
**Rules of Procedure
for the Supervisory Board
of
hGears AG**

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for the Supervisory Board of
hGears AG,
registered office in Schramberg
(the "Company")**

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1. General provisions

- 1.1** The Supervisory Board shall perform its duties in compliance with the statutory provisions, the Articles of Association of the company and these rules of procedure. The Supervisory Board shall be guided by the principles and recommendations of the German Corporate Governance Code.
- 1.2** The members of the Supervisory Board shall have equal rights and duties. They shall exercise the due care and diligence of a prudent and conscientious manager in the performance of their duties and shall not be bound by instructions.

2. Chairmanship and deputy chairmanship

- 2.1** After each general shareholders' meeting at which new Supervisory Board members have been elected, a Supervisory Board meeting shall take place at which the oldest Supervisory Board member elected by the general shareholders' meeting shall take the chair and the Supervisory Board shall elect the chairman of the Supervisory Board and his deputy from its midst for the duration of his term of office.
- 2.2** The deputy shall represent the chairman in the event of his being prevented from attending. If no deputy is appointed or if the deputy is also unable to act, the oldest member of the Supervisory Board shall deputise for the chairman.
- 2.3** If the chairman or his or her deputy retires from office early, the Supervisory Board shall immediately hold a new election for the remaining term of office of the retiring member.

3. Duties of the chairman of the Supervisory Board

- 3.1** The chairman shall represent the Supervisory Board externally and vis-à-vis the Management Board, issue the declarations of intent of the Supervisory Board and conduct its correspondence. In all other respects, he shall have the duties and rights set forth by law, in the articles of association and in these rules of procedure.
- 3.2** The chairman of the Supervisory Board is authorised, in urgent cases, to provisionally approve transactions of the company which, according to the Articles of Association or the rules of procedure for the Management Board, require the approval of the Supervisory Board. A resolution on such approval shall be passed at the next meeting.

4. Meetings of the Supervisory Board, convening of meetings

- 4.1** The Supervisory Board shall meet once each calendar quarter and must meet twice each calendar half year.
- 4.2** Meetings of the Supervisory Board shall be convened by the chairman of the Supervisory Board or, in his absence, by the deputy chairman. The convener shall also determine the place of the meeting. The invitation shall be sent in text form (e.g. by letter, fax or email) to the address of each Supervisory Board member last notified to the Management Board. In urgent cases, Supervisory Board meetings may also be convened by telephone.
- 4.3** Supervisory Board meetings shall be convened with 14 days' notice and shall specify the items on the agenda. In urgent cases, the notice period may be shortened. The working documents shall be sent to the members of the Supervisory Board in due time, if possible together with the convocation of the Supervisory Board meeting. The date of dispatch of the invitation shall be decisive for the calculation of the notice period.

5. Chairmanship of the meeting

- 5.1** The chairman, or in his absence the deputy chairman, shall chair the meetings.
- 5.2** The chairman of the meeting shall determine the order in which the items on the agenda are dealt with and the manner of voting. He may postpone the discussion of individual agenda items until the next meeting.
- 5.3** The members of the Management Board shall participate in the meetings unless otherwise determined by the chairman of the Supervisory Board.
- 5.4** The chairman of the meeting may appoint a secretary who is not a member of the Supervisory Board and who is bound to secrecy. He may call in experts and persons providing information to discuss individual items on the agenda.

6. Passing resolutions

- 6.1** The Supervisory Board has a quorum if at least three members participate in the passing of the resolution. A member shall also participate in the passing of a resolution if he abstains from voting.
- 6.2** Resolutions of the Supervisory Board shall be passed by a simple majority of the votes cast, unless statute provides otherwise.
- 6.3** The resolutions of the Supervisory Board are regularly passed in Supervisory Board meetings. Members of the Supervisory Board who join a meeting by telephone or video

conference shall be deemed to be present. Resolutions outside meetings may be passed orally, by telephone, in writing or by fax, by email or by other means of communication, such as videoconferencing and other image transmission procedures, if the chairman of the Supervisory Board orders this type of voting. The other members of the Supervisory Board have no right to object to this.

- 6.4** Members of the Supervisory Board who are prevented from attending may participate in the adoption of resolutions by having other members of the Supervisory Board submit written.
- 6.5** The chairman of the Supervisory Board is authorised to make the declarations of intent required to implement the resolutions of the Supervisory Board on behalf of the Supervisory Board. He is also authorised to receive declarations on behalf of the Supervisory Board. If he is prevented from doing so, his deputy shall exercise these powers.
- 6.6** Minutes shall be taken of the meetings of the Supervisory Board and shall be signed by the chairman of the Supervisory Board. The minutes shall record the place and date of the meeting, the participants, the items on the agenda, the main content of the discussion and any resolutions passed by the Supervisory Board. Resolutions passed outside Supervisory Board meetings shall be recorded in writing by the chairman. The minutes shall be forwarded to all members of the Supervisory Board without delay.

7. Confidentiality Obligation

- 7.1** All members of the Supervisory Board shall maintain secrecy vis-à-vis third parties with regard to the discussions of the Supervisory Board, its committees and all other matters of the Company which become known to the member of the Supervisory Board in connection with his office, unless there is a mandatory statutory duty of disclosure. In particular, it shall be inadmissible to hand over to third parties any documents concerning the Company, including the Supervisory Board member's own notes, unless such documents have already been published in the same form by the Company. Any exceptions require the express prior written consent of the chairman of the Supervisory Board and the Management Board. These obligations shall continue to exist after the termination of the office as a member of the Supervisory Board.
- 7.2** The confidentiality obligation shall not apply to persons bound by law to professional secrecy if and to the extent that a Supervisory Board member seeks advice on his or her rights and duties as a member.
- 7.3** The confidentiality obligation and the inadmissibility of the disclosure of documents shall continue to exist without restriction and without time limit after the termination of the membership.

8. Severability Clause

If any provision of these by-laws is or becomes invalid in whole or in part, the validity of the remaining provisions shall not be affected thereby.