

# RENK Articles of Association

State: September 2020

EMPOWERING FORCES.



## **I. General matters**

### **§ 1**

#### **Corporate name, registered office**

- (1) The joint-stock corporation bears the corporate name

#### **“RENK AKTIENGESELLSCHAFT”**

- (2) The registered office is in Augsburg,

### **§ 2**

#### **Object of the enterprise**

- (1) The object of the enterprise is to develop, to manufacture and to distribute products of propulsion technology and general mechanical engineering.
- (2) The company is entitled to take all transactions and measures appearing necessary or useful for the attainment of the corporate purpose, in particular to acquire other enterprises and to obtain holdings therein, to set up branch establishments and to conclude agreements for communities of interest and similar contracts.

### **§ 3**

#### **Notices and information**

- (1) Notices shall be made in the Federal Gazette, to the extent that no other form of publication has been prescribed by law.
- (2) Information to the bearers of registered securities in the company can also be transmitted by means of electronic media to the extent admissible.

## **II. Original capital and shares**

### **§ 4**

#### **Amount and division of the original capital**

- (1) The original capital amounts to Euro 17,920,000. It has been subdivided into 7,000,000 common shares.
- (2) The shares are bearer shares. A shareholder's claim to securitization of his share in the company has been ruled out.

## **III. Constitution**

### **A. Board**

#### **§ 5**

#### **Composition**

- (1) The Board shall comprise no less than two persons; apart from this, the Supervisory Board shall determine the number of members of the Board.
- (2) The Board shall pass its resolutions with the majority of the votes. The Supervisory Board can appoint a Chairman of the Board. In equality of votes, he shall have the casting vote. He shall also be responsible for chairing the meetings of the Board.

**§ 6**

**Representation of the company**

- (1) The company shall be represented by two members of the Board or by one member of the Board in community with a holder of a limited commercial power of attorney.
- (2) The Supervisory Board can determine that one member of the Board is to be authorised to represent the company alone.

**B. Supervisory Board**

**§ 7**

**Number, election**

- (1) The Supervisory Board shall comprise the statutory number of members according to the German Stock Companies Act in conjunction with the Co-Determination Act of 1976. If the Co-Determination Act is no longer applicable, the Supervisory Board shall be composed according to the statutory provisions then applicable.
- (2) Election shall be for a term of office of five years, the year being calculated from the end of one Ordinary General Meeting to the end of the next one.
- (3) If a member of the Supervisory Board appointed by the shareholders leaves before the expiry of his term of office, Volkswagen Vermoegensverwaltungs-GmbH Wolfsburg (district court Braunschweig, HRB 200525) shall be entitled to delegate a member to the Supervisory Board; the delegation rights can be exercised for a total of no more than one third of the number of members of the Supervisory Board of the shareholders resulting from the Articles of Association in conjunction with law. The office of the delegated member of the Supervisory Board shall end with the expiry of the General Meeting at which a replacement election has taken place, albeit no later than the end of the term of office of the member of the Supervisory Board leaving prematurely.
- (4) If a member of the Supervisory Board elected by the employees leaves before the expiry of his term of office, the replacement member elected for this purpose shall take his place.
- (5) Replacement elections shall apply for the remainder of the regular term of the office of the departing member of the Supervisory Board.

**§ 8**

**The Chairman of the Supervisory Board**

- (1) At the first meeting of its term of office, the Supervisory Board shall elect a Chairman and his deputy from its midst for the duration of the term of office.
- (2) If the Chairman or his deputy leaves during the term of office, the Supervisory Board must hold a new election as soon as possible.
- (3) The elections pursuant to subsection 1 and 2 shall prevail over other resolutions.

**§ 9**

**Code of procedure, committees**

- (1) The Supervisory Board can give itself a code of procedure.
- (2) The Supervisory Board can form Supervisory Board committees from its midst and stipulate their tasks and powers in a code of procedure. To the extent admissible by law, decision powers of the Supervisory Board can also be assigned to the committees of the Supervisory Board.

**§ 10**

**Resolutions by the Supervisory Board**

- (1) The Supervisory Board shall be quorate if no less than half of its members participate in the passing of the resolution.
- (2) Resolutions by the Supervisory Board shall require the simple majority of votes to the extent not determined to the contrary by law. If a vote in the Supervisory Board results in equality of votes, the Chairman of the Board shall have two votes in a repeat vote on the same matter if it too results in equality of votes.
- (3) Passing of resolutions by written or telegraphic voting shall be admissible if the Chairman of the Supervisory Board or his deputy proposes this and no member of the Supervisory Board contradicts this procedure.

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- (4) Minutes, to be signed by the chairman of the meeting, shall be taken concerning the discussions and resolutions of the Supervisory Board.
- (5) The Supervisory Board shall be entitled to changes of the Articles of Association only concerned with the wording.

### **§ 11**

#### **Approval by the Supervisory Board of management measures**

The Supervisory Board can resolve that its approval is necessary for certain measures by the management.

### **§ 12**

#### **Remuneration**

- (1) Each member of the Supervisory Board shall receive not only reimbursement of the costs incurred by him in exercising the office, but also an annual remuneration of Euro 10,000.
- (2) The Chairman of the Supervisory Board shall receive double, his deputy and the chairman of a committee of the Supervisory Board 1.5 times and the members of a committee of the Supervisory Board 1.25 times the amount. This shall not apply to the chair and membership of the mediation committee. If a plurality of functions is exercised, the remuneration shall be limited to the highest amount set for a function.
- (3) Remuneration and reimbursement of expenditure subject to turnover tax shall be paid plus turnover tax if it can be charged separately.

## **C. General Meeting**

### **§ 13 Venue**

The General Meeting shall be held at the company's registered office or at the location of a German securities exchange.

### **§ 14 Convening**

- (1) The General Meeting shall be convened by the Board or by the Supervisory Board.
- (2) Notification must be in such good time that the period stipulated by law for the convening of the General Meeting is complied with.

### **§ 15 Preconditions for attendance**

- (1) Only the shareholders who have registered in the German or English language in a textual form (§ 126 b, German Civil Code) by no later than the expiry of the minimum period before the General Meeting set by law shall be entitled to attend the General Meeting.
- (2) Over and above this, the shareholders shall prove their entitlement to exercise the voting right. Submission of proof of shareholding in accordance with Section 67c (3) of the German Stock Corporation Act is sufficient.
- (3) The proof of share possession must reach the company in such good time that the period stipulated by law for receipt of the proof by the company is complied with.
- (4) Apart from this, the preconditions for attendance of the General Meeting shall be stipulated in the convening.

**§ 16**

**Chair**

- (1) The Chairman of the Supervisory Board, in his absence the deputy chairman of the Supervisory Board, shall chair the General Meeting. If the deputy chairman is also not present, the General Meeting shall elect the chairman for the meeting.
- (2) The chairman of the meeting shall determine the order of the items of the agenda and also the nature of voting.
- (3) The chairman of the meeting shall be authorised to limit the shareholders' questioning and speaking rights to a suitable length of time.

**§ 17**

**Voting right**

Each common stock shall grant one vote at the General Meeting to the extent that the voting right has not been ruled out by law or the Articles of Association.

**§ 18**

**Elections**

If no majority is achieved in the first ballot at voting, the second ballot shall be held between the candidates with the two highest number of votes. If the second ballot results in equality of votes, lots shall be drawn.

## **IV. Accounting and allocation of profits**

### **§ 19**

#### **Fiscal year**

The fiscal year is the calendar year.

### **§ 20**

#### **Production of the annual financial statements and the management report**

Within the first three months of the fiscal year, to the extent prescribed by law, the Board shall produce the annual financial statements and the management report for the closed fiscal year and present these documents to the Supervisory Board with the proposal which it wishes to make to the General Meeting for the application of the profits as shown on the balance sheet.

### **§ 21**

#### **Allocation of the year's surplus**

- (1) The amounts cogently resulting from the German Stock Companies Act shall be placed in the statutory reserves.
- (2) The Board and the Supervisory Board can place amounts from the year's surplus into the other profit reserves, this being:
  - up to one half of the year's surplus without regard for the status of the other profit reserves,
  - more than one half of the year's surplus to the extent that the other profit reserves do not exceed half of the original capital and the remaining profits as shown on the balance sheet do not fall short of four per cent of the original capital.

### **§ 22**

#### **Approval of the annual financial statements**

If the Supervisory Board accepts the annual financial statements, they shall be deemed approved.

**§ 23**

**Resolutions of the Ordinary General Meeting  
on accounting**

- (1) The General Meeting shall pass resolution annually in the first six months following the close of the fiscal year on:
  - the allocation of the profits as shown on the balance sheet
  - discharge for the Board and the Supervisory Board
  - election of the auditor(s).
- (2) In the special cases provided for by law, the General Meeting shall also pass resolution on the approval of the annual financial statements.

**§ 24**

**Allocation of the profits as shown on the balance sheet**

- (1) In the resolution concerning the allocation of the profits as shown on the balance sheet, the General Meeting can place further amounts into other profit reserves or carry them forward as profits, albeit with the limitation that a profit of no less than four per cent of the original capital must remain for distribution to the shareholders. This limitation shall not apply if placement into the reserves is necessary in a reasonable commercial assessment in order to secure the company's viability and resistance for an assessable period of time.
- (2) The shareholders shall have a claim to the profits as shown on the balance sheet to the extent that they have not been excluded from distribution by a resolution passed by the General meeting according to subsection 1.

**§ 25**

**Allocation of profits for new shares**

In the event of an increase of the original capital, a form of allocation of the profits deviating from the directives of § 60, subsection 2, of the German Stock Companies Act can be resolved for the new shares.

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