

Articles of Association

FUCHS SE

as of July 03, 2023

1. General Provisions

Article 1 Company and registered office

1. The Company is a European stock corporation ("Societas Europaea" or "SE") and operates as FUCHS SE.
2. Its registered office is in Mannheim, Germany

Article 2 Purpose of the Company

1. The purpose of the company is to develop, manufacture, distribute and trade in lubricants, functional liquids including the corresponding related raw materials and supplies and related products, as well as to manage all related transactions, and to acquire, manage and sell shareholdings in any legal form and to acquire holding functions or parts of company functions for shareholdings and other domestic and foreign companies, particularly in the general segment of mineral oil and petrochemical-based lubricants, chemicals and related technical fields, including performance of services of all kinds relating to the aforementioned activities.
2. The company is entitled to conduct all transactions, measures and legal actions that it deems necessary or suitable for achieving the company purpose. It can establish domestic and foreign representative offices, branches and operating facilities; it can also found and/or invest in companies with the same or a similar purpose as that listed in Article 2 Para. 1. The company can group multiple companies under its central management and take over additional activities for them, or limit itself to administration of the shareholdings. It can also realize some or all of its business purpose and spin off some or part of its operations to shareholdings.

Article 3 Financial year

The financial year is the calendar year.

Article 4 Announcements, information

1. Company announcements shall be published in the German Federal Gazette, unless a different method of publication is stipulated by law. This is without prejudice to additional publication obligations.

2. Information to the holders of registered securities of the company can also be sent via remote data transmission. This also applies to the transmission of information and notices under Sections 67a and 125 German Stock Corporation Act (AktG), which is limited to means of electronic communication. However, the Executive Board is entitled but not obligated to send this information and these notices in another manner as well.

2. Share Capital and Shares

Article 5 Share capital

1. The Company's share capital is €139,000,000.00 (one hundred and thirty-nine million euros).
2. The Company's share capital is divided into 69,500,000 ordinary shares and 69,500,000 preference shares.

Instead of share certificates containing one share each, the Company can issue certificates with multiple shares each (global share certificates). The right of a shareholder to request certification of his interest is excluded, unless such certification is required by the rules of a stock exchange where the shares are listed.

3. In accordance with Section 141 (2) Sentence 2 of the German Stock Corporation Act (AktG), the Company reserves the right to resolve on the issuance of further preference shares which, in respect of the distribution of profits or the Company's assets, rank prior to or pari passu with the existing non-voting preference shares; the same applies to the conversion of ordinary shares into preference shares which, in respect of the distribution of profits or the Company's assets, rank prior to or pari passu with the existing non-voting preference shares.

Article 6 Share types

1. The shares are registered shares. The shareholders of the company must submit the legally required information to the company for entry in the share register
2. In the event of a capital increase, if the resolution on the increase does not specify whether the new shares will be bearer shares or registered shares, then these shall also be registered shares.
3. In deviation from Section 60 (2) of the German Stock Corporation Act (AktG), a resolution regarding a capital increase may establish a percentage at which new shares are entitled to participate in profits.

3. Organizational structure

Article 7 The Company's corporate boards are the Executive Board, the Supervisory Board and the Annual General Meeting.

A. The Executive Board

Article 8 Composition, term of office, and resolution

1. The Company's Executive Board comprises at least three members.
2. The Supervisory Board appoints the members of the Executive Board and determines their number. The members of the Executive Board are appointed by the Supervisory Board for a term of no more than five years. The Supervisory Board can appoint a member of the Executive Board to Chairman of the Executive Board, as well as a member of the Executive Board to Deputy Chairman of the Executive Board.
3. The resolutions of the Executive Board are passed with a majority of votes. In the event of an equal number of votes, the Chairman has the casting vote.
4. The Supervisory Board can lay down rules and procedures for the Executive Board. Any and all schedule of responsibilities of the Executive Board also require the Supervisory Board's consent.

Article 9 Duties of the Executive Board, legal Company representation

1. The members of the Executive Board must conduct the Company's business in accordance with the law, the Articles of Association, the rules of procedure for the Executive Board, and the schedule of responsibilities.
2. The Company is legally represented by two members of the Executive Board or jointly by one member of the Executive Board and an authorized signatory of the Company (*Prokurist*). The Supervisory Board may grant individual members of the Executive Board the authority to represent the Company alone. The Supervisory Board may release members of the Executive Board from the prohibition to conclude legal transactions with themselves as a legal representative of a third party on behalf of the Company.

B. The Supervisory Board

Article 10 Composition, appointment, and term of office of the Supervisory Board

1. The Supervisory Board has six members. Four members will be appointed as shareholder representatives by the Annual General Meeting, without being bound to the nominations. Two members will be appointed as employee representatives by the SE Works Council in accordance with the agreement on employee involvement that was concluded under the SEBG (SE Participation Act).

2. Unless otherwise resolved, the Supervisory Board members will be appointed before the adjournment of the Annual General Meeting that resolves the approval of its actions for the fourth financial year after the start of the term of office, not counting the financial year in which the term of office begins, but for no longer than six years. Reappointments are permitted.
3. Members of the Supervisory Board that have been elected by the Annual General Meeting may be removed from office before their respective term of office ends. However, the resolution requires a majority which comprises at least three quarters of the voting share capital represented at the meeting that passes the resolution.
4. Substitute members may be elected for all shareholder representatives on the Supervisory Board. These substitute members then take the place of the regular members in the specified sequence during an election to replace members of the Supervisory Board that have left office prematurely.
5. If a member elected by the Annual General Meeting leaves the Supervisory Board before their term of office ends, new elections shall be held for this member at the next Annual General Meeting. The newly elected member's term of office shall correspond to the remaining term of office of the former member.
6. Subject to giving four weeks' notice, each member of the Supervisory Board may resign his office without stating any reason, and may do so without notice if he states an important reason. Resignation must be tendered in writing to the Executive Board while at the same time informing the Chairman of the Supervisory Board. In the event that a member wishes to resign, the above Para. 6 applies accordingly.

Article 11 The Chairman of the Supervisory Board

1. During its first meeting, the Supervisory Board will elect a Chairman and one or more Deputy Chairpersons from among its members for its term of office or a shorter term that it itself determines. Deputy Chairpersons assume the rights and duties of the Chairman of the Supervisory Board when the latter is unavailable. If several Deputy Chairpersons are elected, the order of precedence determined at the time of their election applies. If the Chairman or a Deputy Chairperson leaves the Supervisory Board or resigns from office, the Supervisory Board must hold a new election without delay to find a replacement for this office.
2. Any declarations of intent of the Supervisory Board are to be submitted by the Chairman of the Supervisory Board in his name or, should he be prevented from so doing, by any of the Deputy Chairpersons appointed in the sequence determined in line with Para. 1 Sentence 3 on substituting the Chairman of the Supervisory Board.

Article 12 Duties and powers of the Supervisory Board

1. The Supervisory Board has all the rights and duties assigned to it by law ,by the Articles of Association, as well as by any other means. The Supervisory Board is entitled to make amendments to the Articles of Association which only relate to the wording.

2. The following transactions and measures require the prior consent of the Supervisory Board:
 - a) The acquisition and sale of shareholdings in companies, establishments, or parts thereof if the consideration paid for such shareholdings exceeds the limits set by the Supervisory Board;
 - b) Conclusion of corporate agreements.

Within the scope of the rules of procedure it has itself approved, the Supervisory Board specifies in accordance with Article 8, Para. 4 that the Executive Board requires the approval of the Supervisory Board for certain other measures and legal transactions at the Company and its subsidiaries.

Article 13 Meetings and resolutions of the Supervisory Board

1. Supervisory Board resolutions are generally drafted during meetings. If so ordered by the Chairman of the Supervisory Board or one of his authorized Deputy Chairpersons, resolutions may also be drafted in writing, by telephone, fax, e-mail, or any other electronic means, in particular also by video conferences. The provisions in the following paragraphs shall apply mutatis mutandis to votes taken outside meetings.
2. Meetings of the Supervisory Board shall be convened in writing or via telephone, fax, email, other electronic medium, or verbally by the Chair, or in the event that the Chairman is unable to do so, by the authorized Deputy Chairperson, subject to a period of two weeks' notice and specifying the agenda, the location, and the time of the meeting. In urgent cases, the Chair or their authorized Deputy Chairperson may reduce this period to an appropriate extent.
3. The Supervisory Board constitutes a quorum if at least two thirds of its members, which must include the Chairman or his authorized Deputy Chairperson, participate in adopting the resolution in question. Absent members of the Supervisory Board may participate in the casting of votes by the Supervisory Board by commissioning other members of the Supervisory Board to submit written voting instructions.
4. The Chairman of the Supervisory Board or, should he be unavailable, an authorized Deputy Chairperson will act as chair. The Chairman or his authorized Deputy Chairperson determines the sequence in which the items on the agenda are addressed, as well as the type and sequence of votes.
5. Supervisory Board resolutions are adopted by a simple majority of the votes cast unless mandatory legal provisions provide otherwise. Abstention from voting will not be regarded as voting. In the event of a tied vote, the Chairman of the Supervisory Board or his authorized Deputy Chairperson has the casting vote; this also applies to elections.

6. The negotiations and the resolutions of the Supervisory Board must be recorded in writing and the respective minutes must be signed by the Chairman of the meeting or, in the event of resolutions, by the person chairing the adoption of resolutions. The minutes must note the place and date of the meeting, the participants, the items on the agenda, the key points of discussion, as well as the resolutions of the Supervisory Board.

Article 14 Rules of procedure

The Supervisory Board establishes its own rules of procedure by virtue of the law and the Company's Articles of Association.

Article 15 Committees

The Supervisory Board may form one or more committees from among its members and lay down their duties and powers. The Supervisory Board can also, if permitted by law, assign decision-making powers to the committees.

Article 16 Supervisory Board compensation

1. In addition to reimbursement of their expenses, each member of the Supervisory Board shall receive fixed compensation of EUR 85,000 each year.
2. The Chairman of the Supervisory Board shall receive double the amount of the compensation specified in Para. 1 and the Deputy Chairperson shall receive one and a half times the amount of the compensation specified in Para. 1. Supervisory Board members that do not belong to the Supervisory Board for the entire financial year will receive compensation to the duration of their membership on the Supervisory Board.
3. Members of the Supervisory Board that are on the Audit Committee receive an additional fixed compensation of Euro 20,000. Members of the Supervisory Board that are on the Personnel Committee receive an additional fixed compensation of Euro 10,000. Para. 2 Sentence 2 applies accordingly to members if the Supervisory Board that did not sit on the Audit Committee or the Personnel Committee for a full financial year.
4. The Chairman of the Audit Committee and Personnel Committee each receive double the amounts stated in Para 3.
5. Compensation under Paras. 1 through 4 for the immediately preceding financial year is payable in each case after the end of the Supervisory Board meeting that resolves the approval of the financial statements for the immediately preceding financial year.

6. Entitlement to annual compensation under Paras. 1 and 2 shall be granted with the condition subsequent of non-compliance with the requirements in Sentence 2. All members of the Supervisory Board are required within 14 days of receiving payment of the annual compensation under Paras. 1 and 2 in conjunction with Para. 5 to acquire preference shares of the company at a purchase price, not including additional fees, in the amount of at least 20 % of this annual compensation. They must retain the preference shares acquired for at least four years after the respective purchase and, upon request, present documentation to the company that they have complied with the above conditions. The acquisition period specified in Sentence 2 shall be extended by the period which the member of the Supervisory Board is subject to a statutory prohibition on purchasing shares in the company. Following proof of purchase, the company shall reimburse the Supervisory Board members up to EUR 600 for the annual costs of holding the company's preference shares under Sentence 2.
7. Supervisory Board compensation under this Article 16 Paras. 1–6 applies retroactively from the financial year beginning January 1, 2021.
8. The company shall provide insurance coverage to the members of the Supervisory Board in a sufficient amount for performing their Supervisory Board duties. The company shall pay the insurance premiums.

C. The Annual General Meeting

Article 17 Annual General Meeting

At the choice of the executive body that convenes the Annual General Meeting, the Meeting will be held within the first six months after the end of a financial year, either at the company's headquarters or in another German city with more than 100,000 residents. It resolves the following:

- a) The appropriation of profits
- b) Approval of the work performed by the Executive Board and the Supervisory Board
- c) Elections to the Supervisory Board, insofar as these are due
- d) Selection of the auditor
- e) Other items on the agenda, in particular approval of the annual financial statements to the extent required by law.

Article 18 Convening the Annual General Meeting

1. The Annual General Meeting is convened by the Executive Board or the Supervisory Board.
2. The Annual General Meeting shall be convened at least 36 days prior to the day of the Annual General Meeting itself. The day of the Annual General Meeting itself and the day on which it is convened do not count toward these days.

Article 19 Participation and implementation

1. In order to participate in the Annual General Meeting and exercise voting rights, shareholders must be entered in the share register of the company and must have submitted their registration of the Annual General Meeting in text form (Section 126b of the German Civil Code (BGB)) and in German or English to the address specified for this purpose in the invitation, whether it must be received at least six days before the Annual General Meeting. The day on which registrations are received and the day of the actual Annual General Meeting do not count toward these six days. A shorter period, to be specified in days, can also be defined when inviting shareholders to the Annual General Meeting.
2. Details regarding registration and the issuing of admission tickets must be provided in the invitation.
3. The Executive Board is authorized to stipulate that shareholders can take part in the Annual General Meeting even without being physically present, and without a proxy, and that they can exercise all or some of their rights in whole or in part by way of electronic communications (online). The Executive Board is also authorized to make provisions regarding the scope and procedure for online participation.
4. The Executive Board is authorized to stipulate that shareholders can submit their votes, even without taking part in the Annual General Meeting, in writing or by way of electronic communications (absentee ballot). The Executive Board is also authorized to make provisions regarding the scope and procedure for online participation.
5. The Executive Board is authorized to provide for the Annual General Meeting to be held without the physical presence of the shareholders or their proxies at the location of the Annual General Meeting (Virtual Annual General Meeting). The authorization shall apply to the holding of Virtual Annual General Meetings up to and including June 30, 2026.”
6. Any use of the procedures in Paras. 3, 4 and 5 above, and the underlying provisions, must be announced in the notice of Annual General Meeting.
7. Voting rights can be exercised by a voting representative (proxy). The granting of proxy authorization, its revocation and the provision of evidence of the authorization to the Company must be made in writing. The details on granting of proxy, its revocation and provision of evidence of the authorization to the Company are announced when convening the Annual General Meeting, in which a simplification can also be set out. Section 135 of the German Stock Corporation Act (AktG) remains unaffected.
8. Members of the Supervisory Board shall, in consultation with the Chairman of the Supervisory Board, be permitted to participate in the Annual General Meeting by video and audio transmission in cases where, due to legal restrictions, their residence abroad, their necessary residence elsewhere in the country, or an unreasonable length of travel, they would not be able to be physically present at the venue of the Annual General Meeting, or if the Annual General Meeting is held as a virtual Annual General Meeting without the physical presence of the shareholders or their proxies at the venue of the Annual General Meeting.

Article 20 Voting rights

Each ordinary share carries one vote at the Annual General Meeting. Insofar as non-voting preference shares have been issued, these only provide a right to vote in the cases prescribed by law, whereby each preference share grants one vote.

Article 21 Conducting the Annual General Meeting, video and audio broadcast

1. The Chairman of the Supervisory Board or, if he is unable to do so, his authorized Deputy Chairperson or a member of the Supervisory Board appointed by the Chairman of the Supervisory Board, will chair the Annual General Meeting.
2. The Chairman chairs the meeting and stipulates the order of the items on the agenda, as well as the type and form of voting. He is also authorized to limit the shareholders' rights to pose questions and to speak to a reasonable period of time.
3. The Chair is authorized to have a video or audio broadcast made of the Annual General Meeting, in its entirety or in part.

Article 22 Resolutions

1. The resolutions at the Annual General Meeting are passed with a simple majority of the votes cast and – insofar as a capital majority is required – by a simple majority of the share capital represented at the adoption of the resolution, unless otherwise expressly stipulated by law or in the Articles of Association. In the case of a tie during voting, a motion will be considered rejected. Abstentions from voting will not be considered as votes cast.
2. If a simple majority is not achieved during the initial vote, the two people who received the highest number of votes will be put on a short list and a second voting procedure is held. The winner will then be determined by the highest number of votes cast.

4. Accounting, Annual Financial Statements, and Appropriation of Net Profits

Article 23 Accounting, annual financial statements

1. Before the deadline prescribed by law, the Executive Board must prepare the annual financial statements (balance sheet, P&L statement, Notes) and the management report as well as the consolidated financial statements and the group management report, and then submit these to the Supervisory Board.
2. If the Supervisory Board approves the annual financial statements, they are considered adopted unless the Executive Board and Supervisory Board decide to have the Annual General Meeting adopt the annual financial statements. The resolutions of the Executive Board and Supervisory Board shall be included in the Supervisory Board's report to the Annual General Meeting."

Article 24 Appropriation of profits

1. The Company's unappropriated profit will – in the event that non-voting preference shares have been issued – be appropriated for the following purposes in the following sequence:
 - a) For payment of any remaining profit shares on the non-voting preference shares from the previous years
 - b) For payment of a preference profit share of EURO 0.03 per non-voting preference share of no par value
 - c) For payment of an initial profit share of €0.02 per ordinary share of no par value
 - d) For equal payment of further profit shares on the ordinary shares and the non-voting shares, unless the Annual General Meeting decides on another use
2. When issuing new shares, other dividend rights may be stipulated.
3. Insofar as the Company has issued participation certificates and the respective conditions of participation accord the holders of the participation certificates a claim to distribution from the unappropriated profit, any claim of shareholders to this portion of the unappropriated profit will be excluded (Section 58 (4) of the German Stock Corporation Act (AktG)).

5. Costs associated with the conversion of legal form, raising capital

Article 25 Costs associated with the conversion of legal form

The costs for converting FUCHS PETROLUB AG into a European Company (SE) are to be borne by the Company up to a total amount of €1,000,000.

Article 26 Raising Capital

The Company's share capital was provided by FUCHS PETROLUB AG being converted into an European Company (SE).