularly, usually every four weeks. Meetings must be held if the interests of the Company so require or if a member of the Management Board requests that a meeting be convened.
- (2) Management Board meetings are convened by the Chairperson/Spokesperson of the Management Board, unless the Chairperson/Spokesperson orders regular meetings. The Chairperson/Spokesperson of the Management Board is responsible for setting the dates and drawing up the agenda. Every member of the Management Board may request that items proposed by them be placed on the agenda. As a rule, every member of the Management Board proposes agenda items that relate to their area of responsibility in accordance with the schedule of responsibilities.
- (3) By order of the Chairperson/Spokesperson of the Management Board, meetings may also be held in the form of a telephone conference or by other electronic means of communication (in particular video conference) and individual Management Board members may be connected by telephone or by other electronic means of communication (in particular video transmission) if no Management Board member immediately objects to this procedure; in these cases, resolutions may be passed by way of telephone conference or by telephone or by other electronic means of communication (in particular video conference or video transmission).
- (4) Documents relating to the agenda must be made available by the Chairperson/Spokesperson of the Management Board in good time to enable all members of the Management Board to prepare sufficiently. The members of the



Management Board must be notified of agenda items for resolution four (4) working days prior to the Management Board meeting, by providing the necessary documents.

- (5) The Chairperson/Spokesperson of the Management Board chairs the meetings. He determines the order in which the items on the agenda are dealt with, as well as the type and order of voting. He may also postpone deliberations and resolutions on individual items on the agenda.
- (6) Every member of the Management Board may determine that persons who are not members of the Management Board are consulted on individual matters, unless the entire Management Board objects.
- (7) Minutes must be taken of the meetings of the Management Board. The minutes must state the place and date of the meeting, the participants, the items on the agenda, the main content of the discussions and the resolutions of the Management Board. The chairperson/spokesperson of the Management Board appoints the secretary, who does not have to be a member of the Management Board. A draft of the minutes is to be forwarded to all members of the Management Board for approval. The minutes are to be deemed approved if no member of the Management Board objects to them at the next meeting following receipt of the minutes. The chairperson/spokesperson of the Management Board and the secretary sign the final, approved minutes and send them to all members of the Management Board. The preparation of minutes is irrelevant for the effectiveness of resolutions.

## **§ 9**

### **Resolutions**

- (1) Resolutions of the Management Board are passed in face-to-face meetings or in meetings in the form of a video or telephone conference. If individual or all members of the Management Board are connected by telephone or video transmission, resolutions may be passed or votes cast by telephone conference or by video conference or video transmission.
- (2) As an exception, resolutions may also be passed outside of meetings in writing, verbally, by telephone, by e-mail or by other common means of communication, in a combination of the aforementioned forms and in a combination of a meeting and the passing of resolutions outside of a meeting, if a member of the Management Board requests this and no other member of the Management Board immediately objects to this procedure. If a member of the Management Board has not participated in such a resolution, he should be informed immediately of the resolutions passed.
- (3) A Management Board consisting of two persons shall only constitute a quorum if all members are present; a Management Board consisting of three or more persons shall constitute a quorum if at least half of the members participate in the passing of

resolutions. Members of the Management Board who are connected in the form of a telephone conference or by other electronic means of communication (in particular video conferencing) are deemed to be present. A member of the Management Board also participates in the passing of resolutions if he abstains from voting.

- (4) Resolutions of the Management Board should be passed unanimously wherever possible. The Management Board can only pass resolutions unanimously if it consists of only two (2) members. If unanimity is not achieved, the resolution shall be passed by a simple majority of the votes cast, unless other majorities are prescribed by law, the Company's Articles of Association or these Rules of Procedure. In the event of a tie, the vote of the Chairperson/Speaker of the Management Board shall be considered to be decisive; this does not apply if and as long as the Management Board consists of two (2) members.
- (5) Matters relating to a business area of a member of the Management Board who is not present at the meeting are to only be discussed or decided on if the decision cannot be postponed until the expected return of the Management Board member concerned. The Management Board member concerned must be informed immediately of the decision made.
- (6) Resolutions passed by the Management Board outside of meetings are to be recorded in minutes by the Chairperson/Speaker of the Management Board; the Chairperson/Speaker of the Management Board may delegate this task to another person who does not have to be a member of the Management Board. A copy of the minutes is to be sent to every member of the Management Board without delay. In all other respects, the provisions of § 8 para. (7) shall apply accordingly.

## **§ 10**

### **Effectiveness, amendments, entry into force**

- (1) The provisions of these Rules of Procedure shall only apply insofar as they do not contradict the respective valid version of the Company's Articles of Association or mandatory statutory provisions. Should individual provisions of these Rules of Procedure be or become invalid, the remaining provisions of these Rules of Procedure shall remain unaffected.
- (2) Any amendment, addition or repeal of these Rules of Procedure requires a resolution by the Supervisory Board.
- (3) These Rules of Procedure shall enter into force upon the adoption of a resolution by the Supervisory Board on August 4, 2023, and shall remain in force until the Supervisory Board decides otherwise. The Supervisory Board may decide by simple majority to deviate from these Rules of Procedure in individual cases.