



Rules of Procedure for the Supervisory Board of Uniper SE

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The supervisory board of the company, by adopting a resolution, agreed upon the following rules of procedure:

Section 1

General

The supervisory board conducts its business in accordance with the provisions of Council Regulation (EC) No. 2157/2001 of October 8, 2001 on the Statute for a European company (SE), as amended from time to time, the legal provisions, the articles of association of Uniper SE, and these rules of procedure.

Section 2

Chairman and deputy

- (1) The supervisory board shall elect, following the general meeting upon the conclusion of which its term of office commences, a chairman and two deputies, one based upon a proposal by the shareholders' representatives and the other based upon a proposal by the employees' representatives. A separate convening notice for the meeting is not required. As regards the election of the chairman, the oldest member acts as chairman; section 5 para. 6 shall apply accordingly. Only a member appointed by the annual shareholders meeting as a shareholders' representative may be elected chairman of the supervisory board.
- (2) In the event of the chairman withdrawing prior to the end of his term of office, the supervisory board shall carry out a new election without undue delay. In the event of a deputy withdrawing, a new election shall be carried out at the next ordinary meeting of the supervisory board following such withdrawal at the latest.

Section 3

Convening

- (1) The supervisory board may be convened once in each calendar quarter, it must be convened twice in each calendar half year.

- (2) The supervisory board shall be convened by a notice in writing communicated, as a rule at least 14 days in advance, by the chairman or a deputy, the agenda, the time and place of the meeting being specified. In cases of urgency the meeting may be convened verbally, by phone, e-mail or by means of other electronic media, the period specified above not being complied with. The same applies to an amendment to the agenda. Documents required for resolutions, in particular the annual financial statements and the auditor's report, shall be provided to the members of the supervisory board if possible in due time prior to the meeting. The board of management shall ensure that the members of the supervisory board can familiarise with such documents in due time.
- (3) The chairman shall be obliged to convene the supervisory board upon request made by a member of the supervisory board or the board of management.
- (4) The items of the agenda shall be communicated in the convening notice. In the event of an item of the agenda not being properly communicated a resolution as regards such item shall only be adopted provided that no member of the supervisory board objects thereto prior to the resolution being adopted. Members of the supervisory board who are not present must be given an opportunity in such case to object, within a reasonable period of time to be determined by the chairman, to the adoption of such resolution or to vote in writing as regards the subject of the resolution. The resolution shall only take effect provided that the members of the supervisory board who were not present do not object thereto within the period of time determined.

Section 4

Preparations of the meetings of the supervisory board and meetings without the board of management

- (1) The representatives of the shareholders and those of the employees may prepare the meetings of the supervisory board in separate pre-meetings which, if necessary, shall be attended by members of the board of management.
- (2) If required, the supervisory board shall meet without the board of management.

Section 5

Adoption of resolutions

- (1) Resolutions of the supervisory board shall be adopted at meetings. Resolutions of the supervisory board may also be adopted by votes being obtained in writing, by phone, by video conference, or by means of other electronic media. The result shall be declared by the chairman in the minutes. The provisions on the adoption of resolutions at meetings shall apply accordingly in the cases of sentence 2.
- (2) The supervisory board shall have a quorum if all members have been invited and if at least half of the total number of its members participate in the adoption of the resolution. A member also participates in the adoption of resolutions if such member abstains from voting.
- (3) Members of the supervisory board who are not present may participate in the adoption of resolutions by asking other members of the supervisory board to cast their votes in writing or by casting signed votes in the form of a fax or an electronic copy.
- (4) The meetings shall be chaired by the chairman of the supervisory board or, in the event that he is unable, by his deputy. In the absence of the chairman, supervisory board meetings shall be chaired by the deputy elected upon on a proposal by the shareholders' representatives, and if he is prevented from attending, by the deputy elected upon on a proposal by the employees' representatives. The chairman of the meeting shall determine the course of the meeting and the form of voting.
- (5) In the case of resolutions and elections, a simple majority of the votes cast shall be sufficient, unless otherwise provided by law.
- (6) In the event of an equality of votes in the supervisory board, the chairman shall have the casting vote and, in the case of the chairman not participating in the adoption of the resolution, the deputy shall have the casting vote, provided that the deputy chairman is a representative of the shareholders.
- (7) Minutes shall be prepared as regards the deliberations and resolutions of the supervisory board, and such minutes shall be signed by the chairman or, in the event that he is

unable, by the deputy. Minutes on resolutions adopted outside meetings shall be provided without undue delay to all members of the supervisory board.

- (8) Declarations of intent of the supervisory board shall be issued by the chairman or, in the event that he is unable, by the deputy in the name of the supervisory board.

Section 6

Appointment, removal, and remuneration of members of the board of management

- (1) The supervisory board shall appoint and remove the members of the board of management, and is competent for the conclusion, amendment, and termination of the service agreements entered into with members of the board of management. As regards the composition of the board of management, diversity shall be taken into account and women being reasonably taken into account shall be aimed at. Together with the board of management it shall ensure long-term succession planning.
- (2) The members of the board of management shall be appointed by the supervisory board for a maximum period of five years; the first appointment of a member of the board of management, as a rule, should be made for a period of three years.
- (3) Only in the case of particular circumstances, members of the board of management shall be re-appointed prior to the end of their appointment and the current appointment shall be revoked at the same time.
- (4) The term of appointment of a member of the board of management shall end at the latest upon the expiration of the month in which the member concerned of the board of management reaches the general retirement age.
- (5) The supervisory board shall determine the total remuneration of the single members of the board of management. Moreover, it determines, and examines regularly, the remuneration structure for the board of management. In that context it shall comply with the requirements of section 87 of the German Stock Corporation Act (*Aktiengesetz – AktG*) and the recommendations of the German Corporate Governance Code (*Deutscher Corporate Governance Kodex*) as amended.

Section 7

Reserved matters

- (1) The following transactions and measures shall require previous approval by the supervisory board:
 - (a) fixing the investment, finance, and staff planning of the group for the following financial year (budget),
 - (b) acquiring and disposing of companies, partnerships, shareholdings and business divisions (except for financial investments) as well as capital expenditure for fixed assets, to the extent that in the individual case, the market value or, if no market value is available, the book value exceeds €300,000,000; this does not apply to acquisitions and disposals within the group;
 - (c) financing measures that are not covered by any resolution of the supervisory board on financial budgeting pursuant to lit. (a) and have a value that exceeds €1,000,000,000 in the individual case; this does not apply to financing measures within the group,
 - (d) concluding, amending, and revoking any enterprise agreements (*Unternehmensverträge*).
- (2) Moreover, the board of management shall require approval by the supervisory board in the event that it participates, within affiliates, in transactions or measures as specified in para. 1 by means of directives, approvals, or voting in administrative bodies.
- (3) In addition to the transactions and measures specified in para. 1, the supervisory board may stipulate that further transactions and measures shall require its approval.
- (4) In cases where waiting for the prior approval of the supervisory board shall create material disadvantages for the company, the board of management shall seek the approval of the executive committee. The supervisory board shall be informed about such a decision in writing without undue delay and shall receive an oral report at the next supervisory board meeting.

Section 8

**Duty of confidentiality and responsibility of the members
of the supervisory of board**

- (1) The members of the supervisory board shall not be bound by orders or instructions and may not accept them.
- (2) The members of the supervisory board shall be obliged to treat as confidential any confidential reports provided or confidential advice given to them of which they become aware because of their activity in the supervisory board. This applies in particular to the course of the deliberations, the statements made, the votes as well as other personal statements made by the single members of the supervisory board. Reports classified as confidential as well as financial data which have not yet been published must not be disclosed to third parties. The members of the supervisory board shall ensure that any members of staff and consultants possibly engaged by them comply in the same form with the duty of confidentiality. This duty of confidentiality shall remain applicable also after the termination of the office.

Section 9

Committees

- (1) The supervisory board may establish one or several committees from among its members. To the extent permitted by law, the adoption of resolutions may be delegated to such committees.
- (2) The supervisory board shall set up an executive committee as specified in section 10 below, an audit and risk committee as specified in section 11 below and a nominations committee as specified in section 12 below.
- (3) The supervisory board committees may issue their own rules of procedure, unless the supervisory board has issued rules of procedures for the committees.
- (4) Unless otherwise provided for in the rules of procedure issued for the committees, the provisions of section 3 para. 4 and of section 5 paras. 1, 2, 3, 5, 6, 7, and 8 shall apply *mutatis mutandis* to the committees of the supervisory board. If voting in a committee

results in an equality of votes, the chairman of the committee shall have the casting vote.

- (5) Reports on the committees' activities shall regularly be provided to the supervisory board and in an appropriate form, but at least orally in every ordinary meeting of the supervisory board. In addition, if the chairman of the supervisory board is not a member of a committee, the chairman of the supervisory board shall be informed without undue delay of all material findings by the committee in connection with the activities of the committee concerned.

Section 10

Executive committee

- (1) The executive committee shall be made up of the supervisory board chairman, his two deputies, two further members elected upon a proposal of the employees' representatives as well as another member elected upon a proposal of the shareholders' representatives. The chairman of the executive committee shall be the chairman of the supervisory board.
- (2) The executive committee shall be mandated and authorized to perform the following tasks on behalf of the supervisory board:
 - (a) Preparing meetings, managing ongoing matters and giving advice to the board of management on policy issues concerning the company's future strategy,
 - (b) preparing personnel-related supervisory board decisions, in particular by making proposals on the appointment, reappointment or recall of members of the board of management,
 - (c) submitting a proposal on the compensation system for the board of management, including the main contract elements, to be resolved and regularly reviewed by the supervisory board,
 - (d) concluding, amending or terminating service agreements with the members of the board of management, including the preparation of the decision of the su-

pervisory board to fix the overall compensation for each member of the board of management in accordance with section 87 of the German Stock Corporation Act. It has to be ensured that the total amount of the compensation paid shall be fair and reasonable relative to the duties and the performance of each member of the board of management as well as relative to the company's situation, and that the usual compensation is not exceeded without specific reasons. The compensation structure shall be geared toward the sustainable development of the company.

- (e) performing other legal transactions *vis-à-vis* active or former members of the board of management in accordance with section 112 of the German Stock Corporation Act,
- (f) giving its approval to other activities of a member of the board of management as specified in section 88 of the German Stock Corporation Act and to major transactions between the company on the one hand and a member of the board of management, or a person close to him or her, or a company to which a member of the board of management has close personal relations, on the other hand,
- (g) preparing the decision to grant loans to the group of persons listed in sections 89 and 115 of the German Stock Corporation Act,
- (h) giving its approval to the board of management's division of responsibilities,
- (i) preparing the decision to approve contracts with members of the supervisory board in accordance with section 114 of the German Stock Corporation Act,
- (j) decisions *in lieu* of the supervisory board according to section 7 para. 4,
- (k) adopting resolutions, while giving due regard to the provisions of section 107 para. 3 third sentence of the German Stock Corporation Act, in cases where, in order to avoid major disadvantages for the company, it does not seem acceptable to wait for the next meeting of the supervisory board, and where it is not possible to obtain a decision of the supervisory board within the necessary period of time; in such cases, the supervisory board shall be promptly informed

about such a decision in writing as well as by means of a verbal account at the next supervisory board meeting.

- (3) In addition, the executive committee shall deal with corporate governance issues. It shall report to the supervisory board at least once a year on the status, the effectiveness and any scope for improvement of the company's corporate governance, as well as on new requirements and developments in this field.
- (4) The executive committee shall only have a quorum if at least three of its members participate in the adoption of a resolution.

Section 11

Audit and risk committee

- (1) The audit and risk committee shall be made up of four supervisory board members to be elected by the supervisory board. The audit and risk committee elects its chairman from among its members based upon a proposal by the shareholders' representatives and a deputy upon a proposal by the employees' representatives.
- (2) The audit and risk committee shall deal, in particular, with accounting issues (including the accounting process), risk management and compliance, the necessary independence of the auditor, the award of the audit assignment to the auditor, the determination of the priority areas for the audit, the fee agreement and the additional services to be provided by the auditor. Part of the risk management are also the effectiveness of the internal control system, the internal risk management and the internal audit system. The chairman of the audit committee shall have particular expertise and experience in the application of accounting principles and internal control procedures. Upon the listing of Uniper SE, he shall be independent and shall not be a former board of management member whose appointment ended less than two years earlier.
- (3) The audit and risk committee shall prepare the proposal made by the supervisory board to the annual shareholders meeting for the election of the auditor and shall make a recommendation, on which the supervisory board's proposal shall be based.

- (4) To verify the independence of the auditor, the audit and risk committee shall, before submitting a proposal for the election of the auditor, obtain a declaration by the designated auditor stating that there are no grounds for his exclusion or for challenging him on account of partiality. During his audit assignment, the auditor shall report directly to the audit committee.
- (5) The members of the audit and risk committee shall be the recipients of the annual financial statements, the management report, the proposal for the appropriation of the net income for the year, the semi-annual and quarterly financial reports, as well as the consolidated financial statements and the group management report.
- (6) The audit and risk committee shall prepare the supervisory board's decision with regard to the adoption of the annual financial statements and the approval of the consolidated financial statements. For this purpose, the audit and risk committee shall pre-audit the annual financial statements, the management report, the consolidated financial statements, the group management report and the proposed appropriation of net income.
- (7) The audit and risk committee shall discuss semi-annual and quarterly financial reports with the board of management prior to their publication.
- (8) In connection with the performance of its duties, the audit and risk committee shall be entitled to request information from the board of management, the risk committee, the internal audit department, the company's senior managers who report directly to the board of management, and the disclosure committee.
- (9)

Section 12

Nominations committee

- (1) The nominations committee shall be made up of the supervisory board chairman, his deputy elected upon a proposal of the shareholders' representatives, as well as another representative of the shareholders to be elected by the supervisory board.

- (2) The function of the nominations committee shall be to propose to the supervisory board, in consideration of the supervisory board's objectives with regard to its composition under section 16, suitable candidates to be nominated at the annual shareholders meeting for election to the supervisory board.
- (3) The supervisory board chairman shall be the chairman of the nominations committee. The nominations committee shall be subject to these rules of procedure for the supervisory board *mutatis mutandis*.

Section 13

Attending the meetings of the supervisory boards or its committees

- (1) The members of the board of management shall attend the meetings of the supervisory board unless otherwise ordered by the chairman of the supervisory board in the individual case or by a resolution adopted by the supervisory board in the individual case. The chairman of the supervisory board may admit further persons to meetings of the supervisory board in the individual case. As regards the decision taken by the chairman of the supervisory board on the admission of further persons to a meeting, each member of the supervisory board shall be entitled to demand that a resolution be adopted by the supervisory board on such admission.
- (2) The provisions in para. 1 above shall also apply, *mutatis mutandis*, to meetings of the supervisory board committees, with the proviso that each committee chairman shall decide whether the board of management as a whole or individual members of the board of management can attend the committee meetings
- (3) If third parties who are not bound by a professional obligation or an agreement with the company or any of its affiliates to maintain confidentiality attend meetings of the supervisory board or of its committees pursuant to these provisions, the chairman of the supervisory board shall have the persons concerned sign a separate confidentiality statement.

Section 14

Information and reporting duties

- (1) The board of management shall regularly inform the supervisory board, in a timely manner, and comprehensively of all issues relevant to the company as regards the planning, the business development, the risk position, the risk management, and compliance. It shall deal with deviations of the business development from the plans prepared and the targets, specifying the reasons. The reports of the board of management for the supervisory board as a rule shall be prepared in writing.
- (2) The chairman of the board of management shall be responsible for reporting, and all members of the board of management shall support the chairman as regards this duty. The board of management shall inform the supervisory board at least every three months on the course of business and its expected development as well as principally submit each quarter a report on the matters to be reported by the company as specified in section 90 of the German Stock Corporation Act.
- (3) The chairman of the supervisory board shall regularly have contact with the board of management, in particular the chairman of the board of management, and discuss with the latter the company's strategy, the business development, and the risk management. The chairman of the supervisory board shall be informed without undue delay by the chairman of the board of management of important events which are of substantial importance for the assessment of the situation and the development as well as the management of the company, and of any deficiencies of the monitoring system to be set up pursuant to section 91 para. 2 of the German Stock Corporation Act by the board of management. The chairman of the supervisory board subsequently shall inform the supervisory board and, if required, convenes an extraordinary meeting of the supervisory board.
- (4) In addition, the board of management shall submit to the supervisory board, at the last meeting of each financial year, the investment, finance, and staff planning for the following financial year and the medium-term planning.

Section 15

Co-operation with the auditor

- (1) Without undue delay following the election of the auditor by the general meeting, the supervisory board shall inform the auditor thereof and determine the details of the audit mandate, including the remuneration, as regards the audit of the annual financial statements pursuant to section 290 of the German Commercial Code (*Handelsgesetzbuch – HGB*). The supervisory board may authorise the chairman of the supervisory board to enter into the agreement with the auditor, performing such resolution. When giving the audit mandate, the chairman of the supervisory board and the auditor shall agree on the following:
 - (a) the chairman of the supervisory board shall be informed without undue delay of any possible reasons for disqualification or partiality arising in the course of the audit, unless such reasons are eliminated,
 - (b) the auditor shall report without undue delay on any findings and events established in the course of the audit, which are material to the supervisory board's duties, and
 - (c) the auditor shall inform him or shall state in the auditor's report if he detects any facts in the course of the audit, which lead to any declarations as regards the German Corporate Governance Code made by the board of management or the supervisory board being incorrect.
- (2) Each member of the supervisory board shall receive the documents to be submitted pursuant to section 171 para. 1 of the German Stock Corporation Act and the auditor's reports.
- (3) The supervisory board shall examine the annual financial statements, the management report, and the proposal for the appropriation of the balance sheet profits. The supervisory board shall provide a report in writing on the audit's results to the general meeting. The content of this reporting duty is based on section 171 para. 2 of the German Stock Corporation Act.

- (4) The auditor shall participate in the deliberations of the supervisory board in line with section 171 para. 1 of the German Stock Corporation Act.

Section 16

Composition of the supervisory board

- (1) The composition of the supervisory board shall ensure that its members in whole have the expertise, skills, and professional experience required for the due performance of the duties. The supervisory board shall specify precise objectives for its composition which, considering the specific situation of the company, take into account the international activities of the company, potential conflicts of interest, the number of independent members of the supervisory board, the age limit applicable to members of the supervisory board under para. 2, a general limitation to be determined for the length of time of membership in the supervisory board, and diversity. At least one independent member of the supervisory board shall have accounting or auditing expertise. When submitting to the general meeting its proposals for elections, the supervisory board shall take into account these objectives.
- (2) The members of the supervisory board as a rule shall not to be older than 70 years at the time of their election.
- (3) In order to allow for the board of management being given advice to and supervised independently, the supervisory board shall have a number of independent members as it considers to be reasonable. A maximum of two former members of the board of management may be members of the supervisory board. Members of the supervisory board must not be member of any boards of or perform advisory duties for significant competitors of the company.
- (4) Members of the board of management must not become a member of the company's supervisory board prior to the expiration of a two years' period following the end of their appointment, unless their election is made following a proposal being made by shareholders which hold more than 25% of the voting rights in the company. In such case, being appointed chairman of the supervisory board is an exception to be justified to the general meeting.

- (5) The supervisory board shall not propose any candidates to the general meeting who are members of the board of management of a listed company or are already members of three supervisory boards of listed companies or of supervisory bodies of companies or partnerships which are not affiliated with the company, if such memberships make similar demands. When making proposals for the election to the general meeting the supervisory board shall disclose the personal and professional relations between each candidate and the company, the corporate bodies of the company, and any shareholder holding a material interest in the company in line with the requirements of section 5.4.1 of the German Corporate Governance Code.
- (6) If a member of the supervisory board attends less than half of the meetings of the supervisory board in a financial year, this shall be stated in the report of the supervisory board pursuant to section 171 para. 2 sentence 1 of the German Stock Corporation Act.

Section 17

Conflicts of interests, transparency, and efficiency

- (1) Each member of the supervisory board shall be obliged to disclose to the supervisory board any conflicts of interests, in particular those which could arise due to advice being given to or membership in boards of customers, suppliers, lenders, or other third parties.
- (2) The supervisory board shall inform, in a report to the general meeting, on any conflicts of interests which arose and how they were dealt with. In the event of a member of the supervisory board having substantial and other-than-temporary conflicts of interests, the membership shall be terminated.
- (3) The supervisory board shall examine regularly, principally every two years, the efficiency of its activities.
- (4)

Section 18

Training

The members of the supervisory shall, at their own initiative, participate in training activities required for their duties. The supervisory board shall decide which support the company reasonably provides.