

TRATON

ARTICLES OF ASSOCIATION

AS OF JUNE 2023



NAVISTAR



Convenience translation

This translation is a working translation only. Legally binding and relevant is solely the German version.

I. GENERAL INFORMATION

Article 1

Company name and registered office

(1) The name of the Company is

TRATON SE.

(2) The registered office of the Company is in Munich.

Article 2

Purpose of the Company

(1) The purpose of the Company is the holding of investments in companies whose business purpose is the manufacturing and distribution of vehicles and engines of any kind, as well as such items' ancillary equipment and all plants, machinery, tools, and other technical products.

(2) The Company is entitled to carry out any business and take any measures that are related to the Company's purpose or appear conducive to the latter, either directly or indirectly. For this purpose, it may also establish branches in Germany and abroad, as well as establish and acquire or participate in other entities.

Article 3

Fiscal year

The fiscal year is equivalent to the calendar year.

Article 4

Announcements and information

(1) Announcements by the Company are published in the *Bundesanzeiger* (the Federal Gazette). In the event that a different form of announcement is required by law, such other form of announcement will replace the *Bundesanzeiger*.

(2) Wherever permitted by law, any information to holders of listed securities of the Company may also be provided by means of electronic media.

II. SHARE CAPITAL AND SHARES

Article 5

Share capital

(1) The Company's share capital is EUR 500,000,000 (in words: five hundred million euros).

EUR 10,000,200.00 (in words: ten million two hundred euros) of this amount resulted from the change of legal form of TRATON AG, which has its registered office in Munich and is entered in the commercial register of the Munich Local Court (*Amtsgericht*) under HRB 241814, to a *Societas Europaea* (SE).

(2) The share capital is divided into 500,000,000 no-par value shares (*Stückaktien*).

- (3) The Management Board is authorized, subject to the consent of the Supervisory Board, to increase the share capital of the Company on or before May 31, 2028, on one or more occasions, by up to a total of EUR 200,000,000 through the issuance of up to 200,000,000 new bearer shares with no par value (*Stückaktien*) in return for contributions in cash or in kind (Authorized Capital 2023). In doing so, the Management Board may determine that the new shares carry profit participation entitlements in a way that departs from section 60 para. 2 of the German Stock Corporation Act (*Aktien-gesetz – AktG*).

Shareholders are generally to be granted a subscription right, unless the Management Board exercises the below authorizations to exclude the subscription right, subject to the consent of the Supervisory Board. The new shares may also be taken up by a credit institution or a financial institution operating under section 53 para. 1 sentence 1 or section 53b para. 1 sentence 1 or para. 7 of the German Banking Act (*Kreditwesengesetz – KWG*) or a syndicate of such credit or financial institutions, in each case as determined by the Management Board, subject to an undertaking to offer the shares to shareholders for subscription. Subject to the Supervisory Board's consent, the Management Board is authorized to exclude the subscription right of shareholders in the following cases:

- (a) to even out fractional amounts occurring due to a capital increase;
- (b) where this is necessary to grant subscription rights to new shares to holders or creditors of convertible or warrant bonds or convertible participation rights issued by the Company or entities in which the Company holds a direct or indirect majority interest, to the extent to which they would be entitled to such subscription rights as shareholders after exercising their conversion or option rights or, as the case may be, after fulfilment of their option or conversion obligations;
- (c) where the new shares are issued against contributions in cash and the issue price of the new shares is not significantly lower than the stock market price of the Company's listed shares at the time of the final determination of the issue price, which should be as close as possible to the placement of the shares. This authorization to exclude the subscription right only applies to the extent that the *pro rata* amount of the share capital mathematically attributable to the shares issued with the exclusion of subscription rights pursuant to section 186 para. 3 sentence 4 of the German Stock Corporation Act (*Aktiengesetz*) does not exceed 10% of the share capital – based on either the amount of share capital existing at the time when this authorization takes effect or the amount of share capital when the authorization is exercised. The 10%-limit includes shares that (i) were issued or sold during the term of this authorization up to the time of it being exercised with the exclusion of subscription rights on the basis of other authorizations in direct or *mutatis mutandis* application of section 186 para. 3 sentence 4 of the German Stock Corporation Act (*Aktiengesetz*) or (ii) were issued or are to be issued to service bonds or participation rights with conversion or option rights or conversion or option obligations, provided that the bonds or participation rights were issued during the term of this authorization up to the time of it being exercised with the exclusion of subscription rights in *mutatis mutandis* application of section 186 para. 3 sentence 4 of the German Stock Corporation Act (*Aktiengesetz*);
- (d) where the capital increase is performed for the purposes of granting shares in return for contributions in kind, in particular with the aim of acquiring enterprises, parts of enterprises or interests in enterprises, or of other assets.

The Management Board is further authorized, subject to the consent of the Supervisory Board, to determine the further details regarding the capital increase and the conditions for the issuance of shares. The Supervisory Board is authorized to amend the wording of Article 5 of the Articles of Association following the performance, in whole or in part, of a capital increase under Authorized Capital 2023 or after expiry of the authorization period, in line with the scope of the capital increase.

- (4) The share capital of the Company is conditionally increased by up to EUR 50,000,000, by issuing up to 50,000,000 new, no-par value bearer shares (*Stückaktien*) (Conditional Capital 2023). The sole purpose of Conditional Capital 2023 is to grant new shares to the holders or creditors of bonds issued by the Company or other entities in which the Company holds a direct or indirect majority interest under the shareholder resolution passed at the Company's Annual General Meeting to be held on June 1, 2023, under agenda item 10.2. until May 31, 2028, in case conversion or option rights are utilized or conversion or option obligations are fulfilled or in case the Company exercises its right to, in whole or in part, grant shares in the Company in lieu of cash payments due. The shares are issued at the conversion and option price to be set in accordance with the aforementioned resolution. The conditional capital increase will only be carried out to the extent that conversion or option rights are utilized or conversion or option obligations are fulfilled or the Company exercises its right to, in whole or in part, grant shares in the Company in lieu of cash payments due, and unless other forms of fulfillment are used.

The new shares participate in the profit from the beginning of the fiscal year in which they are issued. Within the bounds of the law and subject to the Supervisory Board's consent, the Management Board can depart from this provision and from section 60 para. 2 of the German Stock Corporation Act (*Aktiengesetz*), and also determine an entitlement to profit participation for a financial year that has already ended.

The Management Board is authorized, subject to the Supervisory Board's consent, to determine the remaining details for carrying out the conditional capital increase.

Article 6 **Shares**

- (1) The shares are bearer shares.
- (2) Shareholders may not claim delivery of physical share certificates where said delivery is permitted by law. The Company is authorized to issue share certificates representing individual shares (*Einzelaktien*) or representing multiple or all shares (*Sammelaktien*). Shareholders are not entitled to be issued with dividend coupons (*Gewinnanteilscheine*) or renewal coupons (*Erneuerungsscheine*).
- (3) The Management Board shall determine the form and content of any share certificates and any potential dividend and renewal coupons with the consent of the Supervisory Board. The same applies to any bonds and interest coupons.

III. STRUCTURE

Article 7 **Governing bodies of the Company**

The Company's management structure is a two-tier system. The governing bodies of the Company are:

- the Management Board (management body)
- the Supervisory Board (supervisory body) and
- the General Meeting.

1. MANAGEMENT BOARD

Article 8 **Composition and Rules of Procedure**

- (1) The Management Board shall have at least two members. The remaining details of the number of Management Board members shall be determined by the Supervisory Board.
- (2) The Supervisory Board may appoint a Chairman and a Deputy Chairman of the Management Board.
- (3) Management Board members are appointed for a maximum term of five years. Management Board members may be reappointed.
- (4) The Supervisory Board may adopt rules of procedure for the Management Board that also govern the allocation of responsibilities within the Management Board.

Article 9 **Management and representation of the Company**

- (1) The Management Board shall manage the Company under its own responsibility. It is to manage the Company's business in accordance with the law, the Articles of Association, and the Rules of Procedure for the Management Board.

Notwithstanding the Management Board's overall responsibility, each Management Board member shall independently manage the area of responsibility assigned to him/her.

- (2) The Company is represented by two members of the Management Board or by one member of the Management Board together with a *Prokurist* (authorized signatory).
- (3) The Supervisory Board may decide that individual Management Board members are authorized to represent the Company alone. Moreover, the Supervisory Board may release all or individual Management Board members, either in general or on a case-by-case basis, from the prohibition on multiple representation (*Mehrfachvertretung*) pursuant to section 181, 2nd alternative of the German Civil Code (*Bürgerliches Gesetzbuch – BGB*); section 112 of the German Stock Corporation Act (*Aktiengesetz – AktG*) remains unaffected.

Article 10 Adoption of resolutions

- (1) A Management Board comprised of only two members shall only constitute a quorum if all members participate in the adoption of a resolution, either in person or by means of electronic media; a Management Board comprised of three or more members shall only constitute a quorum if at least half of the members participate in the adoption of a resolution, either in person or by means of electronic media. Management Board members participating by means of a conference call or a video conference are deemed to be in attendance. Absent members may cast their votes in writing, by fax, or by means of electronic media and may have another Management Board member submit their vote on their behalf in the meeting.
- (2) The resolutions of the Management Board are adopted by a majority of the votes cast by the Management Board members participating in the adoption of the resolution unless any other majority is required by law or by these Articles of Association or by the Rules of Procedure. If a Chairman of the Management Board is appointed, his vote will be the casting vote in the event of a tie. Should the Management Board comprise two members only, resolutions may only be adopted unanimously.

2. SUPERVISORY BOARD

Article 11 Composition, elections, term of office

- (1) The Supervisory Board has twenty (20) members, ten of whom are shareholder representatives and ten employee representatives.
- (2) The ten shareholder representatives are elected by the General Meeting without being bound by election proposals. The ten employee representatives are appointed in accordance with the provisions of the agreement on arrangements for employee involvement in the SE entered into pursuant to the German SE Employee Involvement Act (*SE-Beteiligungsgesetz – SEBG*).
- (3) Shareholder representatives are appointed for a term of office expiring at the end of the General Meeting in which a resolution is adopted approving the actions of the Supervisory Board members for the fourth fiscal year after the beginning of the term of office unless any other term of office is determined when the shareholder representatives are elected by the General Meeting, but in any event for a maximum of six years, not including the fiscal year in which the term of office commences.
- (4) Each Supervisory Board member may resign from office, even without cause, by declaring this in writing to the Company's Management Board and copying in the Chairman of the Supervisory Board – or, in the event that the member resigning is the Chairman himself, copying in his deputy – observing a notice period of one month. The Chairman of the Supervisory Board or, if the member resigning is the Chairman himself, his deputy, may shorten the notice period or waive the requirement to comply with the notice period altogether.
- (5) A successor to a member who stepped down from the Board prior to the expiry of his/her term of office shall be elected for the remaining term of office of the Supervisory Board member who resigned unless the General Meeting determines a different term of office for the successor.

- (6) When electing shareholder representatives, the General Meeting may elect alternate shareholder representatives at the same time. These replace any Supervisory Board members who step down prior to the expiry of their regular term of office in the order determined by the General Meeting at the time of election. If an alternate member replaces a member who resigned, the former's term of office shall expire at the end of the General Meeting in which a successor is elected pursuant to Article 11 (5) above, however no later than the end of the term of office of the original Supervisory Board member that resigned. If the alternate member who would have stepped down from the Board as a result of a successor being elected had been appointed to replace more than one Supervisory Board member, he/she shall be reinstated as an alternate member.
- (7) The General Meeting shall decide on the removal from office of shareholder representatives on the Supervisory Board in accordance with Article 21. Employee representatives on the Supervisory Board are removed from office in accordance with the detailed provisions of the agreement on arrangements for employee involvement in the SE entered into pursuant to the German SE Employee Involvement Act (*SEBG*).

Article 12 **Chairman and Deputy Chairman**

- (1) The Supervisory Board shall elect a Chairman and a Deputy Chairman from its members. Only a member appointed as a shareholder representative by the General Meeting may be elected Chairman, and only an employee representative may be elected Deputy Chairman. The Chairman and Deputy Chairman should be elected immediately after the General Meeting in which new Supervisory Board members are elected; no particular convening notice is required for this meeting. The term of office for the Chairman and Deputy Chairman correspond to their term of office as Supervisory Board members unless a shorter term of office is determined at the time of election.
- (2) If the Chairman or his deputy step down from the Board during their term of office, the Supervisory Board is to elect, without undue delay, a new Chairman or Deputy Chairman, as applicable, for the remaining term of office of the person resigning.
- (3) Elections in accordance with paragraphs (1) and (2) are to take place before any other resolutions.
- (4) Unless other provisions are set out in these Articles of Association, the Deputy Chairman has the same rights as the Chairman in all cases in which the Chairman is unable to attend and in which the Deputy Chairman represents the Chairman as his deputy.
- (5) The Supervisory Board's declarations of intent are made by the Chairman on behalf of the Supervisory Board. The Chairman is authorized to accept declarations for the Supervisory Board.

Article 13 **Rights and duties of the Supervisory Board**

- (1) The Supervisory Board has all duties and rights assigned to it by law and by the Articles of Association.
- (2) The following matters and measures of the Company and, if explicitly provided for below, the Company's subsidiaries require the prior consent of the Supervisory Board:
 1. Annual corporate planning in the context of a planning round concept;as well as the following transactions and measures where these do not form part of the annual corporate planning as outlined in point 1.:
 2. Establishment and dissolution of branches of the Company or the Company's subsidiaries where the branch in question employs more than 500 people or is expected to employ more than 500 people in the next three years;
 3. Establishment and relocation of production or research and development sites of the Company or the Company's subsidiaries;
 4. Formation and dissolution of other entities by the Company or the Company's subsidiaries where the entity in question employs more than 500 people or is expected to employ more than 500 people in the next three years as well as the acquisition and disposal by the Company or the Company's subsidiaries of investments in other entities

where the entity in question employs more than 500 people or the expenses associated with the acquisition exceed EUR 100 million;

5. Investment programs and investments of the Company and its subgroups that are outside of the scope of these investment programs where each individual investment exceeds EUR 10 million;
 6. Taking out of bonds or loans outside the ordinary course of business in excess of EUR 50 million in each individual case;
 7. Assumption of sureties, guarantees, or similar liability as well as the granting of loans where the measures are outside the ordinary course of business and exceed EUR 50 million in each individual case;
 8. Acquisition, disposal, and encumbrance of property and rights equivalent to property rights where the value of the individual transaction exceeds EUR 10 million;
 9. Composition of the management boards of MAN Truck & Bus SE, Volkswagen Truck & Bus Indústria e Comércio de Veículos Ltda., Scania AB and Scania CV AB, and Navistar International Corporation as well as of future subsidiaries of similar size and importance;
 10. Conclusion of intercompany agreements (*Unternehmensverträge*) in accordance with section 291 ff. of the German Stock Corporation Act (*Aktiengesetz – AktG*);
 11. Implementation of synergy projects that affect more than one subgroup and that have, or are expected to have within the next three years, an impact on the employment of more than 250 employees as well as the reallocation of existing and the allocation of new development leads within the TRATON GROUP.
- (3) The Supervisory Board may stipulate additional matters that require its consent either in the Rules of Procedure for the Management Board/the Supervisory Board or by resolution. In general or in the event that individual matters meet certain requirements, it may grant its revocable consent to certain matters in advance.
- (4) The Supervisory Board is authorized to adopt resolutions to make amendments to the Articles of Association that affect only their wording.

Article 14 **Rules of Procedure and committees**

- (1) The Supervisory Board adopts its Rules of Procedure in accordance with the statutory provisions and the provisions of these Articles of Association.
- (2) In accordance with the statutory requirements, the Supervisory Board may form Supervisory Board committees from among its members and determine their composition, duties, and powers in rules of procedure. To the extent permitted by law or by the Articles of Association, the Supervisory Board may assign its duties, decision-making powers, and rights to its Chairman, individual members, or committees formed from among its members.

Article 15 **Meetings and adoption of resolutions**

- (1) Meetings of the Supervisory Board are convened by the Chairman with at least fourteen days' notice. The convening notice may be sent in writing, by fax, by e-mail, or by any other commonly used means of telecommunication. In urgent cases, the Chairman may shorten the notice period and convene the meeting orally or by telephone. In all other respects, the statutory provisions as well as the provisions of the Rules of Procedure for the Supervisory Board apply with regard to the convening of meetings of the Supervisory Board.
- (2) The meetings of the Supervisory Board are chaired by the Board's Chairman.
- (3) As a rule, resolutions of the Supervisory Board are adopted during in-person meetings. However, if the Chairman of the Supervisory Board determines accordingly, meetings of the Supervisory Board may be held in the form of a video conference or a conference call. Alternatively, individual Supervisory Board members may take part in meetings via

video transmission or by telephone. In such cases, resolutions may be adopted and votes cast in a video conference, via video transmission, or by telephone. Any Supervisory Board members who are absent or do not attend or join the conference call may also participate in the adoption of Supervisory Board resolutions by having another Supervisory Board member submit their vote in writing. In addition, they may also submit their vote orally, by telephone, by fax, by e-mail, or by any other commonly used means of communication prior to the meeting, in the course of the meeting, or after the meeting within a reasonable period to be determined by the Chairman of the Supervisory Board. A right to object to the method for adopting a resolution ordered by the Chairman is excluded.

- (4) Resolutions may also be adopted outside of meetings (within the meaning of Article 15 (3)) in writing, by fax, by e-mail, or by any other similar means of communication as well as a combination of the means mentioned above if ordered by the Chairman of the Supervisory Board within a reasonable period or if all Supervisory Board members participate in the adoption of the resolution. In this context, members who abstain from voting when a resolution is adopted are considered to be participating in the adoption of the resolution. A right to object to the method for adopting a resolution ordered by the Chairman is excluded.
- (5) The Supervisory Board shall constitute a quorum if at least half of the total members of which it has to be composed participate in the adoption of the resolution. Any Supervisory Board members who are absent or do not attend or join the meeting by telephone or electronic means of communication (in particular by video conference) and submit their votes pursuant to Article 15 (3) or (4) as well as any members that abstain from voting when a resolution is adopted are considered to be participating in the adoption of a resolution in this context.
- (6) Unless otherwise expressly provided for by law, any resolutions of the Supervisory Board are adopted by a simple majority of the votes cast. In this context, abstentions are not considered to be votes cast. In the event that a Supervisory Board vote results in a tie, the Chairman of the Supervisory Board shall have the casting vote. If the Deputy Chairman of the Supervisory Board is an employee representative, he shall not have the casting vote in the event of a tie if the Chairman is unable to vote.
- (7) The meetings of the Supervisory Board (within the meaning of Article 15 (3)) as well as the resolutions adopted in these meetings must be recorded in minutes; said minutes must be signed by the Chairman. Any resolutions passed outside of meetings (within the meaning of Article 15 (3)) shall be recorded in writing by the Chairman and sent to all Supervisory Board members.

Article 16 **Remuneration, insurance**

- (1) Supervisory Board members receive fixed annual remuneration of EUR 75,000. The Chairman of the Supervisory Board receives three times, and the Deputy Chairman twice, the remuneration of a full member.
- (2) In addition, Supervisory Board members receive additional fixed annual remuneration of EUR 40,000 per committee for their work on Supervisory Board committees, provided that the relevant committee met at least once per year to perform its tasks. Membership of the Nomination Committee and the Mediation Committee pursuant to section 27 para. 3 of the German Codetermination Act (*Mitbestimmungsgesetz* – MitbestG), where such a committee has been established, shall not be taken into account. The Chairmen of the committees receive twice, and the Deputy Chairmen one and a half times, the committee remuneration specified above. Committee activities are taken into account for a maximum of two committees; the two functions with the highest remuneration shall be taken into account in the event that this maximum is exceeded.
- (3) Members of the Supervisory Board that are Supervisory Board members or hold office as Chairman or Deputy Chairman of the Supervisory Board for part of a fiscal year only receive the relevant proportionate remuneration. This applies *mutatis mutandis* to the remuneration as member or Chairman of a committee.
- (4) The member in question receives an attendance fee of EUR 1,000 for attending a meeting of the Supervisory Board or a committee; if several meetings are held on the same day, the attendance fee is only paid once.
- (5) The Company shall take care to ensure that third-party liability insurance with a deductible has been taken out for the benefit of the Supervisory Board members. In addition to the remuneration pursuant to paragraphs above, the Company shall reimburse the Supervisory Board members for the reasonable expenses incurred by them in connection with exercising their Supervisory Board role as well as for any VAT payable on their remuneration and expenses.

- (6) The remuneration pursuant to paragraphs (1) and (2) is payable after the end of the General Meeting accepting, or deciding on the adoption of, the consolidated financial statements for the fiscal year for which the remuneration is paid.

3. GENERAL MEETING

Article 17

Venue and convening notice

- (1) The General Meeting of the shareholders is held in the first six months of each fiscal year.
- (2) Subject to the Supervisory Board's statutory rights to convene meetings and the existence of a shareholder minority, the General Meeting shall be convened by the Management Board. At the convening body's option, the General Meeting shall be held at the Company's registered office, at the registered office of a German stock exchange, at a location within 50 km of the Company's registered office, or in any German city with more than 100,000 inhabitants.
- (3) The General Meeting must be convened within the statutory periods. These periods are extended by the number of days of the registration period (Article 18 (1) of the Articles of Association). The periods are calculated pursuant to the statutory provisions.

Article 17a

Virtual General Meeting

The Management Board is authorized to provide for the General Meeting to be held without shareholders or their authorized representatives being physically present at the General Meeting venue (virtual General Meeting). This authorization is granted for a limited time and applies to General Meetings held no later than May 31, 2028. The authorization may be extended or renewed (also more than once) by corresponding resolution of the General Meeting.

Article 18

Conditions for participation

- (1) Shareholders who registered in time and furnished proof of their shareholding are entitled to participate in the General Meeting and to exercise their voting rights. The registration must be received by the Company at the address specified in the convening notice for this purpose and within the statutory periods. A shorter period, which must be stated as a number of days, may be specified in the convening notice.
- (2) Registration must be made in text form as defined in section 126b of the German Civil Code (*Bürgerliches Gesetzbuch – BGB*) or by any other electronic means to be specified by the Company and must be in German or English.
- (3) Special proof of shareholding is required for the proof of shareholding pursuant to paragraph (1). Proof of shareholding in accordance with section 67c para. 3 of the German Stock Corporation Act (*Aktiengesetz – AktG*) shall be sufficient in any case. The proof of shareholding must refer to the beginning of the 21st day prior to the date of the General Meeting and must be received by the Company early enough to observe the legally stipulated period for receipt of the proof by the Company. A shorter period, which must be stated as a number of days, may be specified in the convening notice.

Article 19

Chairman of the General Meeting, video and audio transmission

- (1) The General Meeting shall be chaired by the Chairman of the Supervisory Board or by any other Supervisory Board member determined by the Chairman of the Supervisory Board (meeting Chairman). In the event that the meeting is not chaired by either the Chairman of the Supervisory Board or by any Supervisory Board member determined by the Chairman of the Supervisory Board, the Supervisory Board shall elect the meeting Chairman. If the Supervisory Board does not make use of this option, the Chairman shall be elected by the General Meeting.
- (2) The meeting Chairman conducts the negotiations and determines the course of the General Meeting. He determines the order in which the speakers have the floor and the order in which the items on the agenda are discussed as well as the method, procedure, and further details of voting and may, if permitted by law, decide that factually related subjects for which a resolution is required will be dealt with in a single voting item.

- (3) The meeting Chairman is authorized to limit the shareholders' rights to pose questions and to speak to a reasonable period of time. In this context, the Chairman of the General Meeting shall aim for the General Meeting to finish within an appropriate and reasonable time.
- (4) The meeting Chairman may permit audio and video recording and transmission of the General Meeting, either in whole or in part, by means of electronic and other media. Transmission may also be in a form that provides the public with unrestricted access.
- (5) Supervisory Board members shall be able to participate in the General Meeting by way of video and audio transmission in exceptional cases and in agreement with the Chairman of the Supervisory Board in the event that business-related reasons prevent them from attending the General Meeting in person or that traveling to the General Meeting venue would take a substantial amount of time or cost a substantial amount of money.
- (6) With the exception of the Chairman of the General Meeting (meeting Chairman) and his deputy, where said deputy has been appointed/elected, Supervisory Board members shall be permitted to participate in the virtual General Meeting pursuant to Article 17a of the Articles of Association by means of video and audio transmission even if no circumstances outlined in Article 19 (5) above apply.

Article 20 **Voting right and representation**

- (1) Each no-par value share entitles the holder to one vote in the General Meeting, insofar as the voting right is not excluded by law or by these Articles of Association.
- (2) Voting rights may also be exercised by authorized representatives. Unless the law contains other mandatory provisions regarding authorization, its revocation, and the proof of authorization to the Company, the authorization, its revocation, and the proof of authorization to the Company are to be made in text form as defined by section 126b of the German Civil Code (*Bürgerliches Gesetzbuch*), provided that the convening notice does not include any conveniences. If the shareholder authorizes more than one person, the Company may disallow one or more of them. The details of authorization, its revocation, and the proof of authorization to the Company shall be published when the General Meeting is convened. Section 135 of the German Stock Corporation Act (*Aktiengesetz*) remains unaffected.
- (3) The Management Board is authorized to stipulate that shareholders may cast their vote in writing or by means of electronic communication without having to attend the meeting (absentee vote). It may determine the details of the scope and procedure of the absentee voting.

Article 21 **Resolutions; voting**

- (1) The General Meeting shall adopt its resolutions by a simple majority of the votes cast, unless mandatory statutory provisions or these Articles of Association provide for a higher majority or further requirements. Unless mandatory statutory provisions stipulate otherwise, resolutions to amend these Articles of Association will need to be adopted by a two-thirds majority of the valid votes cast or, if at least 50% of the share capital is represented, by a simple majority of the valid votes cast. Where statutory provisions require the majority of the share capital in addition to the majority of the votes cast for resolutions of a General Meeting, the simple majority of the share capital represented when the resolution is adopted shall suffice, if permitted by law. The majority requirement set forth in section 103 para. 1 sentence 2 of the German Stock Corporation Act (*Aktiengesetz*) remains unaffected.
- (2) If a simple majority of votes is not reached in the first round of voting, a second round of voting shall be conducted with the choice limited to the two persons who received the most votes; this second round of voting shall also take place if there were only two candidates in the first round of voting. The largest number of votes (relative majority) or, in the event of a tie, lots to be drawn by the meeting Chairman shall decide the vote in the second round of voting.

IV. ACCOUNTING AND APPROPRIATION OF PROFIT

Article 22 **Preparation of the annual financial statements** **and the management report**

The Management Board shall prepare the annual financial statements and the management report and, where required by law, the consolidated financial statements and the Group management report, for the past fiscal year within the statutory periods, and shall provide these documents to the Supervisory Board and the auditor without undue delay. Likewise, the Management Board shall submit to the Supervisory Board a proposal regarding appropriation of distributable profit that it intends to put to the vote in the General Meeting.

Article 23 **Appropriation of annual net profit**

- (1) Amounts must be allocated to the statutory reserve as required by the German Stock Corporation Act (*Aktiengesetz* – AktG).
- (2) If the Management Board and the Supervisory Board adopt the annual financial statements, they may allocate amounts from the annual net profit to the other revenue reserves, in particular:
 - up to 50% of the annual net profit, irrespective of the balance of the other revenue reserves,
 - up to 100% of the annual net profit, if and to the extent that the other revenue reserves do not exceed 50% of the share capital and would not exceed this percentage after appropriation and if and to the extent that the remaining distributable profit is not less than 4% of the share capital.
- (3) If the General Meeting adopts the annual financial statements, more than half of the annual net profit must be allocated to the other revenue reserves.

Article 24 **Accounting-related resolutions** **of the General Meeting**

- (1) The General Meeting resolves on the following matters in the first six months following the end of each fiscal year:
 - the appropriation of distributable profit,
 - the approval of the Executive Board's actions and the Supervisory Board's actions,
 - the election of the auditor.
- (2) In the cases provided for by law, the General Meeting shall also resolve on the adoption of the annual financial statements.

Article 25 **Appropriation of distributable profit**

- (1) The distributable profit resulting from the annual financial statements after depreciation/amortization, loss allowances, provisions, and reserves have been taken into account shall be allocated to the shareholders, provided that the General Meeting does not resolve otherwise. The General Meeting may also resolve to make a payout in kind instead of, or in addition to, a payout in cash. The shareholders' share of the profit will be determined based on their share of the share capital.
- (2) The General Meeting may include further amounts to be allocated to the other revenue reserves or to be carried forward as profit in its resolution on the appropriation of distributable profit as long as profit of at least 4% of the share capital remains for distribution to the shareholders. This restriction shall not apply if allocating the amounts to the reserves is required in accordance with prudent commercial practice to secure the Company's existence and ability to survive for the foreseeable future.

- (3) If the share capital is increased, the General Meeting may resolve, with respect to new shares, to apply a different type of profit distribution than that outlined in the provisions under section 60 para. 2 of the German Stock Corporation Act (*Aktiengesetz*).

V. MISCELLANEOUS

Article 26

Formation costs/costs of change in legal form

- (1) The costs of the change in the Company's legal form to that of a German stock corporation (*Aktiengesellschaft*) (in particular notary and court fees, costs associated with the publication, taxes, audit and consulting fees) shall be borne by the Company up to an amount of EUR 200,000.00.
- (2) The costs of the change in legal form of TRATON AG to TRATON SE (in particular notary and court fees, costs associated with the publication, taxes, audit and consulting fees) shall be borne by the Company up to an amount of EUR 2,000,000.00.

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