

# **Rules of Procedure**

## **For the Supervisory Board of**

### **secunet Security Networks Aktiengesellschaft**

(This edition of our Rules of Procedure for the Supervisory Board of secunet Security Networks Aktiengesellschaft, prepared for the convenience of English-speaking readers, is a translation of the German original. In the event of any conflict the German version shall prevail.)

#### **§ 1**

##### **General**

- (1) The Supervisory Board performs its activities in compliance with statutory regulations, the Articles of Association of secunet Security Networks AG and these Rules of Procedure. It supervises and advises the Management Board with regard to management of the Company and is involved in decisions of fundamental importance.
- (2) The Supervisory Board cooperates with the Management Board on the basis of mutual trust for the benefit of the Company. The Management Board is responsible for keeping the Supervisory Board informed. For its part, however, the Supervisory Board shall ensure that it is adequately informed. The Management Board shall inform the Supervisory Board regularly, in a timely manner, and comprehensively regarding all matters relevant to the Company, particularly with respect to strategy, planning, business development, the risk situation, risk management and compliance. It shall address deviations in the business performance from the established plans and agreed targets, stating the associated reasons. The Supervisory Board can request additional information from the Management Board at any time.
- (3) The Chair of the Supervisory Board shall be informed without delay by the Chair or Spokesperson of the Management Board about important events that are of material significance for assessment of the situation and development and for management of the Company. The Chair of the Supervisory Board shall then inform the Supervisory Board and, if necessary, convene an extraordinary meeting of the Supervisory Board.
- (4) Between meetings of the Supervisory Board, the Chair of the Supervisory Board shall remain in regular contact with the Management Board, especially the Chair of the Management Board, and discuss issues relating to the strategy, business development, risk situation, risk management and compliance of the Company.
- (5) The members of the Supervisory Board shall ensure that they have sufficient time to exercise their mandate.
- (6) The members of the Supervisory Board are responsible for the training and further

development measures required for their tasks. The Company shall provide appropriate support to the members of the Supervisory Board on their appointment to office as well as during the training and further development measures and shall report on measures implemented in the report of the Supervisory Board.

- (7) Taking into account the legal requirements and the recommendations of the German Corporate Governance Code, the Supervisory Board shall draw up a requirements profile, including a skills profile and a diversity concept, and containing concrete targets for the composition of the Supervisory Board. Nominations by the Supervisory Board to the Annual General Meeting shall take into account the targets for the composition of the Supervisory Board set out in the preceding sentence and, at the same time, aim to meet the requirements of the skills profile.

## **§ 2 Confidentiality**

- (1) All members of the Supervisory Board are obliged to maintain secrecy about confidential matters and secrets of the Company, in particular business and commercial secrets, which have become known to them through their work on the Supervisory Board or on one of its committees, even after they have left the Supervisory Board. In particular, the members of the Supervisory Board are obliged to maintain secrecy about confidential reports they have received and about confidential discussions. Upon expiry of the mandate, all confidential documents shall be handed over to the Chair of the Supervisory Board or notification of their destruction shall be provided.
- (2) If a member of the Supervisory Board wishes to pass on information to third parties, where it cannot be ruled out with certainty that said information is confidential or relates to Company secrets, the member is obliged to inform the Chair of the Supervisory Board in advance in order to eliminate any differences of opinion regarding the scope of the duty of confidentiality.
- (3) The members of the Supervisory Board shall ensure that the employees they have involved in providing support comply with the duty of confidentiality in the same way.

## **§ 3 Chair and Deputy Chair**

- (1) The Supervisory Board shall elect a Chair and a Deputy Chair from among its members for the term of office determined in Article 9 (2) of the Articles of Association. For the duration of the election, the oldest Supervisory Board member shall chair the meeting.
- (2) The Chair of the Supervisory Board coordinates the work carried out within the Supervisory Board and represents its interests externally. He chairs the meetings of the Supervisory Board. If the Chair is unable to attend, he or she shall be represented by the Deputy Chair.

**§ 4**  
**Meetings of the Supervisory Board**

- (1) The Chair of the Supervisory Board shall convene the meetings of the Supervisory Board in text form (e.g. in writing, by e-mail or by fax) with two weeks' notice, taking into account Section 110 (3) of the German Stock Corporation Act (Aktengesetz, AktG) and stating the agenda. In urgent cases, this notice period for convening meetings may be shortened. Meetings may also be convened, in urgent cases, by word of mouth or telephone. The Chair shall determine the location of the meeting and the method and order of voting.
- (2) Any motion submitted to the Chair in text form (e.g. in writing, by e-mail or by fax) by a member of the Supervisory Board no later than one week before the meeting shall be included in the agenda. Subsequent motions are admissible if no member of the Supervisory Board objects.
- (3) The meetings of the Supervisory Board are generally held in person. If the Chair of the Supervisory Board so determines, meetings of the Supervisory Board may also be held in the form of a video or telephone conference (or individual members of the Supervisory Board may participate via video link or telephone) and resolutions may be passed or votes cast via video link or telephone.
- (4) Outside meetings, resolutions may be adopted in text form (in writing, by fax or by e-mail) or by other customary means of telecommunication if the Chair of the Supervisory Board so instructs and no member of the Supervisory Board immediately objects to the procedure.
- (5) The members of the Management Board shall attend the meetings of the Supervisory Board, unless the Chair of the Supervisory Board instructs otherwise. The Supervisory Board shall also meet regularly without the members of the Management Board. The attendance of the individual members of the Supervisory Board at the meetings shall be disclosed in the report of the Supervisory Board to the Annual General Meeting.

**§ 5**  
**Committees**

- (1) The Supervisory Board has established an Audit Committee (§ 6) and a Technology Committee (§ 7). Other committees shall be formed as required. The Supervisory Board regulates the tasks and powers of the committees and appoints the committee chairs. Decision-making powers may also be delegated to the committees to the extent permitted by law. The committees consist of at least three members of the Supervisory Board. The term of office for the members of the committees shall correspond to their term of office as a member of the Supervisory Board, unless a shorter term of office is determined at the time of election by the Supervisory Board. The Supervisory Board must elect a replacement immediately for members who have left prematurely.
- (2) The rules set out for the Supervisory Board in the Articles of Association and these Rules of Procedure shall apply accordingly for the Supervisory Board committees unless stipulated otherwise in these Rules of Procedure or otherwise stated by law.

- (3) A committee has a quorum if all members have been duly invited and at least three committee members participate in passing resolutions.
- (4) The individual committee chairs shall report regularly to the Supervisory Board about the work of the respective committees.

## **§ 6 Audit Committee**

- (1) The Supervisory Board shall establish an Audit Committee to prepare resolutions in the area of finance as well as audit-related resolutions. The Audit Committee shall consist of three members of the Supervisory Board.
- (2) The Audit Committee shall deal particularly with the audit of the accounting, the monitoring of the accounting process, the effectiveness of the internal control system, risk management system and internal audit system, as well as the audit of the financial statements and compliance. In particular, the accounting comprises the consolidated financial statements and the Group management report (including CSR reporting) and the single-entity financial statements according to the German Commercial Code (Handelsgesetzbuch, HGB). The Audit Committee is responsible for the process of selecting the auditor and, in particular, prepares the Supervisory Board proposal to the General Meeting regarding the appointment of the auditor. It shall regularly assess the quality of the audit and the independence of the auditor.
- (3) The Chair of the Audit Committee must have specific knowledge and experience in applying accounting principles and internal control procedures, must be familiar with audits, and must be independent. The Chair of the Supervisory Board may not chair the Audit Committee. The Chair of the Audit Committee must be independent of the Company and the Management Board and also independent of the controlling shareholder.
- (4) At least one member of the Audit Committee must have expertise in the field of accounting and at least one other member of the Audit Committee must have expertise in the field of auditing; the members must be fully familiar with the sector in which secunet Security Networks AG operates.
- (5) The Audit Committee shall agree with the auditor that the auditor shall inform it without delay of all findings or occurrences of significance for the auditor's tasks that come to the auditor's attention in the course of the audit. The Audit Committee shall also agree with the auditor that the auditor will inform it and note in the audit report if, during the performance of the audit, the auditor ascertains facts indicating that the declaration of compliance issued by the Management Board and the Supervisory Board with respect to the German Corporate Governance Code is in any way incorrect.

## **§ 7 Technology Committee**

The Supervisory Board shall establish a Technology Committee, which is concerned in

particular with monitoring and advising the Management Board in matters of corporate strategy and in relation to the further development and safeguarding of technologies relevant to the Company, as well as with regard to acquisitions, mergers and takeovers (“Mergers & Acquisitions”). The Technology Committee shall consist of three members of the Supervisory Board.

## **§ 8 Minutes**

- (1) Minutes shall be taken of meetings of the Supervisory Board and of votes taken outside meetings in accordance with the Articles of Association. The minutes shall indicate the location and date of the meeting, the participants, the subject matter discussed and the essential content of the discussions. The minutes shall also indicate the motions submitted, the nature of the resolutions tabled and the results of the resolutions.
- (2) Each member of the Supervisory Board shall receive a copy of the minutes.

## **§ 9 Rules of Procedure for the Management Board**

The Supervisory Board shall decide on the Rules of Procedure and the Schedule of Responsibilities for the Management Board.

## **§ 10 Conflicts of interest**

- (1) Each member of the Supervisory Board shall disclose any conflicts of interest to the Chair of the Supervisory Board without delay, especially those which may arise from a consulting or board function with customers, suppliers, creditors or other business partners. The disclosure procedure shall be agreed with the Chair of the Supervisory Board.
- (2) The Supervisory Board shall provide information on any conflicts of interest that have arisen and how they have been handled in its report to the Annual General Meeting.
- (3) Any material conflict of interest of a non-temporary nature involving a Supervisory Board member shall result in termination of that member’s mandate.

## **§ 11 Self-assessment**

The Supervisory Board shall regularly assess how effectively the Supervisory Board as a whole as well as its committees perform their duties and shall review the efficiency of their activities once a year. The self-assessment shall cover, among other things, the procedures within the Supervisory Board as well as the timely and comprehensive provision of information to the Supervisory Board. A report on implementation of the self-assessment shall be included in the Declaration of Corporate Governance.