



# **Rules of Procedure for the Supervisory Board and its Committees**

## **DEUTSCHE LUFTHANSA AKTIENGESELLSCHAFT**

Status May 2021

*English translation for convenience only;  
in case of any discrepancy or ambiguity the German version prevails.*

### **§ 1 Duties of the Supervisory Board**

The duties and responsibilities of the Supervisory Board are defined by German law, the Articles of Association and these Rules of Procedure.

### **§ 2 Resolutions**

1. Resolutions of the Supervisory Board are generally passed in meetings. At least two Supervisory Board meetings must be convened in a calendar half-year.
2. A meeting must also be convened if requested by a member of the Supervisory or Executive Board of the Company, specifying the purpose and reasons for doing so. The request must be submitted to the Chairman of the Supervisory Board. The meeting must be convened immediately within the deadline specified in § 110 Paragraph 1 Sentence 2 AktG.
3. Proposals for items on the agenda by Members of the Supervisory Board must be submitted to the Chairman of the Supervisory Board. In general, they shall be included in the agenda for the next Supervisory Board meeting. Decisions on proposals for the agenda, received after the invitation to a Supervisory Board meeting is sent out, are to be permitted if a resolution affirming the urgency of the issue is adopted by the Supervisory Board with a 75 per cent majority at the beginning of a meeting.
4. Resolutions adopted in writing, by way of telephony or by other electronic means of communication as well as the combination of the above mentioned resolutions are permitted if the Chairman of the Supervisory Board or the Chairman's Deputy, decides to do so on a case-by-case basis, setting a reasonable deadline.

### **§ 3 Convocation**

The Chairman of the Supervisory Board or, if unavailable, the Chairman's Deputy will convene the meetings of the Supervisory Board and determine the venue for the meeting. Invitations shall be made with a period of notice of two weeks and specify the items of the agenda. In urgent cases, the period of notice for the convocation of a meeting may be reduced. The working documents should be sent to the Supervisory Board together with the invitation to the meeting, at least one week prior to the meeting.

**§ 4 Chairmanship**

1. The meetings of the Supervisory Board are chaired by the Chairman or, if the Chairman is unavailable, by the Chairman's Deputy.
2. The Chairman of the Supervisory Board or of a Committee may appoint a secretary to take the minutes of the meeting. Besides, experts and respondents can be consulted.

**§ 5 Committees**

1. The task of the committee, appointed in accordance with Section 9 Paragraph 2 of the Company's Articles of Association, is to exercise the rights according to Section 31 Paragraph 3 Sentence 1 of the German Codetermination Act (MitbestG) in relation to the appointment of members to the Executive Board, and to the revocation of such appointments.
2. The Supervisory Board forms a Steering Committee from among its members made up of equal numbers of shareholder and employee representatives, consisting of the Chairman of the Supervisory Board and the Chairman's Deputy, each in equivalent function, as well as two other Supervisory Board members to be elected by the Supervisory Board. The Steering Committee assists in the preparation of the Supervisory Board meetings, makes recommendations to the Supervisory Board on appointing Executive Board members, nominating the Chairman of the Executive Board, setting total remuneration for individual Executive Board members including salary and all other benefits, on any reductions in accordance with Section 87 Paragraph 1 and Paragraph 2 Sentence 1 and 2 of the German Stock Corporation Act (AktG), and on determining objectives and deadlines for the ratio of female Executive Board members (Section 111 Paragraph 5 AktG). The Steering Committee is responsible for all other personnel matters of Executive Board members and authorised representatives (Prokuristen) not reserved for the full Supervisory Board in accordance with Section 107 Paragraph 3 Sentence 3 AktG (e.g. granting of loans in accordance with Section 89 AktG). It is also responsible for contracts with members of the Supervisory Board (Section 114 AktG) and for granting of loans to members of the Supervisory Board (Section 115 AktG). The Steering Committee is also responsible for granting approval for related party transactions in accordance with Section 111a et seq. AktG. Unless otherwise assigned, the Steering Committee shall decide on the existence of inside information or the publication or postponement of ad hoc disclosures of inside information that arises in the Supervisory Board or becomes known there for the first time. If necessary, the Steering Committee shall arrange for all necessary preparatory actions, including the involvement of the Executive Board and ad hoc committees. Furthermore, the Steering Committee approves other personnel matters which have to be submitted to the Supervisory Board for approval in accordance with the Rules of Procedure for the Executive Board.



In the event of an equality of votes, the Chairman of the Supervisory Board has the casting vote.<sup>1</sup>

3. The Supervisory Board elects an Audit Committee from among its members, consisting of six members, made up of equal numbers of shareholder and employee representatives. The Supervisory Board elects the Chairman of the Committee, who nominates a Deputy Chairman. The members of the Audit Committee shall have special knowledge in the area of accounting, business administration and finance. The task of the Audit Committee is to monitor in particular the accounting, the accounting process and the non-financial reporting on Corporate Social Responsibility, the risk management, the Internal Control System and the Compliance Management System as well as the external auditing, and to discuss the necessary independence of the external auditors, the appointment of external auditors, the focus of audits and the remuneration agreement, and to make a recommendation to the Supervisory Board, particularly in respect of the auditors to put forward for election at the Annual General Meeting and on approval of the annual and consolidated financial statements. The Audit Committee also discusses the quarterly interim reports with the Executive Board before they are published. The Audit Committee is authorised to lay down the internal organisation of its work in its own Rules of Procedure, which are to be approved by the Supervisory Board.
4. The Supervisory Board elects a Nomination Committee from among the shareholder representatives, consisting of the Chairman of the Supervisory Board in equivalent function and two further members. The Committee's task is to propose suitable candidates to the Supervisory Board to recommend for election at the Annual General Meeting. The basis for the selection process of the Nomination Committee forms the Profile of required Skill and Expertise as approved by the Supervisory Board.

## **§ 6 Formal regulations of the committees**

1. Regarding the formal regulations of the Supervisory Board Committees (e.g. convocation, minutes, procedures for approvals), as far as there is no other regulation in the Rules of Procedure of the respective Committee, the regulations applicable to the Supervisory Board are applied accordingly.
2. The Chairman of the Committee must report on the essentials of the Committee meeting in the next Supervisory Board meeting.

## **§ 7 Negotiations and declarations of the Supervisory Board**

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<sup>1</sup> In the context of the Corona crisis, the Supervisory Board also transferred the Supervisory Board's responsibilities to the Steering Committee for urgent cases – to the extent permitted by law – to ensure its ability to act in this crisis situation.



1. In general, the discussions and the minutes of the meetings of the Supervisory Board and its Committees are in German. The meeting documents may be in German or English. Proposals for resolutions must be in German.
2. Public announcements of the Supervisory Board are issued by the Chairman of the Supervisory Board or, if unavailable, by the Chairman's Deputy.
3. The Chairman of the Supervisory Board may discuss Supervisory Board-related issues with investors. He informs the Supervisory Board subsequently about these discussions.

### **§ 8 Confidentiality**

1. The members of the Supervisory Board must maintain secrecy regarding confidential deliberations and votes as well as the Company's confidential information and secrets, in particular business and trade secrets that have become known to them through their work. This obligation applies even after they have retired from office. Persons present at meetings of the Supervisory Board but who are not members of the Supervisory Board must be explicitly bound to secrecy.
2. "Confidential information" is defined as any information that the informing party specifically designates as "confidential" or which, when viewed from a competent economic perspective, bears any potential whatsoever to damage the interests of the Company if disclosed. A "secret" within the meaning of Paragraph 1 is any fact that is directly or indirectly related to the commercial or operational activities, only known to a restricted group of persons, and whose non-disclosure is deemed to be in the interest of the Company when viewed from a competent economic perspective.

### **§ 9 Minutes**

1. Minutes of the meetings of the Supervisory Board must be kept and signed by the Chairman. The minutes must record the venue and date of the meeting, the attendees, the items of the agenda, the essential content of the discussions and resolutions adopted by the Supervisory Board.
2. The minutes must be forwarded to the members of the Supervisory Board by the Chairman of the Supervisory Board, or by the Company on their behalf.

### **§ 10 Declarations of intent and representation**

The Chairman of the Supervisory Board is authorised to issue declarations of intent on behalf of the Supervisory Board and to accept such statements on behalf of the Supervisory Board. He represents the Company in dealings with the members of the Executive Board (Section 112 AktG).

### **§ 11 Effectiveness**



These Rules of Procedure shall become effective on 19 March 2020 and replace the previous ones dated 14 March 2018.

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