



Stiftung

Articles of association

of the TÜV SÜD Foundation

ARTICLES OF ASSOCIATION
of the
TÜV SÜD Foundation

Preamble

- A. The Association for Inspecting and Insuring Steam Boilers was founded in Mannheim in 1866. In 1870, the Bavarian Steam Boiler Inspection Association was established in Munich as a private-sector regulatory initiative. TÜV SÜD e.V. evolved from these two companies with the purpose of protecting people, the environment and assets from technology-related risks. The original fields of activity of TÜV SÜD e.V. have gradually expanded in step with technological progress.
- B. TÜV SÜD e.V. in its present organisational structure is the result of several mergers between different Technical Inspection Associations (Technische Überwachungs-Vereine, TÜVs). In 1992, TÜV Bayern e.V. merged with TÜV Sachsen e.V. to form TÜV Bayern Sachsen e.V..
- C. In 1994, the General Meeting of Members of TÜV Bayern Sachsen e.V. decided to separate business operations from the operations of the association. In order to maintain the association's ideal status while fulfilling its statutory responsibilities in accordance with the Articles of Association, the association's business operations were spun off to form the corporation that is today's TÜV SÜD AG. This was followed by further spin-offs from the corporation to subordinated subsidiaries and their subdivision into internal service companies. As an independent business enterprise, TÜV SÜD AG's purpose is to protect people, the environment and physical assets against the risks associated with technical equipment and infrastructure of all kinds. Given this, one of the main tasks of TÜV SÜD AG is to promote the safe, secure, practical and cost-efficient manufacturing and use of technical infrastructure and equipment. The shareholder rights regarding TÜV SÜD AG are exercised by a civil-law partnership especially founded for this purpose, TÜV SÜD Gesellschafterausschuss GbR.
- D. Mergers with TÜV Südwest e.V. and TÜV Hessen e.V. resulted in the formation of TÜV Bayern Hessen Sachsen Südwest e.V., today TÜV SÜD e.V.

- E. The purpose of TÜV SÜD e.V. is to protect people, the environment and assets against the risks associated with technical equipment or infrastructure of all kinds and promote the safe, practical and cost-effective manufacturing and use of technical infrastructure and operating and work equipment. TÜV SÜD e.V. currently has approximately 10,000 members; the members do not hold shares in the assets of the association. In the event of dissolution of the association, the Articles of Association of TÜV SÜD e.V. provide for all assets of the association to be transferred to a similar legal entity and used for a similar purpose in the future.
- F. In 2009, the General Meeting of Members of TÜV SÜD e.V. decided to transfer 25.1% of its shares in TÜV SÜD AG to a non-profit foundation established for this purpose (the TÜV SÜD Foundation) through an endowment transaction, with effect from 1st January 2010, and to award this foundation a holding in TÜV SÜD Gesellschafterausschuss GbR. In the internal relationship between the partners, the foundation exclusively holds shares in TÜV SÜD AG amounting to 25.1% of all shares of TÜV SÜD AG.
- G. A change in law of 16 July 2021 resulted in standardisation of foundation law and its concluding regulation in the German Civil Code (BGB). In the context of these legal changes, the Board of Trustees unanimously adopted the amendments to the Articles of Association on 8 December 2022. The founder also approved the amendments on 8 December 2022. The intended amendments to the Articles of Association had previously been agreed by the Administration of Upper Bavaria (Regierung von Oberbayern) as the responsible regulatory authority and by the Corporate Entities Department of the Munich tax authority; after their adoption by the Board of Trustees, the amendments to the Articles of Association were approved by the regulatory authority, the Administration of Upper Bavaria.

In view of the above, the amended Articles of Association as outlined below will be the legally binding Articles of Association of the TÜV SÜD Foundation (“Foundation”) with effect after 30 June 2023:

I. GENERAL

1 Name, Seat, Founder

1.1 The name of the Foundation is

TÜV SÜD Stiftung (TÜV SÜD Foundation)

Following its entry in the Register of Foundations, the Foundation will use the abbreviation e.S. for the name suffix “eingetragene Stiftung” (registered foundation)

TÜV SÜD Stiftung e.S.

1.2 The seat of the Foundation is Munich.

1.3 It is a non-profit foundation under German civil law.

1.4 The founder within the meaning of these Articles of Association is TÜV SÜD e.V.

2 Purpose of the Foundation

2.1 The Foundation exclusively and directly pursues non-profit purposes within the meaning of the Section “Tax-privileged purposes” of the German Fiscal Code (Abgabenordnung, AO). The purpose of the Foundation is to promote science and research, training and education, environmental protection and accident prevention.

2.2 The purpose of the Foundation as laid down in its Articles of Association is realised in particular by

- a) carrying out own research projects, awarding research contracts and development programmes, and organising training in the fields of safety and security engineering, energy engineering, transport, environmental protection and accident prevention;
- b) supporting research activities through the award of scholarships or grants and the collection, evaluation and coordination of experiences in the above fields;
- c) organising training courses and seminars and other initial and continued training measures, particularly for experts and expert witnesses operating in the areas of consulting, assessment, testing, inspection and certification in the above fields;
- d) informing the public, including public organisations and authorities and non-profit and business organisations, through publications, technical meetings and seminars; collaborating with other federations, associations and institutions to realise the tasks in the above areas.

These activities are only pursued as statutory purposes for as long as they can be categorised as non-profit or special-purpose operations for tax purposes.

- 2.3 Where it does not perform the tasks itself, the Foundation can use an aide within the meaning of Section 57 (1) sentence 2 of the German Fiscal Code to achieve its purpose. In accordance with Section 58 (1) of the German Fiscal Code, the Foundation can also procure funds for the achievement of the tax-privileged purposes of another corporation or legal entity under public law; the procurement of funds for a private corporation subject to limited or unlimited tax liability is conditional upon that corporation having tax-privileged status. In accordance with Section 58 (1) of the German Fiscal Code, the Foundation can also provide parts of its funds to another tax-privileged corporation or a corporation under public law to be used for tax-privileged purposes.
- 2.4 Any income from the Foundation's assets and any contributions not intended to be added to the Foundation's assets shall be used to achieve the purpose of the Foundation.

3 Assets of the Foundation

- 3.1 The assets given to the Foundation in accordance with the endowment transaction for the ongoing and sustainable fulfilment of its purpose (dedicated assets), other endowments and the assets designated by the Foundation as basic assets (jointly referred to as "basic assets") shall – notwithstanding Article 3.1 sub-paragraph 2 – be preserved undiminished in value. The basic assets of the Foundation consist of a cash amount of EUR 100,000.00 (in words: one hundred thousand euros).

Increases from the reallocation of basic assets can be used to fulfil the purpose of the Foundation in as far as this is not excluded by its Articles of Association and the preservation of the basic assets is guaranteed. The Foundation is permitted to spend part of its basic assets; however, in this case the Foundation shall undertake to replenish the basic assets by the same amount spent in the foreseeable future.

- 3.2 On establishment of the Foundation, the founder made a deposit of EUR 400,000.00 (in words: four hundred thousand euros) to pay for running expenses.
- 3.3 Following the establishment of the Foundation, with effect from 1 January 2010, the founder also transferred a holding in TÜV SÜD Gesellschafterausschuss GbR to the Foundation, and thus the beneficial ownership in 25.1% of all shares of TÜV SÜD AG. The shares are held by TÜV SÜD Gesellschafterausschuss GbR, an independent shareholder committee having the legal form of a

civil-law partnership. The Foundation is the beneficial owner of these shares. While the founder has a holding in TÜV SÜD Gesellschafterausschuss GbR, TÜV SÜD Gesellschafterausschuss GbR shall also hold the shares in TÜV SÜD AG of which the Foundation is the beneficial owner. If the Foundation resigns as a partner of TÜV SÜD Gesellschafterausschuss GbR or if TÜV SÜD Gesellschafterausschuss GbR is dissolved, the Foundation will receive shares in TÜV SÜD AG amounting to 25.1% of the total share capital of TÜV SÜD AG.

- 3.4 The Foundation is obliged to manage its assets conscientiously, securely and economically. In doing so, the Foundation shall observe the principles set forth below. This also applies where it can only exercise its rights in its role as partner of TÜV SÜD Gesellschafterausschuss GbR:
- 3.4.1 The Foundation shall always and in any case – indirectly or directly, economically or legally – hold more than one quarter of the share capital of TÜV SÜD AG.
- 3.4.2 The Foundation will only agree to any direct or indirect holding of individuals or companies in TÜV SÜD AG and/or any of its affiliates, and to any conversion measures aimed at such holding, where those individuals or companies pursue interests similar to the purpose of the Foundation or where, from a reasonable commercial point of view, their holding is not detrimental to the achievement of this purpose. The above provision will not affect the admission of partners to TÜV SÜD Gesellschafterausschuss GbR
- 3.4.3 The Foundation will only approve actions concerning the share capital of TÜV SÜD AG if another decision would not be economically viable for TÜV SÜD AG and for the preservation of the assets of the Foundation; irrespective of the above, the Foundation may approve an increase in capital of TÜV SÜD AG if the founder or a third party ensures, by providing the necessary funds or in another suitable manner (e.g. an endowment contribution), that the Foundation will still directly or indirectly be the beneficial or legal owner of more than one quarter of the share capital of TÜV SÜD AG without having to spend its own funds.
- 3.4.4 In accordance with the legal regulations and taking into account the provisions of stock corporation law and the economic interests of TÜV SÜD AG, in particular the latter's commercially reasonable investment needs, the Foundation shall take steps to ensure that it is regularly allocated sufficient funds for achieving its purpose in the form of distribution of the net profit of TÜV SÜD AG to TÜV SÜD Gesellschafterausschuss GbR, unless it receives other contributions and donations in sufficient amounts to fulfil its tasks.

Three months before the end of the fiscal year of TÜV SÜD AG at the latest, the Board of Directors of the Foundation plans the financial requirements of the Foundation for the next 24 months and submits this planning to the Board of Trustees for approval. The Board of Directors informs TÜV SÜD Gesellschafterausschuss GbR of the approved financial requirements. The objective is that TÜV SÜD Gesellschafterausschuss GbR, as a shareholder of TÜV SÜD AG and observing the provisions of stock corporation law and the economic interests of TÜV SÜD AG, in particular the latter's commercially reasonable investment requirements, will pass a resolution at the Annual General Meeting of TÜV SÜD AG concerning the allocation of profits, preferably to the amount necessary to cover the financial requirements of the Foundation. In the event that the Annual General Meeting does not pass such a resolution, the Board of Directors is required to adjust its financial requirements to match the existing funds and the funds to be expected.

- 3.5 The basic assets which must be preserved are increased by third-party contributions expressly intended for this purpose. Other contributions must be spent in a timely manner for the purposes of the Foundation.
- 3.6 The Foundation creates reserves to enable it to realise the projects and actions that fulfil or promote its purposes.
 - 3.6.1 Where possible, the Foundation shall regularly allocate funds to a general reserve to the maximum amount permitted as defined in Section 62 (1) No. 3 of the German Fiscal Code until this reserve reaches twice the planned annual budget of the following year (free reserve). The Foundation is entitled to allocate further funds to the reserve after the limit defined in Section 62 (1) No. 3 of the German Fiscal Code has been reached. Use of the free reserve is only permitted with the approval of the Board of Trustees.
 - 3.6.2 Where permissible under tax law, the Foundation may allocate all or part of its funds (income and contributions) to other reserves where necessary.

4 Non-profit status

- 4.1 The Foundation is a non-profit organisation and does not primarily pursue its own economic interests.
- 4.2 The Foundation's funds may only be used for the purposes defined in its Articles of Association (statutory purposes).
- 4.3 No individual may benefit from spending that is not in compliance with the purpose of the Foundation or from disproportionately high remuneration.

5. Fiscal year

The fiscal year of the Foundation is the calendar year.

6 Governing bodies, liability

6.1 The governing bodies of the Foundation are

6.1.1 the Board of Trustees (Articles 8 to 10) and

6.1.2 the Board of Directors (Articles 11 to 13).

6.2 TÜV SÜD Gesellschafterausschuss GbR is not a governing body of the Foundation.

6.3 The members of the governing bodies are only liable in cases involving wilful intent and gross negligence to the extent permitted by law. When managing the business of the Foundation, the member of a governing body shall apply the due care and diligence of a prudent managing director. No breach of duty is established if the member of the governing body could reasonably assume to be acting in the best interests of the Foundation when managing the business, observing the regulatory and statutory requirements and acting on the basis of appropriate information.

6.4 Members of the Board of Trustees cannot be members of the Board of Directors. Neither the members of the Board of Trustees nor the members of the Board of Directors are permitted to be members of the Board of Management of one of the companies in which the Foundation has a direct or indirect holding. No more than two members of the founder's Board of Directors are permitted to be members of the Board of Trustees; if the Board of Trustees has fewer than five members, only one member of the founder's Board of Directors may be a member of the Board of Trustees. Members of the founder's Board of Directors cannot be members of the Foundation's Board of Directors.

6.5 The members of the governing bodies of the Foundation shall maintain strict confidentiality over any confidential information and secrets of the Foundation. This applies in particular to any business secrets of which the members of the governing bodies of the Foundation become cognisant due to their activities in the governing bodies of the Foundation. This provision shall continue to remain valid after said members retire from their positions.

II. RIGHTS OF THE FOUNDER

7 Approval, right of proposal

7.1 Measures as defined in Article 15 hereunder (amendment to the Articles of Association) – with the exception of amendments to the Articles of Association in accordance with Article 15.2 – and the disposition or encumbrance of the holding in TÜV SÜD Gesellschafterausschuss GbR are subject to the founder's approval; the same applies to the disposition or encumbrance of all shares in

TÜV SÜD AG held directly or indirectly by the Foundation and to any similar economic actions, including those outlined in the German Transformation Act (Umwandlungsgesetz, UmwG). The respective governing bodies of the Foundation shall obtain the founder's approval prior to voting in their respective body.

- 7.2 The founder is entitled to propose to the Board of Trustees suitable candidates for the election of Board of Trustees members. The Board of Trustees can only reject the election for good cause. If the members of the Board of Trustees fail to agree on one of the candidates proposed by the founder, the founder is obliged to propose further candidates. If, within three months following the resignation of a member from the Board of Trustees, the founder does not succeed in appointing a suitable successor on which the members of the Board of Trustees can agree, the latter will be free to choose a new member of the Board of Trustees.

III. BOARD OF TRUSTEES

8 Composition of the Board of Trustees, election, remuneration

- 8.1 The Board of Trustees comprises a minimum of three and maximum of nine natural persons. The size of the Board is determined by the founder.
- 8.2 The first members of the Board of Trustees are appointed by the founder. Subsequently, the Board of Trustees will itself elect suitable individuals if one or several of its member(s) resign(s) from office (co-option). In doing so, the Board of Trustees will take into account the founder's right of proposal as outlined in Article 7.2 above; the same applies where the founder determines that the Board of Trustees shall comprise more members in the future within the permitted limits defined in Article 8.1. Members are elected for a period up to the end of the first meeting of the Board of Trustees after expiry of the fourth fiscal year following their appointment; the fiscal year in which the term of office starts will not be counted as part of this period. When electing a member, the Board of Trustees is free to decide on a shorter period of office. Re-election of members is permitted. Irrespective of the provisions set forth in sentence 3, the term of office of a member of the Board of Trustees ends with the end of the first Meeting of the Board of Trustees after said member has reached the age of 75. The Board of Trustees is entitled to recall members at any time. If members resign prematurely at their own request or because they have reached the age limit or are voted out, a successor will be elected for the remainder of the term of office of the resigning member unless the founder decides that the Board of Trustees may consist of a fewer number of members within the permitted limits as defined in Article 8.1 hereunder. The appointment and recall of a member and the appointment of a substitute member of the Board of Trustees requires a two-third majority of all serving members of the Board of Trustees.

- 8.3 The Board of Trustees elects a chairperson and a deputy chairperson from its members. Re-election of the chairperson and the deputy chairperson is permitted. Members of the founder's Board of Directors cannot act as chairperson or deputy chairperson of the Board of Trustees. The chairperson and the chairperson's deputy represent the Foundation in dealings with the Board of Directors or individual members of the Board of Directors in all matters assigned to them on the basis of these Articles of Association and/or of the law; in particular, they conclude the service contracts with the members of the Board of Directors.
- 8.4 The Board of Trustees can grant the right to participate in meetings of the Board of Trustees without the right to vote (guest member) to a representative of the employees of TÜV SÜD AG and/or one of its affiliates proposed by the Corporate Works Council.
- 8.5 Unless the founder has already undertaken to pay remuneration to the members of the Board of Trustees proposed in accordance with Article 7.2 hereunder or appointed in accordance with Article 8.2 hereunder and to any guest member within the meaning of Article 8.4, these members will receive appropriate remuneration from the Foundation, taking into account the income situation of the Foundation and the particular requirements resulting from its non-profit status which is to be maintained. The chairperson will receive twice the remuneration paid to a member of the Board of Trustees, and the chairperson's deputy one and a half times that amount. In addition, each member of the Board of Trustees receives a flat rate for expenses for each meeting attended. In the first meeting of a fiscal year, the Board of Trustees decides on the amount of remuneration for the current fiscal year. The resolution must be adopted by a three-quarter majority of all members. Taking special account of sentence 1, the amount of remuneration shall not exceed the average remuneration of members of the supervisory boards of corporations whose business activities and risks are similar to those of TÜV SÜD AG, in particular with respect to the holding and management of operating companies or groups of companies. The remuneration of any guest member within the meaning of Article 8.4 is based on the time spent and on the scope of the tasks and duties of the guest membership.

9 Responsibilities of the Board of Trustees

- 9.1 The Board of Trustees is the supervisory and advisory body of the Foundation.
- 9.2 It is responsible in particular for
- 9.2.1 appointing, recalling and discharging the members of the Board of Trustees, including the decision about the amount of their remuneration,

- 9.2.2 appointing, recalling and discharging the members of the Board of Directors, appointing the chairperson and deputy chairperson of the Board of Directors, adopting rules of procedure for the Board of Directors in the case of such adoption, and determining the remuneration of the Board of Directors,
- 9.2.3 appointing, recalling and discharging the members of the Management Board, appointing the spokesperson of the Management Board, adopting rules of procedure for the Management Board in the case of such adoption, and concluding and terminating the employment contracts with the managing directors, including determination of their remuneration,
- 9.2.4 granting approval of the business activities and actions listed in Article 12.3 hereunder,
- 9.2.5 advising the Board of Directors on appropriate planning of the use of funds,
- 9.2.6 approving the 24-month financial requirements planning in accordance with Article 3.4.4 hereunder,
- 9.2.7 performing ongoing random checks of accounting, including unannounced,
- 9.2.8 adopting the annual financial statements,
- 9.2.9 approving the appointment of the financial auditor as well as the issuing of the audit mandate, determining the key audit areas and concluding the fee agreement between the auditor and the Board of Directors as set forth in Article 12.3.5 hereunder,
- 9.2.10 adopting policies governing investment of the assets of the Foundation and allocating the funds of the Foundation, including compliance,
- 9.2.11 transferring funds of the Foundation to the reserves,
- 9.2.12 monitoring the appropriateness and effectiveness of the internal control system and the observance of legal and official regulations and the Foundation's internal policies ("compliance"),
- 9.2.13 amending the Articles of Association in accordance with Article 15.1 below,
- 9.2.14 taking care of all matters concerning TÜV SÜD Gesellschafterausschuss GbR which do not fall under the responsibility of the Board of Directors, subject to the approval of the Board of Trustees in accordance with Article 12.3, and
- 9.2.15 taking care of all other matters assigned to the Board of Trustees in these Articles of Association.
- 9.3 Every member of the Board of Trustees has the comprehensive right to information and review.

10. Adoption of resolutions by the Board of Trustees

- 10.1 The Board of Trustees meets as needed, and at least twice annually. The chairperson of the Board of Trustees convenes the meetings of the Board of Trustees at least two weeks in advance. A meeting shall also be convened if requested by the majority of the members of the Board of Trustees or a member of the Board of Directors.
- 10.2 Meetings are convened in writing by post or telefax, verbally, by telephone or in electronic form (e.g. by email or via an electronic online platform) or through other common means of communication. The form of the meeting is determined by the chairperson. The chairperson may cancel or postpone a convened meeting at his/her due discretion. The day on which the notification is sent or the convening of the meeting declared and the day of the meeting itself are not counted in the above two-week period. In urgent cases, the period for convening a meeting can be as short as three days.
- 10.3 The chairperson of the Board of Trustees shall state the name, time and form of the meeting and the individual items on the agenda in the invitation to the meeting. Proposed decisions regarding items on the agenda and the documents required for preparation of the meeting shall be sent to the members five days before the meeting at the latest, unless later communication is justified on the grounds of urgency. This applies in particular to business activities that are subject to approval. The members must be informed of any additions to the agenda at least three days before the meeting, unless later communication is justified on the grounds of urgency.
- 10.4 The Board of Trustees has a quorum if at least two-third of its members entitled to vote participate in the adoption of a resolution; votes cast in writing as set forth in Article 10.8 and votes cast by proxy in accordance with Article 10.6 must also be taken into account. If the Board of Trustees temporarily comprises only one member entitled to vote as a consequence of members' resignations, that member shall decide on the items for resolution within the meaning of Article 8.2, sentence 2 et seq. If all members of the Board of Trustees have resigned, the founder will appoint the members of the Board of Trustees in line with the regulation for the appointment of the first Board of Trustees.
- 10.5 The Board of Trustees shall decide by a simple majority of votes cast unless a higher majority is a mandatory requirement of the law and/or these Articles of Association. In the case of a tie vote, the chairperson of the Board of Trustees or, in his/her absence the deputy chair, will have the casting vote.

- 10.6 Each member of the Board of Trustees has one vote. If a member of the Board of Trustees is unable to take part in the adoption of resolutions, said member can vote by proxy by appointing another member of the Board of Trustees as a proxy in writing. A member of the Board of Trustees cannot act as proxy for more than two other members. With the exception of resolutions within the meaning of Article 8.5, the members of the Board of Trustees are not entitled to vote on their own affairs. A member of the Board of Trustees is not entitled to vote if the resolution concerns a legal transaction with that member or the initiation or settlement of a legal dispute between that member and the Foundation. In the case of a (possible) conflict of interest, the member of the Board of Trustees will consult the chairperson of the Board of Trustees on this matter and on addressing the conflict of interest.
- 10.7 The chairperson of the Board of Trustees can invite the members of the Board of Directors and/or the members of the Management Board (even if they are not members of the Board of Directors) to the meetings of the Board of Trustees.
- 10.8 Meetings and adoption of resolutions and the participation of individual members of the Board of Trustees in meetings and adoptions of resolutions can also take place via conference call, video conference or other electronic means of communication, if so determined by the chairperson of the Board of Trustees on a case-by-case basis, observing an appropriate period. Adoptions of resolutions and participation in adoptions of resolutions are also possible in writing (including by telefax) if so determined by the chairperson of the Board of Trustees on a case-by-case basis, observing an appropriate period. The members of the Board of Trustees are not entitled to object to such an order by the chairperson of the Board of Trustees. Absent members of the Board of Trustees can participate in the adoption of resolutions by the Board of Trustees by requesting other members of the Board of Trustees to submit their written votes (also by telefax). The possibility of voting as set forth in Article 10.6 remains unaffected thereby.
- 10.9 Minutes of each meeting of the Board of Trustees shall be prepared, signed by the chairperson of the meeting and sent to the members of the Board of Trustees. The same applies *mutatis mutandis* to adoptions of resolutions in writing, by post, by telefax, in electronic form (e.g. by email or electronic online platform), by verbal means or over the telephone.
- 10.10 The Board of Trustees can define rules of procedure for itself and for the Board of Directors.

IV. BOARD OF DIRECTORS

11 Composition and remuneration of the Board of Directors

11.1 The Board of Directors is composed of up to three individuals. The maximum term of office of the members of the Board of Directors is five years. They may be re-elected. At the request of the Board of Trustees, a member resigning from the Board of Directors will stay in office until a successor has been appointed.

11.2 The first members of the Board of Directors are appointed by the founder. Thereafter, the Board of Trustees elects the members of the Board of Directors by a simple majority of the votes. The Board of Trustees appoints the chairperson of the Board of Directors and one or several deputy chairpersons. Irrespective of the regulation set forth in Article 11.1 sentence 2, the term of office of a member of the Board of Directors ends on the member's 75th birthday. The Board of Trustees can recall members of the Board of Directors at any time by a simple majority of the votes. This applies in particular if the member of the Board of Directors has verifiably violated its obligations in connection with fulfilling the purpose of the Foundation. Where the legal effectiveness of a recall is disputed, the recall shall be effective until its ineffectiveness has been determined in a legally binding manner.

11.3 The Board of Trustees can appoint the sole Managing Director as set forth in Article 12.2 or, where several Managing Directors have been appointed, can appoint their spokesperson as a further member of the legal Board of Directors if the latter comprises fewer than three members and if the maximum number of members as defined in Article 11.1 is not exceeded thereby. The Managing Director's membership of the Board of Directors ends automatically on the ordinary or extraordinary termination of his/her office as Managing Director.

11.4 The members of the Board of Directors receive appropriate remuneration; Article 8.5 applies *mutatis mutandis*. The amount of remuneration and the conclusion of employment contracts, if any, are decided by the Board of Trustees, taking into account the principles set out in Article 8.5.

12. Responsibilities of the Board of Directors, Management Board, approval by the Board of Trustees, adoption of resolutions

12.1 The Board of Directors manages the business activities of the Foundation, observing the legal and statutory provisions and, where enacted, the Board of Director's rules of procedure and the resolutions by the Board of Trustees. It shall fulfil the will of the founder, observing the Foundation Act (Gesetz über die Bildung und Tätigkeit von Stiftungen, StiftBTG) and these Articles of Association as effectively as possible. Its key responsibilities are:

- a) management of the Foundation's assets, including accounting and preparation of the annual financial statements,
- b) adoption of resolutions concerning use of the income from the Foundation's assets.

The Board of Directors may only include projects and actions in its resolutions on the use of funds within the meaning of paragraph b) where the costs of those projects and actions are covered by actually existing funds or by funds that are certain to be realised by the end of the projects or actions. Excepted from the above are projects and actions of the ongoing administration.

- 12.2 The Board of Trustees can appoint one or several Managing Directors and entrust them with management of the business of the Foundation unless such business is expressly reserved for the governing bodies of the Foundation. Managing Directors must not be members of the Board of Management of TÜV SÜD AG. The Management Board shall manage business operations in accordance with legal provisions and the resolutions passed by the Board of Trustees. The details can be regulated in rules of procedure to be decided by the Board of Trustees in accordance with Article 9.2.3. Where several Managing Directors have been appointed, the Board of Trustees will determine a spokesperson of the Management Board. The members of the Management Board receive appropriate remuneration. The amount of remuneration and the conclusion of any employment contracts are decided by the Board of Trustees. Liability on the part of the members of the Management Board will be limited to cases of wilful intent and gross negligence.
- 12.3 In internal relations, the following business activities and actions require the prior approval of the Board of Trustees unless already intended and approved in the 24-month planning of financial requirements:
- 12.3.1 Exercise of voting rights and other membership rights resulting from the shares in TÜV SÜD AG, including exercise of the voting rights pertaining to these shares in TÜV SÜD Gesellschafterausschuss GbR;
 - 12.3.2 Disposition or encumbrance of the shares in TÜV SÜD AG and similar actions, and exercise of voting rights pertaining to the disposition or encumbrance of these shares in TÜV SÜD Gesellschafterausschuss GbR;
 - 12.3.3 Purchase, sale and encumbrance of properties or rights equivalent to properties;
 - 12.3.4 Legal transactions which result in obligations of the Foundation that exceed the value of EUR 100,000 at one time or in total, in particular in the case of conclusion or amendment of rental and lease agreements, taking out of loans and guarantees and hiring of personnel; as well as transactions concerning

- investment of the assets of the Foundation or with securities that exceed the value of EUR 100,000 at one time or in total;
- 12.3.5 Appointment of the financial auditor, issue of the audit mandate and determination of the key audit areas, and conclusion of the fee agreement with the financial auditor.
- 12.4 The Board of Trustees votes on approval as defined in Article 12.3 by a simple majority of its members present or, in the cases set forth in Articles 12.3.1 and 12.3.2, by a three-quarter majority of the members present. In the cases set forth in Articles 12.3.1 and 12.3.2, the Board of Trustees may only give its approval if, after thorough review as set forth in Article 6.3 and after obtaining an opinion from TÜV SÜD AG, it concludes that the decision is to the benefit of the Foundation and TÜV SÜD AG and is in accordance with the will of the founder to maintain the unity and independence of the company and promote its development.
- 12.5 The Board of Trustees can define rules of procedure for the Board of Directors.
- 12.6 The Board of Director decides by a simple majority of the votes present. If a member of the Board of Directors is unable to take part in the adoption of resolutions, said member can vote by proxy by appointing another member of the Board of Directors as its proxy in writing. A member of the Board of Directors cannot act as proxy for more than one other member of the Board of Directors. The members of the Board of Directors are not entitled to vote on their own affairs.
- 12.7 The Board of Directors has a quorum if invitations were sent to the last known address of all its members and over half of the members of the Board of Directors are present. Absent members of the Board of Directors who vote by proxy through a member attending the meeting as set forth in Article 12.6 and/or vote in accordance with Article 12.9, and members who abstain from voting on the resolution, take part in the meeting within the meaning of the previous sentence.
- 12.8 The Board of Directors meets as needed and at least twice per calendar year. The chairperson of the Board of Directors convenes the meetings of the Board of Directors. A meeting shall be convened at the request of a member of the Board of Directors or the majority of the Board of Trustees. Unless a shorter period is required due to extraordinary circumstances, there shall be a period of at least one week between convening and holding of the meeting (the day of the meeting is not counted in this period). The Board of Directors records its decisions in the form of minutes. If the Board of Directors comprises several members, these minutes shall be signed by two members of the Board of Directors.

12.9 In addition to the above, Articles 10.2, 10.3, 10.8 and 10.9 hereunder shall apply *mutatis mutandis* to the meetings and adoption of resolutions by the Board of Directors.

13. Representation

13.1 The Board of Directors represents the Foundation in and out of court. It is the legal Board of Directors.

13.2 If the Board of Directors comprises several members, two members of the Board of Directors will jointly represent the Foundation. If the Board of Directors comprises only one member, that member is the sole representative of the Foundation. Otherwise, the Foundation is represented by other authorised signatories in accordance with more detailed specifications by the Board of Directors. The Foundation is represented in TÜV SÜD Gesellschafterausschuss GbR by the chairperson of the Board of Directors or, if the chairperson is unable to attend, by the chairperson's deputy or another member of the Board of Directors; that member of the Board of Directors is the sole representative in TÜV SÜD Gesellschafterausschuss GbR. The provisions set forth in Article 12.1 remain unaffected. In individual cases, the Board of Trustees can exempt the members of the Board of Directors from the restrictions defined in Section 181 of the German Civil Code.

13.3 The Board of Directors' power of representation is limited by the purpose of the Foundation. In addition, the power of representation can be limited in internal relations by either articles of association or by rules of procedure.

V. FINANCIAL REPORTING

14. Annual financial statement

14.1 The Foundation shall prepare an annual financial statement that is limited to a balance sheet and a profit and loss account in accordance with the regulations for corporations in the German Commercial Code.

14.2 The annual financial statement shall be audited by an auditor.

VI. AMENDMENT TO THE ARTICLES OF ASSOCIATION, DISSOLUTION

15. Amendment to the Articles of Association

15.1 The Board of Trustees decides on amendments to these Articles of Association by a majority of three-quarters of all members. Decisions on amendments to these Articles of Association concerning the purpose or the assets of the Foundation shall be taken unanimously by all members of the Board of Trustees; Articles 15.2 and 15.3 hereunder shall remain unaffected. Mergers between companies held by the Foundation and another TÜV organisation or similar enterprise are permitted. The Board of Trustees decides on such mergers by a majority of three-quarters of all members.

The Board of Trustees also decides on any amendments to these Articles of Association required for this purpose by a three-quarter majority of all members; sentence 2 is not applicable in this case.

- 15.2 If the purpose of the Foundation can no longer be fulfilled in a permanent and sustainable manner, the Foundation's Board of Trustees may amend these Articles of Association to give the Foundation another purpose or significantly limit the purpose of the Foundation. If the Foundation is restructured under an amendment to the Articles of Association, enabling it to resume fulfilment of its purpose in a permanent and sustainable manner in order to prevent the dissolution of the Foundation as set forth in Article 16.1, Article 7.1. shall not apply to this amendment to the Articles of Association. The conditions for sentence 1 are in particular fulfilled if the Foundation does not have sufficient funds to achieve the purpose of the Foundation in a sustainable manner and will be unable to acquire such funds in the near future. In deviation from Article 15.1 sentence 2, first clause, such a resolution must be decided by a majority of three-quarters of all members of the Board of Trustees. The new purpose of the Foundation must also be tax-privileged.
- 15.3 An amendment to the Articles of Association may allow changing the purpose of the Foundation in a different manner from that set forth in Article 15.2, or amending other characteristic provisions of the Articles of Association (such as provisions regarding the Foundation's name, seat, the manner and method of achievement of purpose and management of its basic assets) if circumstances have significantly changed after the establishment of the Foundation and such an amendment is necessary to align the Foundation to the changed situation. In deviation from Article 15.1 sentence 2, first clause, such a resolution must be decided by a majority of three-quarters of all members of the Board of Trustees.
- 15.4 Articles of Association provisions that do not fall under the scope of Articles 15.2 or 15.3 can be changed through an amendment to the Articles of Association if such an amendment serves the purpose of the Foundation.
- 15.5 With the exception of amendments to the Articles of Association in accordance with Article 15.2, Article 7.1 shall remain unaffected by the above.
- 15.6 Before voting takes place on the resolution, amendments to the Articles of Association must be coordinated and agreed with the responsible supervisory authority and the tax authority. After adoption of the resolution they must be submitted to the supervisory authority for approval.

16. Dissolution:

- 16.1 The Board of Trustees decides on the dissolution of the Foundation or a merger and absorption of the Foundation by one or several tax-privileged foundations (Zulegung) or a merger with one or several other tax-privileged foundations to form a new foundation (Zusammenlegung). A resolution on the dissolution of the Foundation is to be taken if the Foundation is definitely no longer able to fulfil the purpose of the Foundation in a permanent and sustainable manner. If the Foundation can be restructured through an amendment to the Articles of Association in such a manner that it can again fulfil its intended purpose in a permanent and sustainable manner, the conditions of sentence 2 above are not fulfilled. A resolution on a merger and absorption shall be taken if the purpose of the transferring foundation essentially matches the purpose of the absorbing foundation(s) and all other legal requirements are fulfilled. A resolution on a merger to form a new foundation shall be taken if it appears certain that the new foundation will be able to fulfil the purposes of the transferring foundation permanently and sustainably in essentially the same manner and all other legal requirements are fulfilled.
- 16.2 In the case of a merger and absorption by one or several other foundations or a merger with one or several other foundations to form a new foundation, approval in advance by the Board of Trustees is required for the merger agreement provided all other legal requirements are fulfilled. The Board of Trustees votes on such an approval as set forth in Article 16.3 hereunder. In the case of a merger and absorption or a merger to form a new foundation, the absorbing or new foundation respectively must also be tax-privileged.
- 16.3 The Board of Trustees decides by a majority of three-quarters of all members on dissolution as set forth in Article 16.1, a merger and absorption by another foundation, or a merger and formation of a new foundation as set forth in Article 16.2. Article 15.2 sentence 2 applies to resolutions in accordance with Article 16.1 sentence 3. In the case of resolutions in accordance with Article 16.2, Article 7.1. remains unaffected.
- 16.4 In the case of dissolution of the Foundation or if the tax-privileged purposes of the Foundation no longer apply, the assets of the Foundation shall be transferred to a legal entity governed by public law or another tax-privileged corporation to be used for the promotion of science and research, training and education, environmental protection and accident prevention. The Board of Trustees decides on the entitled recipient of the assets by a majority of three-quarters of all members.
- 16.5 Approval by the responsible supervisory authority is required for dissolution, a merger and absorption agreement or a merger agreement to form a new foundation.

17. Liquidation

If the statutory Board of Directors does not wish to carry out liquidation itself, the Board of Trustees will appoint the liquidators by resolution. In this case, the Board of Trustees suggests appointing a notary public and the Managing Director(s) as liquidators.

VII. FINAL PROVISIONS

18 Supervisory authority

- 18.1 The Foundation is subject to supervision by the Administration of Upper Bavaria (Regierung von Oberbayern).
- 18.2 The supervisory authority of the Foundation shall be notified without delay of any changes in the address, the authorised representatives and the composition of the governing bodies.
- 18.3 All registrations and documents required under Foundation Law shall be made and submitted to the Federal Office of Justice as the public registry.

19 Coming into effect

The amended version of the Articles of Association will come into effect upon approval of the amendment to the Articles of Association by the Administration of Upper Bavaria, but no earlier than 1 July 2023.

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