

# ENCAVIS

Invitation  
to the Annual  
General Meeting  
on 27 May 2021

Minimum information pursuant to Section 125 para. 1 German Stock Corporation Act (AktG) in connection with Section 125 para. 5 AktG, Article 4 para. 1 and Table 3 of the Annex to Implementing Regulation (EU) 2018/1212

Type of Information	Description
<b>A. Specification of the message</b>	
1. Unique identifier of the event	ECV052021oHV
2. Type of message	Meeting notice of a General Meeting  [format pursuant to Implementing Regulation (EU) 2018/1212: NEWM]
<b>B. Specification of the issuer</b>	
1. ISIN	DE0006095003 DE000A3H23Y1
2. Name of issuer	ENCAVIS AG
<b>C. Specification of the meeting</b>	
1. Date of the General Meeting	27.05.2021  [format pursuant to Implementing Regulation (EU) 2018/1212: 20210527]
2. Time of the General Meeting	11:00 hrs. (CEST)  [format pursuant to Implementing Regulation (EU) 2018/1212: 09:00 UTC]
3. Type of the General Meeting	Ordinary General Meeting without physical presence of the shareholders or their proxies as virtual General Meeting  [format pursuant to Implementing Regulation (EU) 2018/1212: GMET]
4. Location of the General Meeting	URL to the password-protected Internet service that can or must be used to exercise certain shareholder rights and for the video and audio transmission of the virtual Annual General Meeting on the Internet:  <a href="https://www.encavis.com/investor-relations/hauptversammlungen/">https://www.encavis.com/investor-relations/hauptversammlungen/</a>  Location of the General Meeting in accordance with the German Stock Corporation Act: ENCAVIS AG, Elbstraße 59, 22767 Hamburg, Germany
5. Record Date	06.05.2021 (00:00 hrs. CEST)  [format pursuant to Implementing Regulation (EU) 2018/1212: 20210505]
6. Uniform Resource Locator (URL)	<a href="https://www.encavis.com/investor-relations/hauptversammlungen/">https://www.encavis.com/investor-relations/hauptversammlungen/</a>

Translation for Convenience Purposes

**ENCAVIS AG**  
**Hamburg**

– ISIN DE0006095003 // WKN 609 500 –  
– ISIN DE000A3H23Y1 // WKN A3H 23Y –

**Invitation to the Annual General Meeting**

We hereby invite our shareholders

to the **Annual General Meeting** of ENCAVIS AG to be held on

**Thursday, 27 May 2021, at 11:00 a.m.,**  
**at the Company's registered office at Große Elbstraße 59, 22767 Hamburg, Germany,**

in the form of a **virtual Annual General Meeting without the physical**  
presence of the shareholders or their proxies

.The Annual General Meeting will be broadcast live in audio and video  
on 27 May 2021 from 11:00 a.m.

For further details see section III. of this invitation.

## I. Agenda

### 1. Submission of the adopted annual financial statements, the approved consolidated financial statements and the combined management report for ENCAVIS AG and the Group for the 2020 financial year, including the explanatory report by the Management Board on the disclosures pursuant to sections 289a, 315a HGB and the report by the Supervisory Board for the 2020 financial year

These documents, together with the Management Board's proposal for the appropriation of net retained profits, will be available on the Company's website at <https://www.encavis.com/investor-relations/hauptversammlungen/> on the day on which the Annual General Meeting is convened. They will be explained in more detail at the Annual General Meeting.

The Supervisory Board has approved the annual financial statements and the consolidated financial statements prepared by the Management Board in accordance with section 172 German Stock Corporation Act (AktG) and has thus adopted the annual financial statements. In accordance with the statutory provisions, no resolution of the Annual General Meeting is therefore planned for agenda item 1.

### 2. Resolution on the appropriation of net retained profits

The Management Board and the Supervisory Board propose that the following resolution be adopted:

“The net retained profits of ENCAVIS AG for the 2020 financial year in the amount of EUR 55,064,839.71 are to be appropriated as follows:

Distribution of a dividend of EUR 0.28 per dividend-bearing no-par value share maturing on 30 June 2021:	EUR 35,993,680.84
Carried forward to new account:	EUR 19,071,158.87”

The dividend will be paid, at the choice of the shareholder, either (i) solely in cash or (ii) for part of the dividend in cash to settle the tax liability and for the remaining part of the dividend in the form of shares in the Company (the payment of the dividend in the form of shares in the Company (the “**stock dividend**”)).

The details of the cash dividend and the shareholders' option to elect the stock dividend will be set out in a document made available to shareholders on the Company's website at <https://www.encavis.com/investor-relations/hauptversammlungen/>. The document contains, in particular, information on the number and features of the shares and sets out the reasons for and details of the offer.

The total dividend and the residual amount to be carried forward to new account in the above proposed resolution on the appropriation of profits are based on the dividend-bearing share capital of EUR 138,437,234.00, divided into 138,437,234 no-par value shares, existing at the time of convening.

The number of dividend-bearing shares may change up to the time of the resolution on the appropriation of profits. In this event, the Management Board and the Supervisory Board shall submit to the Annual General Meeting a correspondingly adjusted proposal for resolution on the appropriation of profits, which shall provide for an unchanged distribution of EUR 0.28 per no-par value share entitled to dividend; the offer to receive the dividend in the form of shares instead of cash shall remain unaffected. The adjustment is made as follows: if the number of shares entitled to dividend and thus the total dividend amount decreases, the amount to be

carried forward to new account increases accordingly. If the number of shares entitled to dividend and thus the total dividend amount increases, the amount to be carried forward to new account decreases accordingly.

Please note that this year's dividend will only be paid out of the taxable profit, so the dividend payment, regardless of which option the shareholder exercises, is in principle subject to taxation.

### **3. Resolution on the discharge of the members of the Management Board for the 2020 financial year**

The Management Board and the Supervisory Board propose that the following resolution be adopted:

“The members of the Management Board who held office in the 2020 financial year shall be discharged for this period.”

### **4. Resolution on the discharge of the members of the Supervisory Board for the 2020 financial year**

The Management Board and the Supervisory Board propose that the following resolution be adopted:

“The members of the Supervisory Board who held office in the 2020 financial year shall be discharged for this period.”

The discharge of the members of the Supervisory Board for the 2020 financial year takes the form of individual discharge.

### **5. Resolution on the election of the auditor of the annual financial statements and the auditor of the consolidated financial statements for the 2021 financial year as well as the auditor for the audit review of any financial information during the year**

Based on the recommendation of the Audit Committee, the Supervisory Board proposes to adopt the following resolution:

“PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, Hamburg branch, is appointed as auditor of the financial statements and auditor of the consolidated financial statements for the 2021 financial year and as auditor for the audit review of the condensed financial statements and the interim management report for the first half of the 2021 financial year. In addition, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, Hamburg branch, is appointed as auditor should the Management Board resolves to review any additional interim financial information for the period up until the time of the next Annual General Meeting.”

The Audit Committee has stated in its recommendation that this is free from undue influence by third parties and that no clause of the type referred to in Article 16 (6) of the EU Statutory Audit Regulation has been imposed on it (Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements for the statutory audit of public interest entities and repealing Commission Decision 2005/909/EC).

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, Hamburg branch, has declared to the Supervisory Board that there are no business, financial, personal or other relationships between it, its executive bodies and audit managers on the one hand and the company and its executive body members on the other hand that could cast doubt on its independence.

## **6. Resolution on the approval of the remuneration system for the members of the Management Board**

Pursuant to section 120a (1) AktG, the Annual General Meeting of a listed company shall resolve on the approval of the remuneration system for the members of the Management Board presented by the Supervisory Board whenever there is a significant change in the system, but at minimum every four years.

Taking into account the requirements of section 87a (1) AktG, the Supervisory Board has resolved on the remuneration system for the Management Board on 23 March 2021 as set out below in section II.1.

The Supervisory Board proposes that the remuneration system for the members of the Management Board resolved by the Supervisory Board be approved.

## **7. Resolution on the confirmation of the Supervisory Board remuneration and resolution on the remuneration system for the members of the Supervisory Board**

According to section 113 (3) AktG, the Annual General Meeting of a listed company shall resolve on the remuneration system for the members of the Supervisory Board, whereby a resolution confirming the existing remuneration is permitted.

Supervisory Board remuneration is purely fixed in nature, plus a meeting fee, and is paid fully in cash in accordance with section G.18 sentence 1 of the German Corporate Governance Code as amended 16 December 2019 and published on 20 March 2020 (“**GCGC**”).

Against the backdrop of ever-increasing requirements with regard to the controlling and advisory activities of the Supervisory Board and in view of the remuneration of supervisory boards of similar companies, the current Supervisory Board remuneration is resolved by resolution of the Annual General Meeting of 13 May 2020 and the remuneration amended in section 15 of the Articles of Association. The underlying abstract remuneration system with the disclosures required in accordance with sections 113 (3) sentence 3, 87a (1) AktG is presented below in section II.2.

The Management Board and the Supervisory Board believe that the amount of the remuneration and the structure of the remuneration system is suitable for the Supervisory Board in view of the tasks assigned to the members of the Supervisory Board and the position of the company and that the Supervisory Board receives remuneration that is acceptable and in line with standard market rates.

The Management Board and Supervisory Board therefore propose to confirm the existing remuneration terms for members of the Supervisory Board as defined in section 15 of the Articles of Association and based on the abstract remuneration system presented below in section II.2.

## **8. Elections to the Supervisory Board**

As of the end of this Annual General Meeting, the regular term of office of Ms Christine Scheel and Mr Peter Heidecker ends. Ms Christine Scheel is available for re-election. Dr Rolf Martin Schmitz is to be elected to the Supervisory Board to replace Mr Peter Heidecker.

The Supervisory Board of ENCAVIS AG is composed of nine members to be elected by the Annual General Meeting in accordance with sections 95 sentence 2, 96 (1) last alternative, 101 (1) AktG and section 10 (1) of the Articles of Association. The Annual General Meeting is not bound by election proposals when electing Supervisory Board members.

The Supervisory Board proposes that

- a) Ms Christine Scheel, self-employed business consultant, Hösbach, Germany, and
- b) Dr Rolf Martin Schmitz, Chief Executive Officer of RWE AG (until 30 April 2021, on which date he resigns from all group mandates), Mönchengladbach, Germany,

be elected to the Supervisory Board effective as at the end of this Annual General Meeting and until the end of the Annual General Meeting resolving on the discharge of the members of the Supervisory Board for the fourth financial year following the beginning of their term, not including the financial year in which the term begins.

- aa) Further information regarding Ms Christine Scheel

***Information pursuant to section 125 (1) sentence 5 AktG:***

Under (1) below, details are provided of the companies in which Ms Christine Scheel is a member of other statutory supervisory boards and under (2) in which companies she is a member of comparable domestic or foreign supervisory bodies:

(1) – none

(2) – Barmenia Versicherungsgruppe, Wuppertal, member of the Advisory Board

***Disclosures in accordance with recommendation C.13 GCGC***

There are no personal or business relationships between Ms Christine Scheel and the Company, the corporate bodies of the Company or a shareholder with a material interest in the Company that could give rise to a material and not merely temporary conflict of interest.

- bb) Further information regarding Dr Rolf Martin Schmitz

***Information pursuant to section 125 (1) sentence 5 AktG:***

Under (1) below, details are provided of the companies in which Dr Rolf Martin Schmitz is a member of other statutory supervisory boards and under (2) in which companies he is a member of comparable domestic or foreign supervisory bodies:

(1) – E.ON SE, Essen, Germany, member of the Supervisory Board (listed company)

– TÜV Rheinland AG, Cologne, Germany, member of the Supervisory Board

(2) – KELAG-Kärntner Elektrizitäts-AG, Klagenfurt, Austria, member of the Advisory Board

***Disclosures in accordance with recommendation C.13 GCGC***

There are no personal or business relationships between Dr Rolf Martin Schmitz and the Company, the corporate bodies of the Company or a shareholder with a material interest in the Company that could give rise to a material and not merely temporary conflict of interest.

Detailed information on the candidates for election to the Company's Supervisory Board (curriculum vitae) can be found on the Company's website at <https://www.encavis.com/investor-relations/hauptversammlungen/>.

The election proposals take into account the objectives adopted by the Supervisory Board for its composition in accordance with recommendation C.1 GCGC.

The Supervisory Board has satisfied itself in accordance with principle 12 GCGC that the proposed candidates are able to devote the expected amount of time. Following the election of the proposed candidates, the Supervisory Board will be composed of what the Supervisory Board considers to be a suitable number of independent members. Dr Rolf Martin Schmitz and Ms Christine Scheel are familiar with the sector in which the Company operates.

**9. Resolution regarding the cancellation of the existing Conditional Capital III and corresponding amendment of the Articles of Association**

The Annual General Meeting of the Company on 20 June 2012 authorised the Management Board, with the consent of the Supervisory Board, to issue up to 2,320,000 share options with subscription rights for shares in the Company as part of the 2012 share option programme from 20 June 2012 up to and including 19 June 2017 on the condition that each share option grants the holder the right to purchase one share in the Company. The Company's share capital was therefore conditionally increased by an original amount of up to EUR 2,320,000.00 ("**Conditional Capital III**"). A total of 1,910,000 share options were issued. No share options with subscription rights for shares in the Company are outstanding as at today's date.

The Annual General Meetings of 18 May 2017 and 13 May 2020 have already rescinded the authorisation of the Management Board to issue share options as part of the 2012 share option programme and reduced Conditional Capital III accordingly.

The Management Board and Supervisory Board propose that the following resolutions be adopted:

"The authorisation defined in section 4 (4) of the Articles of Association of the Annual General Meeting of 20 June 2012 is rescinded and deleted without replacement."

**10. Resolution on the cancellation of the existing authorised capital and the creation of a new authorised capital with the authorisation to exclude subscription rights as well as the corresponding amendment to the Articles of Association**

The Articles of Association of Encavis AG govern the authorised capital in section 6. The authorisation of the Management Board contained therein is subject to a fixed term up to and including 17 May 2022. After partial utilisation of this authorised capital ("**Authorised Capital 2017**") – most recently through the partial utilisation of 19 June 2020 – the remaining authorised capital still amounts to EUR 53,126,810.00.

In order to maintain the Company's ability to respond flexibly to financing requirements in the future and to be able to strengthen its equity base at short notice if necessary, the existing Authorised Capital 2017 is to be replaced by the new Authorised Capital 2021, which in turn is to include the option to exclude subscription rights in certain cases – in particular under the (simplified) conditions pursuant to sections 203 (1) sentence 1, 186 (3) sentence 4 AktG. The volume of the new Authorised Capital 2021 is to be adjusted to the current situation and amounts to only EUR 27,687,446.00 (less than 20 % of the current share capital).



The Management Board and Supervisory Board propose that the following resolutions be adopted:

- a) The existing authorisation of the Annual General Meeting of 18 May 2017 to increase the share capital of the Company in section 6 of the Articles of Association is to be rescinded subject to the entry of the amendment to the Articles of Association proposed under (c) in the Commercial Register.
- b) The Management Board shall be authorised, with the consent of the Supervisory Board, to increase the share capital of the Company by up to EUR 27,687,446.00 by issuing up to 27,687,446 new no-par value bearer shares against cash contributions and/or contributions in kind (“Authorised Capital 2021”) on one or more occasions up to and including 26 May 2026. The shareholders are generally entitled to a subscription right. The new shares may also be issued to one or more credit institutions or other companies named in section 186 (5) sentence 1 AktG with the obligation to offer them to the shareholders (indirect subscription right) or they may also be granted in part by way of a direct subscription right (for example, to shareholders entitled to subscribe who have entered into a fixed subscription agreement in advance), or otherwise by way of an indirect subscription right pursuant to section 186 (5) AktG.

The Management Board is authorised, with the consent of the Supervisory Board, to exclude shareholders’ subscription rights:

- for fractional amounts;
- if the capital increase is made against contributions in kind for the purpose of granting shares for the acquisition of companies, parts of companies or shareholdings in companies (including the increase of share ownership);
- if the capital increase is made against cash contributions and the proportion of the share capital attributable to the new shares does not exceed in total either 10 % of the share capital existing at the time of the registration of this authorisation or 10 % of the share capital existing at the time of the issue of the new shares, providing the issue price of the new shares is not significantly lower than the stock exchange price of the already listed shares of the Company of the same class and with the same rights at the time of the final determination of the issue price by the Management Board. All shares issued or sold under exclusion of the subscription right pursuant to or in corresponding application of section 186 (3) sentence 4 AktG from the time of registration of this authorisation shall be counted towards the aforementioned maximum amount; or
- if it is necessary for dilution protection in order to grant holders of conversion and option rights issued or to be issued by the Company or by its group entities within the meaning of section 18 AktG, a subscription right shall be granted to new shares to the extent to which they would be entitled after exercising their conversion and option right.

The shares issued under the exclusion of subscription rights on the basis of the aforementioned authorisations may not account for more than 20 % of the share capital either at the point at which the resolution is made or, if the share capital is lower at the time, the point at which the authorisations are exercised. If other authorisations to issue shares are exercised and subscription rights excluded during the term of these authorisations, said other authorisations are to be deducted from the 20 % limit. Shares issued or to be issued to service rights issued during the term of this authorisation under the exclusion of subscription rights and entitling or obliging the subscription of shares are to also be deducted.

The Management Board is authorised, with the consent of the Supervisory Board, to determine the further details of the implementation of capital increases from the Authorised Capital 2021.

## c) Amendment to the Articles of Association

Section 6 of the Articles of Association is amended as follows:

“The Management Board is authorised, with the consent of the Supervisory Board, to increase the share capital of the Company by up to EUR 27,687,446.00 by issuing up to 27,687,446 new no-par value bearer shares against cash contributions and/or contributions in kind on one or more occasions up to and including 26 May 2026 (“Authorised Capital 2021”). The shareholders are generally entitled to a subscription right. The new shares may also be issued to one or more credit institutions or other companies named in section 186 (5) sentence 1 AktG with the obligation to offer them to the shareholders (indirect subscription right) or may also be granted in part by way of a direct subscription right (for example, to shareholders entitled to subscribe who have entered into a fixed subscription agreement in advance), or otherwise by way of an indirect subscription right pursuant to section 186 (5) AktG.

The Management Board is authorised, with the consent of the Supervisory Board, to exclude shareholders’ subscription rights:

- for fractional amounts;
- if the capital increase is made against contributions in kind for the purpose of granting shares for the acquisition of companies, parts of companies or shareholdings in companies (including the increase of share ownership);
- if the capital increase is made against cash contributions and the proportion of the share capital attributable to the new shares does not exceed in total either 10 % of the share capital existing at the time of the registration of this authorisation or 10 % of the share capital existing at the time of the issue of the new shares, providing the issue price of the new shares is not significantly lower than the stock exchange price of the already listed shares of the Company of the same class and with the same rights at the time of the final determination of the issue price by the Management Board. All shares issued or sold under exclusion of the subscription right pursuant to or in corresponding application of section 186 (3) sentence 4 AktG from the time of registration of this authorisation shall be counted towards the aforementioned maximum amount; or
- if it is necessary for dilution protection in order to grant holders of conversion and option rights issued or to be issued by the Company or by its group entities within the meaning of section 18 AktG, a subscription right shall be granted to new shares to the extent to which they would be entitled after exercising their conversion and option right.

The shares issued under the exclusion of subscription rights on the basis of the aforementioned authorisations may not account for more than 20 % of the share capital either at the point at which the resolution is made or, if the share capital is lower at the time, the point at which the authorisations are exercised. If other authorisations to issue shares are exercised and subscription rights excluded during the term of these authorisations, said other authorisations are to be deducted from the 20 % limit. Shares issued or to be issued to service rights issued during the term of this authorisation under the exclusion of subscription rights and entitling or obliging the subscription of shares are to also be deducted. The Management Board is authorised, with the consent of the Supervisory Board, to determine the further details of the implementation of capital increases from the Authorised Capital 2021.”

d) Prior to the cancellation of the Authorised Capital 2017 and the creation of the new Authorised Capital 2021 taking effect, the intention is to utilise the existing Authorised Capital 2017 to the extent required to grant a stock dividend in accordance with the resolution to be adopted under agenda item 2, while granting a subscription right to the shareholders. The Management Board is instructed to file the

cancellation of the existing Authorised Capital 2017 for entry in the commercial register only together with the resolved creation of the Authorised Capital 2021 together with the amendment of section 6 of the Articles of Association.

- e) The Supervisory Board is authorised to amend the wording of sections 4 (1), 6 of the Articles of Association after full or partial implementation of the increase of the share capital in accordance with the respective utilisation of the Authorised Capital 2021 and, if the Authorised Capital 2021 is not or not fully utilised up to and including 26 May 2026, after expiry of the authorisation period.

**Report of the Management Board to the Annual General Meeting on item 10 of the agenda pursuant to sections 203 (2), 186 (4) sentence 2 AktG**

The Management Board has submitted a written report on item 10 of the agenda for the Annual General Meeting on 27 May 2021 on the reasons for the possible exclusion of subscription rights pursuant to sections 203 (2), 186 (4) sentence 2 AktG, which is published in this invitation to the Annual General Meeting below in section II.3 and can be viewed on the website <https://www.encavis.com/investor-relations/hauptversammlungen/>. The report can also be accessed during the Annual General Meeting.

**11. Resolution on the authorisation to acquire and use treasury shares with the possibility of excluding shareholders' subscription rights**

The authorisation granted to the Management Board by the Annual General Meeting on 18 May 2017 to acquire and use treasury shares expires on 17 May 2022. A new authorisation limited until 26 May 2023 pursuant to section 71 (1) no. 8 AktG is to be created.

The Management Board and Supervisory Board propose that the following resolutions be adopted:

- a) "The authorisation to acquire and use treasury shares resolved by the Annual General Meeting on 18 May 2017 is rescinded.
- b) Authorisation to acquire treasury shares

Encavis AG is authorised, with the consent of the Supervisory Board, to acquire treasury shares of the Company up to and including 26 May 2023 in an amount of up to 10 % of the Company's share capital existing at the time the authorisation is granted or – if this value is lower – at the time the authorisation is exercised. The shares acquired on the basis of this authorisation, together with other treasury shares held by Encavis AG or attributable to it pursuant to sections 71a et seq. AktG, may at no time exceed 10 % of the respective existing share capital.

The authorisation may be exercised in whole or in part, once or several times, in pursuit of one or several purposes by the Company, but also by companies dependent on it or in which it holds a majority interest, or by third parties for its or their account.

- c) Types of acquisition

At the discretion of the Management Board, the acquisition may be effected (1) via the stock exchange, (2) by means of a public purchase offer addressed to all shareholders, or (3) by means of a public invitation to submit offers for sale. The following provisions shall apply:

- (1) If the shares are purchased on the stock exchange, the purchase price per share paid by the Company (excluding incidental purchase costs) may not be higher or lower than the stock exchange price by a margin of more than 10 %. The relevant stock exchange price shall be the stock exchange price of the shares of the Company in XETRA trading (or a comparable successor system) determined by the opening auction on the respective trading day or – if no opening auction takes place – the first paid price of the shares of the Company in XETRA trading (or a comparable successor system) on the respective trading day.
- (2) If the acquisition is made by means of a public purchase offer, the purchase price offered or the limits of the purchase price range per share (excluding incidental purchase costs) may not be higher or lower than the stock exchange price by a margin of more than 10 %. The relevant stock exchange price shall be the arithmetic mean of the closing prices (or – if a closing price is not determined on the relevant day – of the last paid price) for the shares of the Company in XETRA trading (or a comparable successor system) on the last three trading days of the Frankfurt Stock Exchange prior to the day of publication of the purchase offer.
- (3) If the acquisition is made by means of a public invitation to submit offers for sale, the purchase price (excluding incidental purchase costs) may not be higher or lower than the stock exchange price by a margin of more than 10 %. The relevant stock exchange price shall be the arithmetic mean of the closing prices (or – if a closing price is not determined on the relevant day – of the last paid price) for the shares of the Company in XETRA trading (or a comparable successor system) on the last three trading days of the Frankfurt Stock Exchange prior to the day of acceptance of the sales offers.

If, after the publication of a public purchase offer or a public invitation to submit offers for sale, there are significant price deviations from the purchase or sales price offered or from the limits of any purchase or sales price range, the offer or the invitation to submit offers for sale may be adjusted. In this case, the average price of the last three trading days prior to the public announcement of any adjustment shall be used. The purchase offer or the invitation to submit offers for sale may provide for further conditions.

The volume of a public purchase offer or a public invitation to submit offers to sell shares to be acquired may be limited. If a public offer to purchase or a public invitation to submit offers to sell is oversubscribed, the purchase may be made in proportion to the shares subscribed or offered; the right of shareholders to tender their shares in proportion to their shareholdings is excluded in this respect. A preferential acceptance of small numbers of up to 100 tendered shares per shareholder may be provided for, as well as a commercial rounding to avoid arithmetical fractions of shares. Any further tender right of the shareholders is excluded to this extent.

d) Use of treasury shares

Acquisition for the purpose of trading in treasury shares is excluded. The authorisation may be exercised for any legally permissible purpose, in particular in pursuit of one or more of the following purposes:

- (1) Treasury shares may be sold in a manner other than via the stock exchange or by means of an offer directed to all shareholders, provided that the selling price per share to be paid in cash is not significantly lower than the stock exchange price of the shares of the Company (section 71 (1) no. 8 AktG in conjunction with section 186 (3) sentence 4 AktG). The proportionate amount of the share capital represented by the shares sold on the basis of this authorisation may not exceed 10 % of the share capital, whether at the time of granting or at the time of exercising

this authorisation. Other shares of the Company shall also be counted towards this volume limit of 10 % of the share capital which are issued or sold from the time this authorisation becomes effective in direct or analogous application of section 186 (3) sentence 4 AktG with the exclusion of subscription rights. Furthermore, shares of the Company that are or can still be issued to service conversion or option rights or to fulfil conversion or option obligations from convertible bonds or option bonds are to be counted, insofar as the bonds were issued during the term of this authorisation based on another authorisation in corresponding application of section 186 (3) sentence 4 AktG with exclusion of the subscription right.

- (4) Treasury shares may be sold against contributions in kind, in particular in connection with the acquisition of companies, parts of companies, shareholdings or mergers as well as the acquisition of other assets including rights and receivables.
  - (5) Treasury shares may be used to fulfil option or conversion rights or option or conversion obligations issued by the Company or by companies dependent on it or in which it holds a majority interest.
  - (6) Treasury shares may be used to pay a scrip dividend by selling them in exchange for the full or partial transfer of the shareholder's dividend entitlement.
  - (7) The Management Board is authorised, with the consent of the Supervisory Board, to redeem treasury shares in whole or in part without any further resolution by the Annual General Meeting. The redemption shall be effected by way of redemption in a simplified procedure by means of a capital reduction or in such a way that the share capital remains unchanged and the arithmetical share of the remaining shares in the share capital increases in accordance with section 8 (3) AktG. The Management Board is authorised pursuant to section 237 (3) no. 3, clause 2 AktG to adjust the number of shares in the Articles of Association accordingly. The redemption may also be combined with a capital reduction; in this case, the Management Board shall be authorised to reduce the share capital by the proportionate amount of the share capital attributable to the redeemed shares, and the Supervisory Board shall be authorised to adjust the number of shares and the share capital in the Articles of Association accordingly.
- e) If, with the consent of the Supervisory Board, treasury shares are used for one or more of the purposes specified in d) (1) – (4), the subscription right of the shareholders shall be excluded, unless otherwise determined by the administration when deciding on such use.
- f) The authorisations under d) may be exercised once or several times, in whole or in part, individually or jointly, and the authorisations in d) (1) to (4) may also be exercised by dependent companies or companies which are majority-owned by Encavis AG or by third parties acting for their account or for the account of the Company.

**Report of the Management Board to the Annual General Meeting on item 11 of the agenda pursuant to section 71 (1) no. 8 sentence 5 AktG in conjunction with section 186 (4) sentence 2 AktG**

The Management Board has submitted a written report on item 11 of the agenda for the Annual General Meeting on 27 May 2021 on the reasons for the possible exclusion of subscription rights pursuant to section 186 (4) sentence 2 AktG, which is published in this invitation to the Annual General Meeting below in section II.4 and can be viewed on the website <https://www.encavis.com/investor-relations/hauptversammlungen/>. The report can also be accessed during the Annual General Meeting.

**12. Resolution concerning the conclusion of a control and profit and loss transfer agreement with Encavis GmbH**

Encavis AG and Encavis GmbH registered in Neubiberg, Germany, concluded a control and profit and loss transfer agreement on 7 April 2021 (the “**Agreement**”). Encavis GmbH is a wholly owned subsidiary of Encavis AG without any external shareholders. The Agreement serves to establish a tax group as defined in sections 14 et seq. of the German Corporation Tax Act (KStG) between Encavis AG and Encavis GmbH. The content of the Agreement is disclosed in this Invitation to the Annual General Meeting under section III.

The Agreement must be approved by the shareholders’ meeting of Encavis GmbH and the Annual General Meeting of Encavis AG.

The Management Board and the Supervisory Board propose that the following resolution be adopted:

“The conclusion of the control and profit and loss transfer agreement between Encavis AG as the controlling company and Encavis GmbH registered in Neubiberg, Germany, as the controlled company, of 7 April 2021 is approved.”

The following documents are available from the date on which the Annual General Meeting is convened on the Company’s website at <https://www.encavis.com/investor-relations/hauptversammlungen/>. They are available in the password-protected section of the website prior to and during the Annual General Meeting (please refer to section III.2 for instructions on how to use this service):

- the control and profit and loss transfer agreement between Encavis AG and Encavis GmbH
- the joint report prepared according to section 293a AktG by the Management Board of Encavis AG and the Management Board of Encavis GmbH regarding the control and profit and loss transfer agreement
- the annual and consolidated financial statements of Encavis AG and the combined management reports for Encavis AG and the group for the 2018, 2019 and 2020 financial years.
- the annual financial statements of Encavis GmbH for the 2017, 2018 and 2019 financial years; the annual financial statements for the financial year 2020 is still being prepared and only the balance sheet and the income statement are available at the current time.

## II. Reports to the Annual General Meeting

### 1. Information on item 6 of the agenda: Remuneration system for the members of the Management Board of Encavis AG

#### a) Principles of the remuneration system

The remuneration system for the members of the Management Board makes an important contribution to the advancement of the business strategy and the long-term, sustainable and value-creating development of Encavis AG (“Encavis” or the “Company”).

Management Board remuneration is primarily based on the size, complexity and financial position of the Company as well as the performance of the Management Board as a whole. The remuneration structure is geared towards contributing to the long-term success of the Company and achieving strategically important corporate targets. The Company’s long-term strategic growth targets as communicated in Fast Forward 2025 represent key parameters in the short- and long-term variable remuneration.

In structuring the remuneration system and specifying Management Board remuneration, the Supervisory Board worked on the basis of the following principles:

#### Principles of the remuneration system

Promotion of the Corporate Strategy	The remuneration system shall promote the implementation of the business strategy through appropriate incentivisation.
Pay for Performance	Using adequate performance criteria within the framework of performance-related variable remuneration, which makes up a significant part of the total remuneration, the remuneration system ensures that the performance of the Executive Board is appropriately rewarded while target failures are equally taken into account (malus).
Long-term orientation and sustainability	Within the framework of variable remuneration, a significant part of the remuneration is determined on the basis of a multi-year performance measurement. The focus on sustainability is further strengthened by the anchoring of performance criteria regarding sustainability goals in the area of environment, social & corporate governance (ESG criteria) in the short-term variable remuneration.
Adequacy of the remuneration	The remuneration of the Executive Board members is in line with prevailing market terms and competitive. It takes into account the size, complexity and economic situation of the company. The appropriateness of the Executive Board's remuneration is ensured by regular comparisons with relevant peer groups. In addition, the remuneration of the members of the Executive Board is commensurate with the remuneration of senior executives and employees.
Consistency of the systems	The remuneration system is compatible with the remuneration systems of senior executives and employees of Encavis.
Regulatory confirmity	The remuneration system complies with the requirements of the German Stock Corporation Act and the recommendations of the German Corporate Governance Code.

The remuneration system has been defined with the aim of being simple, clear and comprehensible. The remuneration system complies with the requirements of the German Stock Corporation Act and the recommendations of the German Corporate Governance Code, unless any deviation from said recommendations have been declared. The current Management Board contracts already comply with the remuneration system that is presented for approval.

**b) Procedures to define, implement and review the remuneration system**

The Supervisory Board is responsible for defining the remuneration system and the amount of remuneration received by the Management Board, including maximum remuneration. The Supervisory Board is assisted by its Personnel Committee. The Personnel Committee draws up recommendations regarding the remuneration system, which the Supervisory Board discusses in detail and resolves as the overall body. The Supervisory Board can draw on the assistance of external consultants if necessary. When commissioning external remuneration experts, it is to be ensured that said experts are sufficiently independent and, in particular, that confirmation of said experts' independence is requested. Provisions applying to conflicts of interest are also taken into account in the procedures to define, implement and review the remuneration system.

The Supervisory Board presents the remuneration system it resolves to the Annual General Meeting for approval. The Supervisory Board reviews the suitability of the remuneration system and the amount of remuneration received by the Management Board on a regular basis.

The members of the Management Board are obliged by the rules of procedure to disclose their conflicts of interest.

The remuneration system will be presented to the Annual General Meeting for re-approval in the event of any material changes to the remuneration system, and in any case every four years.

If the Annual General Meeting does not approve the presented remuneration system, the Supervisory Board will present a reviewed and revised remuneration system at the latest by the next Annual General Meeting.

**c) Temporary deviations from the remuneration system**

In a limited number of exceptional cases (particularly in the case of unforeseeable developments such as a major financial crisis, wars or pandemics), the Supervisory Board may – acting on the recommendation of the Personnel Committee – temporarily deviate from components of the remuneration system (procedures and terms of the remuneration structure and remuneration amount as well as with regard to individual remuneration components), if said deviations are in the interest of the long-term prosperity of the Company.

This remuneration system applies to all members of the Management Board with retroactive effect as at 1 January 2021 as well as to all newly agreed or extended contracts with members of the Management Board and in the case of reappointment.



#### d) The remuneration system at a glance

The remuneration system of Encavis AG is primarily defined as follows:

##### Structure of Management Board remuneration

Success-independent remuneration	Fixed annual basic salary	<ul style="list-style-type: none"> <li>The basic remuneration comprises a fixed remuneration component paid out in 12 monthly instalments at the end of the month.</li> </ul>
	Fringe benefits	<ul style="list-style-type: none"> <li>Common remuneration in kind (Company car, insurance premiums, communication services etc.)</li> </ul>
Success-dependent remuneration	Short-term variable remuneration relating to the financial year (annual bonus)	<ul style="list-style-type: none"> <li>Term: one year</li> <li>Performance indicators: financial and non-financial targets</li> <li>Payout: inbetween 0 to 200% of target value</li> </ul>
	Long-term variable remuneration (Virtual Stock Option Programme (SOP))	<ul style="list-style-type: none"> <li>Vesting period: three years</li> <li>Exercise period: two years</li> <li>Performance indicators: financial targets</li> <li>Granting of virtual stock options (Share Appreciation Rights (SAR))</li> <li>Cap: threefold of minimum target value</li> </ul>

#### e) Definition of the total remuneration target by the Supervisory Board

The Supervisory Board defines the total remuneration target for each member of the Management Board on the basis of the remuneration system for the upcoming financial year. The total remuneration target consists of the sum of fixed remuneration and variable remuneration. The specific total remuneration target is in suitable proportion to the tasks and services of the Management Board member and to the financial situation and success of Encavis. In addition, the Supervisory Board ensures that remuneration is appropriate and in line with standard market rates. The assessment of the appropriateness of the remuneration amount takes into account Encavis' peer group (horizontal comparison) and the internal remuneration structure (vertical comparison). The Supervisory Board is aware that the external and internal comparison is to be treated with caution to prevent remuneration from automatically trending upwards.

##### aa) Horizontal comparison – external appropriateness

In order to assess appropriateness at a horizontal level, the Supervisory Board draws on companies from the SDAX and MDAX that are comparable with Encavis in terms of country, size and industry as the peer group. The positioning of Encavis within the peer group and the respective remuneration components are taken into consideration in this assessment.

##### bb) Vertical comparison – internal appropriateness

In order to assess appropriateness at a vertical level, the Supervisory Board takes into account the ratio of Management Board remuneration to the remuneration of the senior management and employees of Encavis, including the development of said remuneration over time.

**f) Remuneration components and their relative share of the total remuneration target, structure of the total remuneration target and further components of the remuneration system**

The remuneration of the Encavis Management Board consists of fixed and variable remuneration components. The fixed components comprise the annual salary and additional benefits. Variable, performance-related components consist of short-term variable remuneration (annual bonus) and a long-term, variable, share-based remuneration (virtual stock option programme – AOP).

The total remuneration target is calculated as the total of all remuneration components relevant to the total remuneration assuming target achievement of 100 % for variable remuneration components.

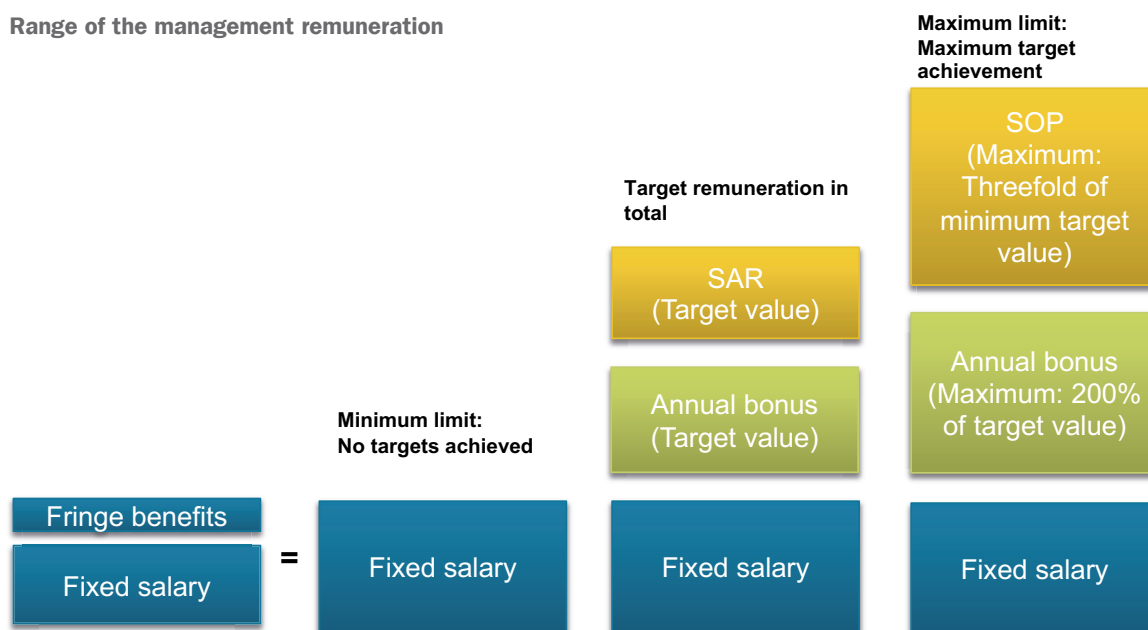
Given the annual fluctuations in additional benefits and for any new appointments, the Supervisory Board can define a total remuneration target with components within the following percentage ranges:

**Structure of the total remuneration target**

SOP (Target value)	23 -24%
Annual bonus (Target value)	24 -25%
Fixed salary	51 -53%

When comparing the components of the total remuneration target, short- and long-term variable remuneration may account for equal shares; in certain cases, the share of short-term variable remuneration may be slightly higher than the share of long-term variable remuneration. Depending on the specific target achievement, the share of long-term variable remuneration may be higher than the share of short-term variable remuneration. In future, the Supervisory Board will attempt to ensure in the medium term that long-term remuneration is greater than short-term variable remuneration.

## Range of the management remuneration



### g) Maximum remuneration limit

The Supervisory Board has defined a maximum remuneration limit in accordance with section 87a (1) sentence 2 no. 1 AktG that includes the total remuneration (total of all remuneration amounts for the financial year in question, including fixed annual salary, additional benefits and variable remuneration components) of the members of the Management Board – irrespective of whether the remuneration is paid in the financial year in question or at a later date. The maximum remuneration for one financial year has been defined as follows:

	Chair of the Management Board	Ordinary member of the Management Board
<b>Maximum remuneration pursuant to section 87a (1) sentence 2 no. 1 AktG</b>	EUR 3.2 million	EUR 3.2 million

The Supervisory Board notes that the relevant metric in terms of maximum remuneration is the total remuneration granted to a member of the Management Board in a single financial year, irrespective of the precise date of payment of individual remuneration elements (in particular short-term variable remuneration and long-term variable remuneration) and that the maximum remuneration is based on this metric.

### h) Elements of the remuneration system in detail

#### aa) Fixed remuneration components

##### (i) Fixed annual salary

The annual salary is a fixed, single-year remuneration component paid in cash in twelve equal monthly instalments.

**(ii) Additional benefits**

The maximum amount of additional benefits is defined for each member of the Management Board for the respective upcoming financial year. The Supervisory Board defines an amount for this purpose in proportion to basic remuneration. Additional benefits granted to members of the Management Board include a company car or rental car, which can also be used privately, and a mobile phone, which likewise can also be used privately. In addition, D&O insurance is in place with an excess in accordance with the legal requirements of section 93 (2) sentence 3 AktG. The members of the Management Board receive a standard market allowance for health and care insurance. No pension commitments exist.

When appointing a member of the Management Board for the first time or subsequently changing the regular place of work at the request of the Company, the Supervisory Board decides – acting on the recommendation of the Personnel Committee – whether and to what extent the following additional remuneration services are included in the individual Management Board contract:

- Compensation for the expiration of services from the previous employer: e.g. long-term variable remuneration commitments or pension commitments: The Supervisory Board can make equivalent commitments, such as in the form of the stock option programme, or agree cash payments (recruitment bonus).
- Relocation costs: If the appointment of a member of the Management Board or a change in regular place of work at the request of the Company necessitates a change in the place of residence, relocation costs will be refunded up to the maximum amount defined in each Management Board contract.

**bb) Variable remuneration components**

Variable remuneration is geared towards the short- and long-term development of the Company.

**(i) Short-term variable remuneration (annual bonus)**

The members of the Management Board receive a performance-related, variable annual bonus for each financial year. The annual bonus provides an incentive to contribute to the implementation of the business strategy during a financial year.

The annual bonus usually consists of three specific performance targets given largely equal weighting, as well as targets defined for the Management Board as a whole that tie in to financial and non-financial objectives and the strategic and operative development of the Company.

Performance targets were based on a variety of performance criteria. The Supervisory Board is responsible for determining the choice and weighting of individual performance criteria based on the recommendations of the Personnel Committee for the coming financial year. The Supervisory Board is responsible for ensuring that targets are challenging and ambitious. If members of the Management Board do not achieve their targets, variable remuneration can fall to zero. Likewise, if members of the Management Board significantly overachieve in terms of their targets, target achievement is limited to 200 % (cap).

Depending on the specific terms defined by the Supervisory Board, the following performance criteria can be utilised for the annual bonus:

## Performance goals | Performance indicators

Financial performance goals	<ul style="list-style-type: none"> <li>• Operating targets within one year, esp. earnings and financial power (acc. to the EPS undiluted)</li> <li>• Securing of liquidity for investments</li> <li>• Optimisation / refinancing of existing SPV project financing</li> </ul>
Strategic and operating performance goals	<ul style="list-style-type: none"> <li>• Operational implementation of the growth strategy Fast Forward 2025 (e.g. minimum number of new acquisitions acc. to the communicated growth targets, entering major strategic partnerships, sale of minority interests in wind farms and selected solar parks, reduction and optimisation of operating costs in operation and maintenance of solar parks)</li> <li>• ESG factors: Development of a sustainability strategy, performance of innovation, employee satisfaction, sustainability / diversity, compliance, risk management</li> </ul>
Individual performance goals	<ul style="list-style-type: none"> <li>• To be selected from financial and strategic resp. operating issues</li> <li>• Non-financial targets, e.g. acc. to the focus of each of the Board members responsibilities (staff retention, compliance, development of corporate culture)</li> </ul>

Performance targets and criteria do not change during the financial year. The Supervisory Board can take extraordinary circumstances, the effects of which are not sufficiently accounted for in target achievement, into appropriate consideration in defining targets in a small number of justified cases. If extraordinary circumstances occur that necessitate an adjustment, said circumstances will be reported in detail and transparently in the annual remuneration report.

After the end of the financial year, the achievement of each individual target is determined and summarised as a weighted average. The bonus payment amount for the past financial year is calculated as the percentage of the weighted target achievement multiplied by the individual target amount. The annual bonus payment amount is capped at a target achievement of 200 %.

### Annual bonus



The annual bonus amount is paid in cash in the subsequent financial year. If the member resigns from the Management Board, the bonus is calculated on a pro rata basis at the end of the financial year and paid on the usual payment date.

The specific targets for the respective financial year as well as the achieved targets are published in the remuneration report for the past financial year.

**(ii) Long-term, variable, share-based remuneration (AOP)**

Long-term variable remuneration is granted in the form of virtual share appreciation rights (SAR). Members of the Management Board are granted a certain number of SAR in annual tranches, which are paid out in cash at the request of the Management Board member following a multi-year assessment period.

The Supervisory Board defines a share option programme allocation percentage for each Management Board member based on the fixed salary and STI (at 100 % target achieved) as a target (approximately 30 %). The allocated amount is converted into a corresponding number of SARs for the respective member of the Management Board after the end of the financial year. The allocation takes place as at 1 July for the respective current financial year.

The sole purpose of the SARs is to provide cash compensation; no shares are allocated to the members of the Management Board.

One prerequisite for exercising SARs is the achievement of the financial success target, which also determines the specific amount of the cash compensation. In order to achieve the success target, the overall performance of Encavis shares in XETRA trading (or a comparable successor system) on the Frankfurt stock exchange on the date on which the SAR is exercised, measured by the increase in the share price over time and the dividend paid since the SAR was issued, must exceed the issue price by a minimum of 30 % (the “issue price” or the “minimum exercise value”). The relevant issue price of the SARs for the financial success target is calculated as the mean daily closing price of the performance index of the Encavis share in XETRA trading (or in a comparable successor system) on the Frankfurt stock market in the first half of the financial year in which the SARs are allocated. Each SAR grants the holder to the payment of the difference between the exercise price and the issue price, both of which calculated on the basis of the six-month average price. The payment amount is limited to three times the difference between the minimum exercise price and the issue price.

The SARs can only be exercised by Management Board members after a minimum vesting period of three years. After this point, they can be exercised on the half-yearly exercise dates within two years of the end of the three-year vesting period. At no point does the Company pay the long-term variable remuneration automatically.

The Supervisory Board strives to anchor the Company’s sustainability goals even more strongly in the remuneration system for members of the Management Board and add non-financial targets moving forward.

**i) Clawback**

Besides statutory regulations on the subsequent reduction of remuneration, the service contracts of the members of the Management Board do not include any explicit clawback regulations. When concluding future service contracts with members of the Management Board, the Supervisory Board will attempt to conclude standard market clawback regulations that will allow variable remuneration components to be returned (clawback) in certain cases (e.g. performance or compliance).

**j) Remuneration-related legal transactions****aa) Terms and provisions for contract termination, including notice periods**

Management Board members’ contracts have the following residual terms and are subject to the following provisions regarding termination. The contract with Dr Paskert expires on 30 August 2025. The contract with Dr Husmann expires on 30 September 2025. The contracts are extended for the period for which the

Supervisory Board resolves the reappointment of said member of the Management Board with their approval.

The contract ends in the event of termination without notice for good cause or in the case of early unilateral resignation for good cause.

**bb) Change of control**

There is no special right of termination due to a change of control, nor are any commitments made for the payment of any benefits due to the early termination of the Management Board contract.

**cc) Early termination of the Management Board contract at the request of the Management Board member or by the Company for good cause**

The contracts do not contain any provisions regarding settlements for early termination. No settlement cap is agreed in the Management Board contracts.

Once their contracts expire, the members of the Management Board are subject to a non-competition clause for a period of two years. During this period they are entitled to compensation amounting to 50 % of their last fixed annual salary plus 50 % of the annual bonus assuming 100 % target achievement.

**dd) Provisions concerning remuneration for the assumption of executive functions at consolidated companies**

The members of the Management Board are obliged to transfer any remuneration received for the performance of executive functions at internal group companies or consolidated companies to Encavis.

**ee) Transparency**

The Management Board and the Supervisory Board will prepare an annual report that clearly and coherently details the remuneration granted and owed by the Company or companies belonging to the same group to each current and former member of the Management Board and Supervisory Board (remuneration report).

**2. Information on item 7 of the agenda: Remuneration system for the Supervisory Board members**

In item 7 of the agenda, the Management Board and Supervisory Board propose confirming the remuneration of members of the Supervisory Board, as defined in section 15 of the Articles of Association, as well as the underlying remuneration system.

**Excerpt from the Articles of Association of Encavis AG**

**Section 15 Remuneration of the Supervisory Board**

1. Each member of the Supervisory Board receives fixed annual remuneration of EUR 30,000.00 payable after the end of the financial year. Members of the Supervisory Board receive additional annual remuneration for membership of Supervisory Board committees.
2. Instead of the remuneration defined in (1) sentence 1, the Chair of the Supervisory Board receives fixed annual remuneration of EUR 60,000.00 and the Deputy Chair receives fixed annual remuneration of EUR 45,000.00.

3. Additional remuneration pursuant to section 1 sentence 2 amounts to EUR 20,000.00 for the Chair of the Audit Committee and the Chair of the Personnel Committee and EUR 15,000.00 for each member of the Audit or Personnel Committee. The members of the Nomination Committee do not receive any additional remuneration.

4. Remuneration for committee membership for a financial year assumes that the committee in question has convened during this period to fulfil its tasks.

5. The members of the Supervisory Board and its committees receive a meeting fee of EUR 1,000.00 for each Supervisory Board or committee meeting they attend. This applies regardless of whether the members of the Supervisory Board are physically present at the meeting or attend via telephone or through other means of technology or whether the meeting is held as a telephone or video conference. The meeting fee is only paid once for multiple Supervisory Board and/or committee meetings held on the same day.

6. Members of the Supervisory Board who only belonged to the Supervisory Board or the Audit or Personnel Committee or acted as Chair or Deputy Chair for part of the financial year receive the remuneration on a pro rata basis. Pro rata remuneration for committee membership assumes that the committee in question has convened during this period to fulfil its tasks.

7. Members of the Supervisory Board are refunded all expenses incurred as a result of their membership, including any VAT charged on remuneration and the reimbursement of expenses. Furthermore, the members of the Supervisory Board are also entitled to request that the Company conclude third-party liability insurance on their behalf.”

#### **Remuneration system for the Supervisory Board with disclosures pursuant to sections 113 (3) sentence 3, 87a (1) sentence 2 AktG**

The above provisions in the Articles of Association concerning the remuneration of Supervisory Board members are based on the following remuneration system:

The members of the Supervisory Board are entitled to suitable remuneration that takes into account, both in terms of structure and amount, the requirements of the function of Supervisory Board member and the position of the Company. Providing appropriate Supervisory Board remuneration ensures that the Company remains in a position to attract suitably qualified candidates for Supervisory Board positions. As a result, Supervisory Board remuneration also contributes to the advancement of the business strategy and the long-term development of the Company. Unlike the Management Board, the Supervisory Board has no operative function. Instead, it contributes to the long-term development of the Company by holding a monitoring role.

The remuneration system is simple, clear and coherent. The members of the Supervisory Board receive the fixed remuneration defined in the Articles of Association. The Chair receives double this amount and the Deputy Chair 1.5 times this amount. Additional remuneration is granted for committee membership. In addition, members of the Supervisory Board also receive a meeting fee defined in the Articles of Association for attending meetings.

The members of the Supervisory Board are included in the Company's third-party liability insurance in accordance with the Articles of Association.

The remuneration does not include any variable components or share-based components. The remuneration and the meeting fee are due and paid at the end of the financial year.



Remuneration for Supervisory Board members is defined in the Articles of Association. It is tied to the length of a member's appointment. There are no commitments for redundancy payments, pension entitlements or early retirement programmes.

The Supervisory Board remuneration system is resolved by the Annual General Meeting on the basis of proposals submitted by the Management Board and the Supervisory Board. The amount of the remuneration and the remuneration system for the Supervisory Board is regularly reviewed by administrators, and at minimum every four years. Relevant factors in terms of reviewing Supervisory Board remuneration include the necessary time commitments for members, the level of responsibility and supervisory board remuneration granted by other comparable companies. In addition, remuneration is compared with the supervisory board remuneration of comparable companies such as MDAX-listed companies and companies from a similar industry. The Supervisory Board can also obtain advice from independent external experts in this regard. If there is any reason to change Supervisory Board remuneration, or at minimum every four years, the Management Board and the Supervisory Board will present to the Annual General Meeting the revised remuneration and remuneration system for resolution pursuant to section 113 (2) AktG.

Any conflicts of interest in reviewing the remuneration system are counteracted by the division of responsibility by law, with ultimate decision-making authority on Supervisory Board remuneration lying with the Annual General Meeting, which is presented with a proposed resolution by both the Management Board and the Supervisory Board. As a result, a system of checks and balances is therefore already in place by law. General regulations regarding conflicts of interest otherwise apply, and members of the Supervisory Board are obliged by the rules of procedure to disclose any conflicts of interest.

### **3. Report of the Management Board to the Annual General Meeting on item 10 of the agenda pursuant to sections 203 (2), 186 (4) sentence 2 AktG**

The Management Board has submitted a written report on item 10 of the agenda for the Annual General Meeting on 27 May 2021 on the reasons for the exclusion of subscription rights pursuant to sections 203 (2), 186 (4) sentence 2 AktG. The content of this report is as follows:

In order to maintain the ability to act flexibly and quickly in the context of further business developments without convening the Annual General Meeting again, in particular to take advantage of new acquisition opportunities or to strengthen the Company's equity, the Management Board and the Supervisory Board propose the creation of new authorised capital. Authorised Capital 2021 is to be available for both cash and non-cash capital increases and is to enable the Company, among other things, to finance acquisitions – whether in return for cash or shares. It replaces Authorised Capital 2017 resolved by the 2017 Annual General Meeting.

The other companies mentioned in section 186 (5) sentence 1 AktG are companies operating under section 53 (1) sentence 1 or section 53b (1) sentence 1 or (7) of the German Banking Act (KWG).

In principle, shareholders are entitled to a subscription right when the Authorised Capital 2021 is utilised. However, an exclusion is possible as follows:

Firstly, the proposed authorisation provides that the administration shall be entitled to exclude the shareholders' subscription right if fractions arise as a result of the subscription ratio. The exclusion of the subscription right with regard to the possible fractional amounts only serves to enable the utilisation of the authorisation by round amounts. The new shares excluded as free fractions from the subscription right of shareholders will be utilised in the best possible way for the Company.

Secondly, the administration is to be authorised to exclude the subscription right if the capital is to be increased against contributions in kind. This possibility of excluding subscription rights is intended to enable the Management Board, with the approval of the Supervisory Board, to acquire companies or shareholdings in companies or other assets in appropriate cases in exchange for Encavis AG shares or to combine with other companies, in particular by way of merger. This is intended to enable the Company to respond quickly and flexibly on national and international markets to advantageous offers or other opportunities that arise to acquire companies or shareholdings in companies operating in related business areas. It is not uncommon for the need to arise to provide shares rather than money as consideration. The administration will only use the possibility of a capital increase against contributions in kind with exclusion of subscription rights from the Authorised Capital 2021 for acquisitions if the value of the newly issued shares and the value of the consideration, i.e. the company to be acquired or the shareholding to be acquired or other assets, are appropriately proportional.

Thirdly, the Management Board is to be able, with the consent of the Supervisory Board, to exclude the subscription right in the case of cash capital increases if the shares are issued at an amount that is not significantly lower than the stock exchange price. This possibility provided for by section 186 (3) sentence 4 AktG is designed to enable the Company to take advantage of market opportunities quickly and flexibly and to cover a capital requirement at short notice. The exclusion of the subscription right enables a placement close to the stock exchange price, so the discount customary for subscription issues does not apply. In the case of such an exclusion of the subscription right close to the stock exchange price, the cash capital increase may not exceed 10 % of the existing share capital at the time of its exercise. This takes into account shareholders' need for dilution protection with regard to their shareholdings. Each shareholder can acquire shares on the market at approximately the same conditions in order to maintain their shareholding quota.

Fourthly, it is to be possible to exclude the subscription right to the extent necessary to grant the holders of conversion and option rights a subscription right to new shares, providing the terms and conditions of the respective conversion and option right allow for this. Such conversion and option rights are subject to dilution protection to facilitate placement on the capital market, which provides that holders may be granted a subscription right to new shares in subsequent share issues, as is shareholders' entitlement. In this way, their status is the same as if they were already shareholders. In order to be able to provide the conversion and option rights with such dilution protection, the shareholders' subscription rights to these shares must be excluded. This serves to facilitate the placement of the conversion and option rights and therefore the interests of the shareholders in an optimum financial structure of the Company.

In total, the shares issued under the exclusion of subscription rights in the case of capital increases on the basis of the aforementioned authorisations may not account for more than 20 % of the share capital either at the point at which the resolution is made or, if the share capital is lower at the time, the point at which the authorisations are exercised. Shares that are (i) issued under other authorisations with the exclusion of subscription rights during the term of the authorised capital or (ii) issued or are to be issued to service rights issued with the exclusion of subscription rights under other authorisations during the term of the authorised capital that entitle to oblige the holder to subscribe to shares are to be deducted from the 20 % limit. Limiting the total volume of shares issued with the exclusion of subscription rights from authorised capital, taking into consideration any other share issues or granting of conversion or option obligations with the exclusion of subscription rights under other authorisations restricts the potential dilution of existing shareholders.

The Management Board will carefully examine in each individual case whether it will make use of the authorisation to increase the capital with the exclusion of the shareholders' subscription rights. It will only do so if, in the opinion of the Management Board and the Supervisory Board, it is in the interests of the Company and therefore of its shareholders.

By its very nature, the amount to be spent cannot be determined at present. The determination of the respective issue amount is therefore incumbent on the Management Board by law with the approval of the Supervisory Board.

When weighing up all the above circumstances, the Management Board – as well as the Supervisory Board of Encavis AG – considers the exclusion of the subscription right in the above cases to be objectively justified and appropriate, also taking into account the dilution effect to the detriment of the shareholders.

#### **4. Report of the Management Board on item 11 of the agenda pursuant to section 71 (1) no. 8 sentence 5 AktG in conjunction with section 186 (4) sentence 2 AktG**

Agenda item 11 contains the proposal of the Management Board and the Supervisory Board to authorise the Company pursuant to section 71 (1) no. 8 AktG to acquire, either itself or through dependent companies or companies in which the Company holds a majority interest, or through third parties acting on its or their behalf, treasury shares up to an amount of 10 % of the current share capital or – if this amount is lower – of the share capital of the Company existing at the time of the exercise of the authorisation.

The Management Board submits a written report on this matter pursuant to sections 71 (1) no. 8, 186 (4) sentence 2 AktG, which is published below:

The authorisation granted to the Management Board by the Annual General Meeting on 18 May 2017 to acquire and use treasury shares expires on 17 May 2022. In order to maintain the room for manoeuvre, the limited authorisation shall be renewed for a period of two years.

##### **Types of acquisition**

The proposed resolution under item 11 of the agenda provides for authorising the Management Board, with the prior consent of the Supervisory Board, to acquire treasury shares representing a maximum of 10% of the share capital existing at the time the resolution is adopted or – if this value is lower – at the time the authorisation is exercised. The acquisition shall be effected on the stock exchange, by means of a public purchase offer addressed to all shareholders or on the basis of a public invitation to all shareholders to submit offers for sale. The principle of equal treatment under stock corporation law must be observed in each case. In the case of a public invitation to all shareholders to submit offers for sale, the addressees of this invitation may decide how many shares they would like to offer to the Company and at what price (if a price range is determined).

If the acquisition is made by means of a public purchase offer directed to all shareholders or by means of a public invitation to submit offers for sale, the volume of the offer or the invitation to submit offers for sale may be limited. This may result in the quantity of shares in the Company offered by the shareholders exceeding the quantity of shares demanded by the Company. In this case, an allocation must be made according to quotas. In this context, it shall be possible to carry out an allotment according to the ratio of the shares subscribed or offered in each case (tender quotas) instead of according to participation quotas, because the acquisition procedure can be handled more effectively from a technical point of view in this way within an economically sensible framework. Furthermore, it shall be possible to provide for a preferential acceptance of small numbers of up to 100 tendered shares per shareholder. This possibility serves to avoid fractional amounts when determining the quotas to be acquired and small residual amounts and therefore to facilitate the technical handling of the share buyback. A de facto impairment of small shareholders can also be avoided in this way. Finally, it shall be possible to provide for rounding in accordance with commercial principles in order to avoid fractional shares. In this respect, the acquisition quota and the number of shares to be acquired by individual tendering shareholders may be rounded as necessary in order to technically manage the acquisition of whole shares.

The Management Board and the Supervisory Board consider this exclusion of any further tender rights of the shareholders to be objectively justified.

The respective price offered or the limits of the purchase price range per share determined by the Company (excluding incidental purchase costs) may not be more than 10 % higher than the arithmetic mean of the closing prices of the Company's shares in the XETRA trading system (or a comparable successor system) on the Frankfurt Stock Exchange on the last three trading days prior to the date of the public announcement of the offer or the public invitation to submit offers for sale. If after the publication of a public offer addressed to all shareholders or a public invitation to all shareholders to submit offers to sell, there are significant deviations in the relevant price, the purchase offer or the invitation to submit offers to sell may be adjusted. In this case, the average price of the last three trading days prior to the public announcement of any adjustment shall be used. The purchase offer addressed to all shareholders or the invitation to all shareholders to submit offers for sale may provide for further conditions.

### **Use of treasury shares**

The proposed possibility of selling or using treasury shares serves to simplify the procurement of funds. Pursuant to section 71 (1) no. 8 sentence 5 AktG, the Annual General Meeting may also authorise the Management Board to sell the shares in a form other than via the stock exchange or on the basis of an offer to all shareholders. According to the proposed resolution, the Management Board also requires the prior consent of the Supervisory Board for the use of treasury shares.

The prerequisite for this is, in the alternative proposed here under agenda item 11 d) section (1), that the treasury shares are sold in accordance with section 186 (3) sentence 4 AktG at a price that is not significantly lower than the stock exchange price of the Company's shares of essentially the same class that are already listed at the time of the sale. In this way, use is made of the legally permissible and customary possibility of a simplified exclusion of subscription rights. Dilution protection is provided for shareholders by the fact that the shares may only be sold at a price that is not significantly lower than the relevant stock exchange price. The final determination of the selling price for the treasury shares will be made shortly before the sale. The Management Board – with the approval of the Supervisory Board – will set the discount on the stock exchange price as low as possible according to the market conditions prevailing at the time of the placement. The discount on the exchange price will in no case exceed 5 % of the exchange price. The possibility of selling treasury shares under exclusion of subscription rights and in a form other than via the stock exchange or through an offer to all shareholders is in the interest of the Company in view of the strong competition on the capital markets. This opens up the opportunity for the Company to offer treasury shares quickly and flexibly to national and international investors, to expand the group of shareholders and to stabilise the value of the share. Sale at a purchase price not significantly lower than the stock exchange price and limitation of the proportion of treasury shares that can be sold under this type of exclusion of subscription rights to a maximum of 10 % of the share capital (at the time the authorisation becomes effective and at the time it is exercised) adequately safeguard the asset interests of the shareholders. Other shares that are issued or sold during the term of the authorisation under exclusion of subscription rights in direct or analogous application of section 186 (3) sentence 4 AktG are to be included in the maximum limit of 10 % of the share capital. Shares to be issued for the purpose of servicing option and/or conversion rights or obligations under option bonds and/or convertible bonds and/or profit participation rights shall also be counted, provided that these bonds or profit participation rights are issued during the term of this authorisation under exclusion of the subscription right in corresponding application of section 186 (3) sentence 4 AktG. Since the treasury shares are placed close to the stock exchange price, each shareholder can essentially acquire shares on the market at approximately the same conditions in order to maintain their participation quota.

According to the resolution proposed under agenda item 11 d) section (2), the Company also has the possibility to have treasury shares at its disposal for the acquisition of contributions in kind, in particular in the context of the acquisition of companies, parts of companies, shareholdings in companies or in the context of mergers, other assets or claims to the acquisition of other assets including rights and claims against the Company as consideration, if this consideration is demanded. The authorisation proposed here is intended to give the Company the necessary room for manoeuvre to be able to quickly and flexibly exploit opportunities for such acquisitions or mergers as they arise. The proposed exclusion of subscription rights takes this into account. When determining the assessment value ratios, the Management Board and the Supervisory Board will ensure that the interests of the shareholders are adequately protected. In particular, they will base the assessment of the value of the treasury shares granted as consideration on the stock exchange price of the Company's shares. However, in order not to call into question negotiation results once they have been achieved as a result of any fluctuations in the stock exchange price, a systematic link to a stock exchange price is not envisaged.

Furthermore, the authorisation under agenda item 11 d) section (3) provides that the treasury shares acquired on the basis of the proposed authorisation may be used, excluding shareholders' subscription rights, to fulfil conversion and/or option rights or conversion obligations arising from convertible bonds or option bonds issued by the Company or its group entities in which the Company directly or indirectly holds a 100 % interest. The proposed resolution does not create a new authorisation to grant further conversion and/or option rights. It merely serves the purpose of granting the administration the possibility of using treasury shares in whole or in part instead of using conditional capital to fulfil conversion and/or option rights or conversion obligations that have already been established based on other authorisations. There are no detrimental effects on shareholders other than the dilution effects potentially involved in an exclusion of subscription rights when issuing convertible bonds and/or option bonds. All this does is increase the flexibility of the Management Board in that it does not have to service convertible bonds and other instruments from conditional capital but can use treasury shares for this purpose as well if this appears more favourable in the specific situation in the interests of the Company and its shareholders. Conversion and/or option rights or conversion obligations that can be serviced by treasury shares do not currently exist, but could, for example, be established based on the authorisations of the Annual General Meetings of 18 May 2017, 8 May 2018 and 13 May 2020 to issue convertible bonds and other instruments.

In addition, the Management Board is to be authorised under agenda item 11 d) section (4) to be able to use treasury shares in other ways than by way of an offer to all shareholders for the implementation of what is known as a scrip dividend. In the case of a stock dividend using treasury shares, shareholders are offered to assign their entitlement to payment of the cash dividend, deriving from the Annual General Meeting's resolution on the appropriation of profits to the Company in order to subscribe to treasury shares in return. The implementation of a stock dividend using treasury shares can be carried out as an offer directed to all shareholders while maintaining the subscription right and observing the principle of equal treatment. In the practical handling of the stock dividend, only whole shares are offered to shareholders for subscription; with regard to the part of the dividend entitlement that does not reach the subscription price for a whole share or else exceeds it, shareholders are referred to the subscription of the cash dividend and cannot receive any shares as such. An offer of partial rights or the establishment of trading of subscription rights or fractions thereof is usually not implemented because shareholders receive a cash dividend on a pro rata basis instead of the subscription of treasury shares. However, the Management Board is also to be authorised to exclude the subscription rights of shareholders in connection with the implementation of a stock dividend in order to be able to implement the stock dividend under optimum conditions. Depending on the capital market situation, it may be advantageous to organise the implementation of the stock dividend using treasury shares in such a way that the Management Board offers all dividend-entitled shareholders treasury shares for subscription in return for assignment of their dividend entitlement, in compliance with the general principle of equal treatment (section 53a AktG), thereby granting shareholders a subscription right on an economically sound basis while

nonetheless legally excluding the shareholders' subscription right to new shares. Such an exclusion of subscription rights enables the implementation of the stock dividend on flexible terms. In view of the fact that all shareholders are offered the treasury shares and excess dividend amounts are settled by cash payment of the dividend, an exclusion of subscription rights in this case appears to be justified and appropriate.

Finally, the treasury shares acquired on the basis of this authorisation resolution may be redeemed by the Company in accordance with the resolution proposed under agenda item 11 d) section (5) without a new resolution of the Annual General Meeting being required for this purpose. According to section 237 (3) AktG, the Annual General Meeting of a company may resolve to redeem its fully paid-up no-par value shares without this necessitating a reduction of the company's share capital. The authorisation proposed here expressly provides for this alternative in addition to redemption with a capital reduction. The redemption of treasury shares without a capital reduction automatically increases the arithmetical proportion of the remaining no-par value shares in the Company's share capital. The Management Board shall therefore also be authorised to make the necessary amendment to the Articles of Association with regard to the number of no-par value shares changing as a result of a redemption.

The subscription right of shareholders to acquired treasury shares shall be excluded to the extent that these shares are used in accordance with agenda item 11 d) sections (1) to (4) in a manner other than by sale on the stock exchange or by offer to all shareholders. In addition, in the event of a sale of treasury shares by way of an offer for sale to all shareholders, it shall be possible to exclude shareholders' subscription rights for fractional amounts. The exclusion of subscription rights for fractional amounts is necessary in order to be able to technically execute the disposal of acquired treasury shares by way of an offer to shareholders. The treasury shares excluded from the shareholders' subscription rights as free fractions shall be utilised either by sale on the stock exchange or in another manner in the best possible way for the Company.

The Management Board will report to the Annual General Meeting on each use of the authorisation.

### III. Further information and notes on the virtual, remote Annual General Meeting

#### 1. Notes on the conduct of the virtual, remote Annual General Meeting

In view of the ongoing COVID-19 pandemic, the Management Board, with the consent of the Supervisory Board, has resolved to propose to the Annual General Meeting of the Company on 27 May 2021, pursuant to section 1 (1), 2 of the Act on Measures in Company, Cooperative, Association, Foundation and Residential Property Law to Combat the Effects of the COVID-19 Pandemic (GesRuaCOVBekG) of 27 March 2020, as last amended by the Act on the Further Shortening of Residual Debt Relief Proceedings and on the Adjustment of Pandemic-Related Provisions in Company, Cooperative, Association and Foundation Law and in Rental and Lease Law of 22 December 2020 (hereinafter “**PandemieG**”) to be held as a virtual general meeting without the physical presence of the shareholders and their proxies. The validity of PandemieG was extended until 31 December 2021 by the Ordinance on the Extension of Measures in Company, Cooperative, Association, Foundation and Tenancy and Leasehold Law to Combat the Effects of the COVID-19 Pandemic of 20 October 2020.

The entire Annual General Meeting will be broadcast live in video and audio on the Company’s website at <https://www.encavis.com/investor-relations/hauptversammlungen/> via the password-protected internet service for duly registered shareholders or their proxies in accordance with the following provisions from 11:00 a.m. on 27 May 2021. Following the Annual General Meeting, the presentation of the Management Board will be published on the Company’s website.

Shareholders who wish to participate in the virtual, remote Annual General Meeting, must register in advance (see above in the section “Registration for the virtual Annual General Meeting”).

Physical participation by shareholders or their proxies (with the exception of the Company’s proxies) is excluded. The exercise of voting rights by shareholders or their proxies is therefore exclusively by electronic absentee ballot or by granting power of attorney to the proxy appointed by the Company (information on the exercise of voting rights is to be found below in the section “Procedure for the exercise of voting rights”).

#### 2. Requirements for participation in the virtual, remote Annual General Meeting and the exercise of voting rights

The conditions for registration for the virtual Annual General Meeting are governed by sections 121 et seq. AktG and section 17 of the Articles of Association. Shareholders are entitled to participate in the Annual General Meeting and to exercise their voting rights at the Annual General Meeting if they register with the Company in accordance with the following requirements and provide proof of their shareholding to the Company. Proof of share ownership in text form (section 126 German Civil Code (BGB)) by the final intermediary pursuant to section 67c (3) AktG.

Proof of share ownership must refer to the beginning of the 21st day prior to the day of the Annual General Meeting (record date, i.e. **Thursday, 6 May 2021, 00:00 hours, midnight**, and must be issued in text form (section 126b BGB).

The registration and the proof must be received by the Company at the following address, fax number or e-mail address by **Thursday, 20 May 2021, 24:00 hours, midnight** (registration deadline) at the latest:



ENCAVIS AG  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 Munich  
Germany  
Fax: +49 (0)89 88 96 906 33  
E-mail: anmeldung@better-orange.de

Better Orange IR & HV AG is the Company's authorised recipient for registration and proof of share ownership.

After proper registration and proof of share ownership with the Company, shareholders will be sent access data for using the password-protected internet service on the Company's website at: <https://www.encavis.com/investor-relations/hauptversammlungen/>

In order to ensure timely receipt of the access data, we ask shareholders to ensure that registration and proof of their share ownership are sent to the Company in good time.

### **3. Significance of the record date**

The record date is the determining date for the scope and exercise of voting rights at the virtual Annual General Meeting. Only those who have duly provided proof are deemed to be shareholders of the Company. The scope of voting rights is measured exclusively according to the shareholder's shareholding on the record date. The record date does not entail any block on the saleability of the shareholding. The shares will not be blocked as a result of registering for the Annual General Meeting; shareholders may continue to freely dispose of their shares even after registration has been completed. Even in the event of a complete or partial sale of the shareholding after the record date, only the shareholding of the shareholder on the record date shall be decisive for the scope of the voting rights; i.e. sales of shares after the record date shall have no effect on the scope of the voting right. The same applies to the acquisition of shares after the record date. Persons who do not own any shares on the record date and only become shareholders thereafter shall not be entitled to vote unless they have been authorised or empowered to exercise their rights. The record date shall have no significance for dividend entitlement.

### **4. Video and audio transmission of the Annual General Meeting on the internet**

Registered shareholders of Encavis AG and their proxies can follow the entire Annual General Meeting on 27 May 2021 from 11.00 a.m. live on the internet in video and audio using the password-protected internet service for the Annual General Meeting on the Company's website at

<https://www.encavis.com/investor-relations/hauptversammlungen/>

For the activation of the internet transmission via the password-protected internet service for the Annual General Meeting, timely registration for the virtual, remote Annual General Meeting in accordance with the provisions set out above in the section "Requirements for participation in the virtual, remote Annual General Meeting and the exercise of voting rights". With regard to the individual access data required for the use of the password-protected internet service for the Annual General Meeting, see above section "Requirements for participation in the virtual, remote Annual General Meeting and the exercise of voting rights".



## 5. Voting by electronic absentee ballot

Shareholders may cast their votes by absentee ballot by way of electronic communication, even without participating in the virtual Annual General Meeting, using the password-protected internet service for the Annual General Meeting on the Company's website at <https://www.encavis.com/investor-relations/hauptversammlungen/> in accordance with the procedures provided for this purpose. This absentee ballot option is available until the start of voting in the virtual Annual General Meeting on 27 May 2021. The same applies to a revocation or a change of the voting by absentee ballot. In order to be able to exercise voting rights, timely registration for the virtual Annual General Meeting in accordance with the provisions set out above in the section "Requirements for participation in the virtual, remote Annual General Meeting and the exercise of voting rights".

Submitting votes via absentee voting is limited to voting on the proposed resolutions of the Management Board and/or Supervisory Board published in the notice of the virtual Annual General Meeting, on any proposed resolutions of shareholders published with a supplement to the agenda pursuant to section 122 (2) AktG and on any countermotions and election proposals by shareholders published prior to the Annual General Meeting pursuant to sections 126 and 127 AktG.

Should an individual vote be conducted on an agenda item without this having been communicated in advance of the virtual Annual General Meeting, an absentee vote cast on this agenda item shall also count in total as an absentee vote for each item of the individual vote.

Authorised intermediaries, shareholders' associations and voting advisers or other persons treated as equivalent pursuant to section 135 (8) AktG may also use electronic absentee voting.

## 6. Voting by proxy

Shareholders may have their voting rights exercised by proxies, e.g. by an intermediary, a shareholders' association, a proxy advisor or another third party. Even in the case of a proxy, timely registration for the Annual General Meeting and timely proof of share ownership are required (see above in the section "Requirements for participation in the virtual, remote Annual General Meeting and the exercise of voting rights").

The granting of the proxy, its revocation and the proof of authorisation vis-à-vis the Company require text form (section 126b BGB), unless the proxy is an intermediary, a shareholders' association or a voting rights advisor or a person or institution equivalent to these pursuant to section 135 (8) AktG; in this case, special conditions may apply.

The proof of proxy as well as changes and revocations may be submitted, changed or revoked no later than **Wednesday, 26 May 2021, 24:00 hours, midnight** (time of receipt) **by post, by fax or by e-mail** to

ENCAVIS AG  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 Munich  
Germany  
Fax: +49 (0)89 88 96 906 55  
E-mail: [encavis@better-orange.de](mailto:encavis@better-orange.de)

or via the password-protected internet service on the Company's website at <https://www.encavis.com/investor-relations/hauptversammlungen/> in accordance with the procedure provided for this purpose until immediately before the beginning of the voting at the virtual Annual General Meeting on 27 May 2021.

Shareholders who wish to authorise another person may use the form for the granting of a proxy, which will be sent after timely registration for the Annual General Meeting and timely proof of share ownership. A form for this purpose is also available for download on the Company's website at <https://www.encavis.com/investor-relations/hauptversammlungen/>.

The aforementioned means of transmission are also available until the aforementioned times if the proxy is to be granted by declaration to the Company; in this case, separate proof of the granting of the proxy is not required. The revocation or amendment of a proxy already granted may also be declared directly to the Company by the aforementioned means of transmission until the aforementioned times.

Proxies too may not physically participate in the Annual General Meeting. They may only exercise their voting right for shareholders represented by them by way of absentee voting or by granting (sub)proxy to the Company's proxy appointed by the Company and bound by instructions.

In order to use the internet service, the proxy must receive corresponding access data for the password-protected internet service.

## 7. Company proxy bound by instructions

The Company offers its shareholders and their proxies the opportunity to be represented at the Annual General Meeting by a proxy appointed by the Company who is bound by the instructions of the shareholder. Even in the case of an authorisation of the proxy bound by instructions, timely registration for the Annual General Meeting and timely proof of the shareholding are required (see above in the section "Requirements for participation in the virtual, remote Annual General Meeting and the exercise of voting rights"). The proxies do not accept instructions to speak, to object to resolutions of the Annual General Meeting or to ask questions or propose motions, neither before nor during the virtual Annual General Meeting.

Authorisations and instructions to proxies bound by instructions as well as changes and revocations may be submitted, changed or revoked no later than **26 May 2021, 24:00 hours, midnight** (time of receipt) **by post, by fax or by e-mail** to

ENCAVIS AG  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 Munich  
Germany  
Fax: +49 (0)89 88 96 906 55  
E-mail: [encavis@better-orange.de](mailto:encavis@better-orange.de)

or via the password-protected internet service on the Company's website at <https://www.encavis.com/investor-relations/hauptversammlungen/> in accordance with the procedure provided for this purpose until immediately before the beginning of the voting at the virtual Annual General Meeting on 27 May 2021.

Shareholders who wish to authorise Company proxies bound by instructions and issue instructions may use the form for the granting of a proxy with instructions, which will be sent after timely registration for the Annual General Meeting and timely proof of share ownership. A form for this purpose is also available for download on the Company's website at <https://www.encavis.com/investor-relations/hauptversammlungen/>.

Proxies are obliged to vote in accordance with the instructions issued to them and are only permitted to exercise voting rights to the extent of the explicit instructions issued regarding the proposed resolutions of the Management Board and/or Supervisory Board published in the notice of the virtual Annual General Meeting, on any proposed resolutions of shareholders published with a supplement to the agenda pursuant to section 122 (2) AktG and on any countermotions and election proposals by shareholders published prior to the Annual General Meeting pursuant to sections 126 and 127 AktG. If no instructions are given on individual voting items, the proxy must abstain from voting on these items. In the case of declarations received more than once, the declaration received last shall take precedence.

**8. Information on shareholders' rights pursuant to sections 122 (2), 126 (1), 127 and 131 (1) AktG in conjunction with section 1 PandemieG**

**Countermotions and election proposals by shareholders pursuant to sections 126 and 127 AktG in conjunction with section 1 (2) sentence 3 PandemieG**

Countermotions including the grounds and election proposals by shareholders on a specific agenda item pursuant to sections 126 (1), 127 AktG will be published at the internet address <https://www.encavis.com/investor-relations/hauptversammlungen/>.

The requirement for this is that countermotions be received by the Company at the following address, fax number or e-mail address no later than 14 days prior to the day of the Annual General Meeting (whereby the day of the Annual General Meeting itself is not counted due to the statutory provisions), i.e. by **Wednesday, 12 May 2021, 24:00 hours, midnight:**

ENCAVIS AG  
Annual General Meeting  
Große Elbstraße 59  
22767 Hamburg, Germany  
Fax: +49 (0)40 37 85 62 129  
E-mail: HV2021@encavis.com.

We will publish any statements by the administration at <https://www.encavis.com/investor-relations/hauptversammlungen/>

A countermotion and its grounds or an election need not be made accessible in the cases of section 126 (2) sentence 1 nos. 1 to 7 AktG; the grounds for a countermotion need not be made accessible pursuant to section 126 (2) sentence 2 AktG if it exceeds a length of 5,000 characters in total. Likewise, an election proposal need not be made accessible in the cases of section 127 sentence 3 AktG.

Motions or election proposals by shareholders that are required to be made accessible pursuant to sections 126, 127 AktG in conjunction with section 1 (2) sentence 3 PandemieG shall be deemed to have been made at the Annual General Meeting if the shareholder making the motion or submitting the election proposal is duly authorised and registered for the Annual General Meeting.

### **Motions to add items to the agenda pursuant to section 122 (2) AktG**

Shareholders whose shares together amount to one-twentieth of the share capital or the proportionate amount of EUR 500,000.00 may request that items be added to the agenda and published. Pursuant to section 122 (2) in conjunction with (1) AktG, the applicants must prove that they have held the required number of shares for at least 90 days prior to the date of receipt of the request and that they will hold the shares until the decision of the Management Board regarding the request. Section 121 (7) AktG shall apply mutatis mutandis to the calculation of the time limit. The request must be made in writing (section 122 (1) sentence 1 AktG in conjunction with section 126 BGB) to the Company at the following address:

ENCAVIS AG  
Management Board  
Große Elbstraße 59  
22767 Hamburg, Germany

and must be received by the Company no later than 30 days prior to the meeting, i.e. by **Monday, 26 April 2021 (24:00 hours, midnight)**. Each new item must be accompanied by a statement of grounds or a draft resolution.

Additions to the agenda that are to be announced – insofar as they have not already been announced with the notice of the meeting – will be published in the Federal Gazette without undue delay after receipt of the request and forwarded for publication to such media that can be expected to disseminate the information throughout the European Union. They will also be published at the internet address <https://www.encavis.com/investor-relations/hauptversammlungen/> and communicated to the shareholders according to section 125 (1) AktG.

### **Shareholders' right ask questions pursuant to section 131 (1) AktG in conjunction with section 1 (2) sentence 1 no. 3, sentence 2 PandemieG.**

Pursuant to section 1 (2) sentence 1, no. 3, sentence 2 PandemieG, shareholders are granted a right to ask questions by way of electronic communication. The right to ask questions only applies to shareholders who have registered for the virtual Annual General Meeting in due time in accordance with the provisions set out above in the section "Requirements for participation in the virtual Annual General Meeting and the exercise of voting rights".

Notwithstanding section 131 AktG, the Management Board shall decide at its own discretion how to answer the questions. The Management Board may summarise answers.

Questions must be submitted **no later than 25 May 2021, 24:00 hours, midnight (CEST)** (time of receipt) using the password-protected **internet service for the Annual General Meeting** on the Company's website at <https://www.encavis.com/investor-relations/hauptversammlungen/>.

With regard to the individual access data required for the use of the password-protected internet service for the Annual General Meeting, see above section "Requirements for participation in the virtual, remote Annual General Meeting and the exercise of voting rights".

No questions may be asked during the virtual Annual General Meeting.

### **Objection to resolutions of the Annual General Meeting**

Objection to the minutes against a resolution of the Annual General Meeting pursuant to section 245 (1) AktG in conjunction with section 1 (2) sentence 1 no. 4 PandemieG may be declared by shareholders or proxies who have exercised the voting right from the beginning of the virtual Annual General Meeting until the end of the virtual Annual General Meeting by way of electronic communication or via the password-protected internet service on the Company's website at <https://www.encavis.com/investor-relations/hauptversammlungen/> in accordance with the procedure provided for this purpose.

### **9. Total number of shares and voting rights**

At the time the Annual General Meeting is convened, the total number of shares and voting rights issued by the Company is 138,437,234. The shares are no-par value bearer shares. The Company does not hold any treasury shares at the time the Annual General Meeting is convened.

### **10. Documents for the Annual General Meeting and information pursuant to section 124a AktG**

This convening of the Annual General Meeting, the documents to be made available and motions of shareholders as well as further information to be published pursuant to section 124a AktG are published at the internet address <https://www.encavis.com/investor-relations/hauptversammlungen/> and are accessible there. The documents mentioned under agenda item 1 as well as the proposal of the Management Board for the appropriation of the net retained profits and the documents and Management Board reports mentioned under agenda items 6 to 8 and 10 to 12 are published on the website at <https://www.encavis.com/investor-relations/hauptversammlungen/> and are accessible there. The documents concerning item 12 on the agenda are also accessible on the password-protected internet service during the Annual General Meeting.

The results of the voting will be announced after the Annual General Meeting at the same internet address.

The notice of the Annual General Meeting was forwarded for publication to such media as may be expected to disseminate the information throughout the European Union.

### **11. Reference to sections 33 et seq. WpHG**

Reference is made to the information required by sections 33 et seq. Securities Trading Act (“**WpHG**”) and the legal consequence provided for in section 44 WpHG of the suspension of all rights from the shares in the event of violations of a notification obligation.

### **12. Information on data protection for shareholders**

Your personal data will be processed in preparation for and during our Annual General Meeting. In addition, your data will be used for related purposes and to fulfil other legal obligations (e.g. obligations to provide proof or to retain records). For further information on data protection, see <https://www.encavis.com/investor-relations/hauptversammlungen/>. The Company will also send you this information in printed form upon request.

### **Control and profit and loss transfer agreement between**

**Encavis AG**, registered in the Commercial Register of the Local Court of Hamburg, under HRB 63197

**hereinafter referred to as the “Controlling Company”**

and

**Encavis GmbH**, registered in the Commercial Register of the Local Court of Munich, under HRB 246726

**hereinafter referred to as the “Subsidiary Company”**

#### **Section 1 Preliminary remarks**

The Controlling Company holds all shares in the Subsidiary Company. The Subsidiary Company remains an independent legal entity.

The following control and profit and loss transfer agreement (hereinafter the “**Agreement**”) is concluded in order to establish the tax group as defined in sections 14 and 17 of the German Corporation Tax Act (“**KStG**”).

#### **Section 2 Management**

- (1) The Subsidiary Company relinquishes responsibility for managing its business to the Controlling Company.
- (2) The Controlling Company is entitled to issue the management of the Subsidiary Company with general or individual instructions regarding the management of the Subsidiary Company. The management of the Subsidiary Company remains responsible for managing and representing the Subsidiary Company. The conclusion of this contract does not affect their own specific responsibilities.
- (3) The Subsidiary Company is obliged to follow the instructions of the Controlling Company in every regard unless otherwise prevented from doing so by commercial law, trade law or accounting law. The obligation to follow instructions does not cover the amendment, maintenance or termination of this Agreement.
- (4) The Controlling Company is to be kept up to date regarding all significant matters relating to the Subsidiary Company and its business development. The Subsidiary Company is also obliged to provide the representative bodies of the Controlling Company and its authorised representatives with comprehensive information, above and beyond the extent usually granted by shareholder rights, and to allow said parties to review the accounts and other documents relating to the Company.

### **Section 3**

#### **Profit and loss transfer**

- (1) The Subsidiary Company undertakes to transfer all of its profits to the Controlling Company from the date defined in section 4 (1) sentence 2. Subject to the formation or release of reserves pursuant to (2), the amount to be transferred is the annual net profit prior to profit transfer, less any loss carried forward from the previous year and, if applicable, any amount to be allocated to the statutory reserves pursuant to section 300 of the German Stock Corporation Act (AktG), as well as by the amount blocked from distribution pursuant to section 268 (8) of the German Commercial Code (HGB). The transferred amount may not exceed the amount defined in section 301 AktG, as amended. Reference is made to the provisions of sections 300 et seq. AktG.
- (2) The Subsidiary Company may only transfer amounts from the annual net profit to other revenue reserves pursuant to section 272 (3) HGB with the consent of the Controlling Company, provided that this is permitted by law and economically justified on the basis of a reasonable commercial assessment. Other revenue reserves formed during the term of the Agreement pursuant to section 272 (3) HGB are to be released at the request of Encavis and used to offset the net loss for the year or transferred as profit.
- (3) The transfer of amounts from the release of other revenue reserves pursuant to section 272 (3) HGB formed prior to the start of this Agreement and of capital reserves pursuant to section 272 (2) HGB is not permitted. The same applies to any pre-contractual retained profits.
- (4) The entitlement to profit transfer arises at the end of the Subsidiary Company's financial year. The claim for payment is due six weeks after the adoption of the annual financial statements of the Subsidiary Company.
- (5) The provisions of section 302 AktG, as amended, apply accordingly to loss transfer.

### **Section 4**

#### **Entry into force and contractual term**

- (1) The Agreement is concluded subject to approval of the Annual General Meeting of the Controlling Company and the approval of the Subsidiary Company's shareholders' meeting. It enters into force upon entry into the Commercial Register and applies, with the exception of the control provisions defined in section 2, with retroactive effect as at the start of the financial year in which it is entered into the Commercial Register.
- (2) The Agreement is concluded with no fixed term and can be terminated with two (2) months' notice at the end of the financial year but within the first five years (5 x 12 months) from the date on which the Agreement enters into force. If the Agreement is not terminated it is automatically extended by one year with the same notice period. The Agreement must be terminated in writing. The termination must be received by the respective other contractual party with the required notice in order to take effect.
- (3) A change in form or transfer of the parties to the Agreement of the business of the parties to this Agreement under the provisions of the German Transformation Act or the German Transformation Tax Act do not affect the validity of this Agreement (e.g. merger, change in legal form, etc.).
- (4) In the case of extraordinary termination without notice for good cause by one party to this Agreement, the Agreement no longer applies in the financial year in the course of which the extraordinary termination is effected, provided this is permitted by law. Good cause is considered in particular to be the loss of the financial integration of the Subsidiary Company in the Controlling Company that is necessary for recognition as a tax group as a result of

- a) the sale of shares in the Subsidiary Company by way of sale or contribution or
  - b) the merger, division or liquidation of the Controlling Company or Subsidiary Company or if circumstances deemed to constitute good cause in the relevant corporation tax regulations (currently: section R 14.5 (6) KStR 2015) occur. This does not affect the provisions under section R 14.5 (6) sentences 3 and 4 KStR 2015 (or corresponding succession regulations).
- (5) At the end of the Agreement, the Controlling Company is obliged pursuant to section 303 AktG, applicable as amended to this Agreement, to provide the creditors of the Subsidiary Company with collateral.

#### **Section 5** **Severability clause**

- (1) Amendments or additions to this Agreement must be made in writing, including any amendments or additions to the requirement for the written form.
- (2) Should any provisions in this Agreement be or become invalid or unenforceable, this does not affect the remaining terms and conditions of the Agreement. The contractual parties undertake to agree on a valid or enforceable provision in place of the fully or partially invalid or unenforceable provision that is as close as possible to the original economic intention of the fully or partially invalid or unenforceable provision. The same applies to loopholes, in which case the contractual parties are obliged to introduce provisions to close said loopholes.

**Hamburg, April 2021**

**ENCAVIS AG**

**The Management Board**





# ENCAVIS

**Encavis AG**  
Große Elbstraße 59  
22767 Hamburg / Germany  
T +49 (40) 3785 620  
F +49 (40) 3785 62 129  
info@encavis.com

[www.encavis.com](http://www.encavis.com)