



## **Rules of Procedure for the Audit Committee of SMA Solar Technology AG**

(Version as of September 7, 2023)

The Supervisory Board of SMA Solar Technology AG ("Company") adopted these Rules of Procedure for the Audit Committee on September 7, 2023.

### **§ 1**

#### **Basis for the Activities of the Audit Committee**

The Audit Committee is appointed from among the members of the Supervisory Board. Unless these Rules of Procedure contain any deviating provisions, the provisions stipulated in the Rules of Procedure for the Supervisory Board of SMA Solar Technology AG shall apply accordingly.

### **§ 2**

#### **Composition and Chair**

(1) Unless an alternative arrangement is made by the Supervisory Board, the Audit Committee shall comprise four members. Two members are elected by the Supervisory Board on the basis of nominations by the shareholder representatives and employee representatives. The members of the Audit Committee are all familiar with the sector in which the Company operates.

(2) The Supervisory Board appoints one member as the Chairman of the Committee and an additional member as the Deputy Chairman. Neither the Chairman of the Supervisory Board nor a former member of the Managing Board shall be nominated for election.

(3) At least one member of the Audit Committee must be an expert in accounting and at least one additional member of the Audit Committee must be an expert in financial auditing.

(4) The Chairman of the Audit Committee shall be an expert in at least one of the two fields. The Chairman of the Audit Committee shall be independent of the Company and the Managing Board and shall also be independent of the controlling shareholder.

### **§ 3**

### **Responsibilities of the Audit Committee**

(1) The Audit Committee undertakes preparatory work for the discussions and resolutions of the Supervisory Board

- on auditing and, where appropriate, adopting the Annual Financial Statements and on approving the Consolidated Financial Statements and the Interim Financial Statements,
- on the Managing Board's proposal for the appropriation of net profit,
- on the auditing/review of the non-financial statement and the separate non-financial report (Section 289b of the German Commercial Code) and
- on Supervisory Board proposals to the Annual General Meeting regarding selection of the auditor for the Annual Financial Statements and Consolidated Financial Statements as well as the auditor for the Half-Yearly Financial Report, insofar as it is subjected to an audit or review,
- on voting on the annual budget submitted by the Managing Board in accordance with Section 11 Paragraph 1 Letter a of the Rules of Procedure for the Managing Board.

To this end, the Audit Committee conducts an in-depth examination of the Annual Financial Statements and Consolidated Financial Statements, the combined management report for the Company and the Group, and the proposal for the appropriation of net profit.

The Audit Committee discusses the audit reports with the auditor and gives appropriate recommendations to the Supervisory Board. The Audit Committee consults with the auditor on the audit risk assessment, audit strategy, audit planning and audit results. The Chairman of the Audit Committee has regular conversations with the auditor to discuss the progress of the audit and reports back to the Committee on this matter.

The statutory audit duties of all members of the Supervisory Board shall not be affected by the foregoing. The Consolidated Financial Statements is audited by the auditor and by the full Supervisory Board.

(2) Prior to submitting the proposal on the appointment of the auditor to the Annual General Meeting, the Audit Committee, in place of the Supervisory Board, obtains a declaration from the respective auditor stating whether and, where applicable, which professional, financial, personal or other relationships exist between the audit firm, its executive bodies and audit managers on the one hand, and the Group and the members of its executive bodies on the other, that could give cause to doubt the auditor's independence. The

declaration shall also include information about the extent to which other services were provided to the Group, particularly in the consulting field, in the previous fiscal year or have been agreed by contract for next year. This declaration shall also provide assurance that no prohibited non-audit services as defined in Article 5 Paragraph 1 of EU Regulation No. 537/2014 on statutory audits of public-interest entities have or will be rendered in the period under review up to the point when the audit opinion is submitted.

(3) The Audit Committee is responsible for granting prior approval on all the services to be provided by the auditor, including permitted non-audit services. Blanket approval on the awarding of permitted non-audit services may be granted to the auditor before the start of a fiscal year for certain types of services. Prior to granting such blanket approval, the Audit Committee sets out guidelines as defined in Article 5 Paragraph 4 of the EU Regulation on statutory audits of public-interest entities along with a catalog of permitted non-audit services and a maximum budget within the scope of the legally prescribed service fee volumes, all of which must be issued to the auditor. Notwithstanding the foregoing, the Audit Committee may grant prior approval on non-audit services on a case-by-case basis. In each case, the auditor shall take steps to ensure that it does not compromise its independence as a result of performing such services.

(4) The Audit Committee prepares the audit tender for the Supervisory Board.

(5) The Audit Committee handles the following matters in place of the Supervisory Board:

- Accounting matters, specifically dealing with fundamental issues such as the application of new accounting standards and overseeing the accounting process.
- Discussing the Half-Yearly and Quarterly Financial Reports and any audit review of the Half-Yearly Financial Report with the Managing Board prior to publication.
- Monitoring the accounting process and the effectiveness of the internal risk management system, the internal control system and the internal auditing system as well as compliance matters.
- Complaints lodged by employees on matters that require the oversight of the Audit Committee (e.g., financial and non-financial corporate reporting, internal controls, risk management, compliance, internal auditing, statutory audit, etc.).

- Monitoring the quality of the audit, particularly the required independence of the auditor, and the services provided additionally by the auditors.
- Overseeing and advising the Managing Board on sustainability issues that are of importance for the Company.
- Adopting resolutions
  - on issuing the audit assignment to the auditor, also specifically issuing any audit assignments for an audit review or audit of the Half-Yearly Financial Report,
  - on defining the main areas of the audit,
  - on the auditor's remuneration,
  - on making information arrangements (pursuant to Recommendation D.8 of the German Corporate Governance Code) under which the auditor shall inform the Audit Committee immediately of all findings and issues of importance for its activities that come to the knowledge of the auditor during the performance of the audit,
  - on making information arrangements (pursuant to Recommendation D.9 of the German Corporate Governance Code) under which the auditor shall inform the Supervisory Board or make a note in the audit report if they identify any facts during the performance of the audit that show deviations from the declaration of compliance given by the Managing Board and Supervisory Board in accordance with Section 161 of the German Stock Corporation Act (AktG).
- Other issues directly related to the aforementioned matters.

(6) Additionally, the Audit Committee discusses material changes to auditing and accounting methods. Furthermore, it advises the Managing Board on its corporate planning. This specifically includes the Managing Board's explanatory comments on the proposed development and strategic direction of the Group; the presented financial, investment and personnel planning for the Group; and its explanations on deviations in the actual evolution of events with respect to previously reported objectives and the reasons for these deviations.

(7) The Chairman of the Audit Committee and the Chairman of the Supervisory Board issue the audit assignment and make the information and disclosure arrangements.

## **§ 4**

### **Passing On of Information to the Audit Committee**

- (1) The Managing Board shall keep the Audit Committee regularly and promptly informed about all matters relating to its field of activities. It shall submit the Annual and Consolidated Financial Statements as well as the Half-Yearly Financial Report and the Quarterly Interim Statements to the Audit Committee as soon as possible, and especially before they are discussed by the Supervisory Board and before their publication. The Audit Committee shall set out the Managing Board's individual duties of information and reporting.
- (2) The auditor shall inform the Audit Committee immediately of all findings and issues of importance for the activities of the Supervisory Board that have been identified during the audit.
- (3) The Audit Committee is entitled to obtain from the auditor and the Managing Board all the information it requires to exercise the duties assigned to it. It may acquire insight into all the Company's business documents or request that the Managing Board provides these documents, and it may examine and inspect the Company's accounts and assets. It may also instruct individual Committee members on certain individual matters and call on the services of experts.
- (4) The Chairman of the Audit Committee is also entitled to obtain comprehensive information directly from the heads of the Company's central divisions who are responsible for the activities that are of importance for the Audit Committee. Every member of the Audit Committee may obtain information directly, through the Committee Chairman, from the heads of the Company's central divisions who are responsible at the Company for the activities that are of importance for the Audit Committee. The Committee Chairman must share the information they obtain with all members of the Audit Committee. The Managing Board must be informed immediately if such an information request has been exercised.

## **§ 5**

### **Calling of Meetings and Passing of Resolutions**

- (1) The Audit Committee shall hold at least four meetings during the fiscal year. The meetings of the Audit Committee are convened by the Chairman with at least one week's notice.

(2) Absent members of the Audit Committee may participate in the voting by submitting their votes in written form through another member of the Audit Committee or by submitting their votes over the telephone or using other telecommunication methods.

## **§ 6**

### **Participation in Meetings**

(1) The member of the Managing Board responsible for finance (Chief Financial Officer) shall take part in the meetings of the Audit Committee, unless the Chairman or the Audit Committee excludes them from attending on particular occasions. The Chairman of the Audit Committee may call on the services of other members of the Managing Board as well as consultants and experts that have been appointed by the Audit Committee and, having consulted the Managing Board, other members of the Company. The meetings on corporate reporting shall be attended by the Head of Corporate Audit to report on matters relating to internal auditing / Group internal auditing and by the Chief Compliance Officer to report on matters relating to compliance / compliance management.

(2) The Audit Committee shall meet with the auditor on a regular basis, including without the Managing Board present. If requested by individual members of the Audit Committee, the Chairman of the Audit Committee can decide to arrange meetings between the Audit Committee and the auditor without the Managing Board present.

## **§ 7**

### **Reporting to the Supervisory Board**

The Chairman of the Audit Committee shall provide regular updates to the Supervisory Board on the Audit Committee's activities at the meetings of the Supervisory Board. He shall inform the Chairman of the Supervisory Board immediately of any significant issues and findings of the Audit Committee.

## **§ 8**

### **Confidentiality**

Members of the Audit Committee and other persons who participate in meetings of the Audit Committee are bound to secrecy with regard to reports they receive and the content of negotiations as well as secrets of the Company, in particular trade and business secrets that have been disclosed to them during their activities on the Audit Committee.

The Committee members shall take particular care to comply with the insider rules of the EU Market Abuse Regulation No. 596/2014.

## **§ 9**

### **Self-Assessment**

The Audit Committee shall also provide regular reports on the effectiveness of its activities as part of a self-assessment of the Supervisory Board pursuant to Recommendation D.12 of the German Corporate Governance Code and shall report within the Supervisory Board on how this assessment was conducted so that this information can be included in the corporate governance statement.

## **§ 10**

### **Effective Date of the Rules of Procedure**

These Rules of Procedure become effective on the date they are adopted. Previous Rules of Procedure become ineffective as a result.

Niestetal, September 7, 2023

The Chairman of the Supervisory Board  
Uwe Kleinkauf