

Rules of Procedure for the Administrative Board

of GFT Technologies SE



On the basis of section 9 of the Articles of Association of GFT Technologies SE, the Administrative Board of GFT Technologies SE adopted the following

Rules of Procedure

on 9 December 2015 by unanimous resolution:

§ 1

General

1. The Administrative Board shall conduct business in accordance with the law, the Articles of Association and the Rules of Procedure set out below. In addition, the rules of the German Corporate Governance Code are to be observed, taking into account the one-tier system of the company, provided that the current Declaration of Compliance adopted by the Administrative Board in this regard does not include any restrictions. The members of the Administrative Board have equal rights and duties and are not bound by instructions.
2. The Administrative Board manages the company, defines the principles of its activities and supervises their implementation. To this end, the Chairman of the Administrative Board regularly coordinates with the Managing Directors, especially with the CEO (Chief Executive Officer, Chair of the Managing Directors), with regard to the implementation of strategy, business performance, risk management and the compliance of GFT Technologies SE and its affiliated companies.
3. The Administrative Board monitors the activities of the Managing Directors. It receives swift, regular and comprehensive information from the Managing Directors on all relevant questions concerning planning, the development of business, risks, the implementation of risk management and compliance, and in particular on all deviations from the business plans and targets submitted, stating the reasons for such deviations. The CEO, or after coordination with the CEO a different Managing Director, is obliged to provide information on exceptional events of particular importance.
4. When performing its duties, the Administrative Board cooperates with the Managing Directors in a spirit of mutual trust for the benefit of the company. It is authorised to issue instructions to them.
5. The Administrative Board appoints the Managing Directors and dismisses them.
6. Members of the Administrative Board can be appointed as Managing Directors provided that the majority of Administrative Board members are still non-executive members.

§ 2

Confidentiality

1. All members of the Administrative Board undertake to maintain secrecy on all confidential matters and secrets of the company, in particular on business and trade secrets, which they learn in their capacity as members of the Administrative Board, unless this is contrary to a statutory duty. The obligation to maintain confidentiality shall continue to apply even after termination of their office as members of Administrative Board.
2. Any disclosure of information to third parties which is not obviously permissible is subject to the prior approval of the Chairman of the Administrative Board. If the latter does not consent to the disclosure of information, he must, at the request of the Administrative Board member concerned, immediately seek a decision by the Administrative Board. In this case, the Administrative Board member is only entitled to disclose information if a majority of three-quarters of the Administrative Board agrees.
3. Minutes and confidential meeting documents must be kept under lock and key. On expiry of the mandate, all confidential documents including any duplicates and copies must be returned to the company. Data provided in electronic form must be deleted, including all copies; the Chairman must be assured in writing of such deletion. There is no right to retain any documents or data.

§ 3

Conflicts of interest

1. Each member of the Administrative Board is committed to act in the interests of the company. When making decisions, they may neither pursue personal interests nor take advantage of business opportunities available to the company for their own benefit.
2. Each member of the Administrative Board is obliged to disclose to the Administrative Board any conflicts of interest, in particular those that may arise as a result of consultancy or membership of an executive body of customers, suppliers, competitors, lenders or other business partners. The relevant Administrative Board member is excluded from adopting resolutions on the matter subject to the conflict of interest.
3. Managing Directors who are also members of the Administrative Board may not participate in any deliberations or decisions concerning their appointment and remuneration as Managing Directors, or regarding their dismissal, their liability, or other legal transactions with them or persons closely associated with them, or in connection with the supervision of their activities as Managing Director.
4. Consultancy and other service or work contracts between a member of the Administrative Board and the company require the approval of the Administrative Board.

§ 4

Chairman and Deputy Chairman

1. The Administrative Board shall elect a Chairman and a Deputy Chairman from among its members at a meeting to be held after the Annual General Meeting at which the term of office of a Chairman or Deputy Chairman ends, and at which the oldest member in years elected by the Annual General Meeting shall take over the role as Chairman. No special invitation to this meeting of the Administrative Board is required. The election shall be held for the duration of the elected members' membership of the Administrative Board. The election of the Chairman and Deputy Chairman is also necessary if the Administrative Board member was previously a member of the Administrative Board, i.e. was only reappointed.
2. The Deputy Chairman shall deputise for the Chairman if he is prevented from attending meetings. If no Deputy Chairman has been appointed or if the Deputy Chairman is also prevented from attending, the oldest member of the Administrative Board in terms of age elected by the Annual General Meeting shall deputise for the Chairman.
3. If the Chairman or his deputy resign from office prematurely, the Administrative Board shall immediately hold a new election for the remaining term of office of the resigning member.

§ 5

Duties of the Chairman of the Administrative Board

1. The Chairman of the Administrative Board coordinates the work of the Administrative Board, chairs its meetings and represents the interests of the Administrative Board externally. He represents the Administrative Board in dealings with the Managing Directors.
2. The Chairman is authorised to submit and receive the declarations required to implement the resolutions of the Administrative Board and its committees, provided that the Administrative Board is responsible for such implementation. If the Chairman is prevented from doing so, his deputy shall assume these powers.

§ 6

Meetings of the Administrative Board

1. Meetings of the Administrative Board shall be held at least every three months. They must also be held if so required for the good of the company or if a member of the Administrative Board requests that a meeting be convened.
2. Meetings of the Administrative Board shall be convened by the Chairman or, if he is prevented from doing so, by his deputy. The Chairman of the Administrative Board or, if he is prevented from doing so, his deputy may postpone a convened meeting before it begins. The Chairman or, if he is prevented from doing so, his deputy shall determine the form and notice period for convening meetings. Section 37 SEAG remains unaffected.

3. The invitation must include the items on the agenda and proposals for resolutions. As a rule, the members of the Administrative Board should receive the documents for discussion five calendar days prior to the meeting. Each member of the Administrative Board has the right to nominate items for the agenda.
4. The Chairman shall chair the meeting and determine the order in which items on the agenda are to be dealt with and the voting procedure. He may postpone the discussion of individual agenda items until the next meeting. Any further postponement requires a resolution of those Administrative Board members present.
5. The Chairman of the Administrative Board is responsible for the proper conduct of the meeting. He shall appoint a person to take the minutes. This person need not be a member of the Administrative Board if the person is bound to secrecy.
6. The Administrative Board may call in specialists and other persons in a position to provide information for discussion of individual items on the agenda.
7. The chief auditor shall attend the Administrative Board meeting at which the Administrative Board examines the annual financial statements, the consolidated financial statements, the management report and the Group management report and shall report on the main results of his audit.
8. Minutes shall be taken at each Administrative Board meeting and signed by the Chairman of the Administrative Board. The minutes shall state the place and date of the meeting, the participants and the items on the agenda, the main content of the discussions and the resolutions of the Administrative Board. Each member of the Administrative Board shall be provided with a copy of the minutes of the meeting on request.

§ 7

Resolutions

1. The Administrative Board generally adopts its resolutions in meetings with the personal participation of its members (attendance meeting). Members of the Administrative Board may, by order of the Chairman, attend Administrative Board meetings by video conference or by means of electronic media which enable the Administrative Board members to see and hear each other; members of the Administrative Board who attend by means of one of these means of communication shall be deemed to be present.
2. The Administrative Board is quorate if at least half of its members of which it must consist in total participate in the adoption of the resolution. A member also participates in the adoption of a resolution if he or she abstains from voting.
3. Instructions to the entirety of the Managing Directors or to individual Managing Directors require a resolution of the Administrative Board.

4. Details on the majority requirements for adopting resolutions, the possibility to cast votes in writing, the adopting of resolutions outside meetings, the validity of resolutions on agenda items that were not duly announced and the assertion of the invalidity of resolutions are otherwise subject to the regulations set forth in section 12 of the Articles of Association of GFT Technologies SE.

§ 8

Efficiency review

The Administrative Board shall review regularly, at least every two years, the efficiency of its work and shall decide on any necessary adjustments to these Rules of Procedure.

§ 9

Proposals for new members of the Administrative Board

Insofar as the Administrative Board is required to make nominations for new Administrative Board members, it shall do so in the interests of the company. The age of candidates for election to the Administrative Board shall be at least 30 years and not more than 75 years when they assume their position.

§ 10

Entry into force / validity

1. These Rules of Procedure shall enter into force on the day of their adoption and shall remain in force until the Administrative Board decides otherwise.
2. The Administrative Board may decide by simple majority to deviate from the Rules of Procedure in individual cases.