

Explanations on shareholder rights (pursuant to sections 122 (2), 126 (1), 127, 131 (1) of the German Stock Corporation Act in conjunction with Section 1 PandemieG)

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, Co-operative, 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 Lease-hold Law to Combat the Effects of the COVID-19 Pandemic of 20 October 2020.

Article 2

Act on Measures in Corporate Law, the Law Governing Cooperatives, Associations, and Foundations, and Condominium Property Law to Combat the Effects of the COVID-19 Pandemic

Section 1

Stock Corporations; Limited Partnerships with Shares; European Companies (SEs); Mutual Insurance Companies (excerpt)

- (1) Decisions regarding shareholder participation in the annual meeting of shareholders via electronic communications pursuant to Section 118 para. 1 sentence 2 of the Stock Corporation Act (*Aktien-gesetz*) (electronic participation), casting votes via electronic communications pursuant to Section 118 para. 2 of the Stock Corporation Act (postal voting), supervisory board member participation by means of audio and video transmission pursuant to Section 118 para. 3 sentence 2 of the Stock Corporation Act, and allowing audio and video transmission pursuant to Section 118 para. 4 of the Stock Corporation Act can be made by the company’s management board even where such authority has not been granted under the articles of association or rules of procedure.
- (2) The management board can decide that the annual meeting of shareholders is to be held as a virtual meeting without the physical presence of the shareholders or their authorized representatives, provided that
 1. the audio and visual transmission covers the entire general meeting,
 2. the shareholders are able to exercise their voting rights via electronic communications (postal voting or electronic participation) as well as by appointing proxies,
 3. the shareholders are granted a right to raise questions by way of electronic communication,
 4. waiving the requirement of personal appearance at the meeting, the shareholders exercising their voting rights in accordance with no. 2 are given the opportunity, Section 245 no. 1 of the Stock Corporation Act notwithstanding, to object to a resolution to be decided on at the annual meeting of shareholders.

The management board is at liberty to decide after due consideration and at its discretion how it answers questions; it may also stipulate that questions submitted electronically shall be received no later than one day before the shareholders’ meeting. Motions and nominations from shareholders that must be made available pursuant to § 126 or § 127 of the German Stock Corporation Act are considered submitted during the meeting if the shareholder who submits the motion or nomination has been properly legitimated and registered for the shareholders’ meeting.

- (3) Section 123 para. 1 sentence 1 and para. 2 sentence 5 of the Stock Corporation Act notwithstanding, the management board may make the decision regarding convening the annual meeting of shareholders by the 21st day prior to the date of the meeting at the latest. Section 123 para. 4 sentence 2 of the Stock Corporation Act notwithstanding, in the case of publicly traded companies, the date of record for proof of share ownership is to be the start of the 12th day prior to the meeting, and in the case of bearer shares of the company, such proof must be received at the address provided for this purpose in the notice of the meeting no later than on the fourth day prior to the annual meeting of shareholders, insofar as the management board does not stipulate in the notice of the annual meeting of shareholders that there will be a shorter cut-off period for the company to receive proof of share ownership; deviating provisions in the bylaws are to be disregarded. In the event the decision to convene falls closer to the date of the meeting as set out in sentence 1, the notice as per Section 125 para. 1 sentence 1 of the Stock Corporation Act must be sent no later than 12 days prior to the meeting, and the notice as per Section 125 para. 2 of the Stock Corporation Act must be sent to the party entered in the share register as of the start of the 12th day prior to the annual meeting of shareholders. In the aforementioned case, Section 122 para. 2 of the Stock Corporation Act notwithstanding, the company must be in receipt of any amendment proposals at least 14 days prior to the company's meeting.
- (4) Section 59 para. 1 of the Stock Corporation Act notwithstanding, the management board can decide, even where such authority has not been granted under the bylaws, to pay out to shareholders an interim dividend based on net profit pursuant to Section 59 para. 2 of the Stock Corporation Act. Sentence 1 applies analogously to a partial payment towards the compensatory payment (Section 304 of the Stock Corporation Act) to be made to external shareholders under an intercompany agreement.
- (5) Section 175 para. 1 sentence 2 of the Stock Corporation Act notwithstanding, the management board can decide that the annual meeting of shareholders is to be held within the financial year.
- (6) The management board's decisions as set out in (1) through (5) require the approval of the supervisory board. Section 108 para. 4 of the Stock Corporation Act notwithstanding and irrespective of the provisions in the articles of association or rules of procedure, the supervisory board can vote on resolutions of approval in writing, by telephone, or other comparable form without its members being required to be physically present.
- (7) Additionally, the provision set out in Section 243 para. 3 no. 1 of the Stock Corporation Act notwithstanding, a legal action to set aside a resolution adopted at the annual meeting of shareholders may not cite violations of Section 118 para. 1 sentences 3 through 5, para. 2 sentence 2, or para. 4 of the Stock Corporation Act, the violation of formal notification requirements as per Section 125 of the Stock Corporation Act, or violation of subsection (2) herein as its foundation, except where willful misconduct on the part of the company can be shown.

Section 7

Application Provisions

- (1) Section 1 applies to such annual meetings of shareholders held and interim dividend payments based on net profit made in the year 2020 and in the year 2021.
- (2) Section 2 applies to such shareholder meetings held and resolutions adopted in the year 2020 and in the year 2021.
- (3) Section 3 para. 1 and 2 apply to general meetings and meetings of representatives held in 2020 and in the year 2021, Section 3 para. 3 to annual financial statements formally approved in 2020 and in the year 2021, § 3(4) to interim dividends paid out in 2020 and in the year 2021, Section 3 para. 5 to management board or supervisory board member appointments expiring in 2020 and in the year 2021, and Section 3 para. 6 to management or supervisory board meetings of a cooperative or their joint meetings held in 2020 and in the year 2021.
- (4) Section 4 applies only to such register entries made in 2020.
- (5) Section 5 applies only to association or foundation board member appointments expiring in 2020 and in the year 2021 and meetings of association members held in 2020 and in the year 2021.

1. 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 (CEST), 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.

The relevant sections of the German Stock Corporation Act upon which those shareholder rights are based are as follows:

Section 122 of the German Stock Corporation Act: Convening a meeting upon the request of a minority

- (1) A general meeting shall be convened if shareholders whose aggregate holding is not less than one-twentieth of the share capital require such meeting in writing, stating the purpose and grounds; such request shall be addressed to the management board. The articles of association may provide that the right to request a general meeting is to depend on another form and on holding a lower proportion of the share capital. The applicants have to prove that they have been shareholders for at least 90 days prior to the day of the receipt of the demand and that they will continue to hold the shares until the decision of the managing board regarding their request is made. Section 121 para. 7 shall apply correspondingly.
- (2) In the same way shareholders, whose shares amount in aggregate to not less than one-twentieth of the share capital or represent a proportional amount of not less than 500,000 Euro, may request to have items placed on the agenda and published. Every request for a new agenda item must be accompanied by an explanation of the reasons therefor or a proposed resolution. The request in accordance with sentence 1 must be received by the Company at least 24 days, in case of public companies at least 30 days prior to the general meeting; whereby the day of the receipt is not counted.
- (3) If any such request is not complied with, the court may authorize the shareholders who made the request to convene a general meeting or publish such items. At the same time the court may appoint the chairman of the meeting. The notice of the meeting or the publication shall refer to such authorization. An appeal may be made against the decision of the court. The applicants have to prove that they will continue to hold the shares until the decision of the court is made.
- (4) The Company shall bear the costs of the general meeting and, in the case of paragraph (3), also the court costs if the court grants the application.

Section 124 of the German Stock Corporation Act: Publication of requests for supplements; proposals for resolutions (excerpt)

- (1) If the minority has requested pursuant to Section 122 para. 2 that items shall be added to the agenda, these items shall be published either upon convening the meeting or immediately following receipt of the request. Section 121 para. 4 shall apply analogously; moreover, Section 121 para. 4a shall apply analogously to public companies. Publication and submission shall be made in the same way as applicable for convening the meeting.

Section 121 of the German Stock Corporation Act: General provisions (excerpt)

- (4) The convening of the general meeting shall be published in the company's journals. If the shareholders of the Company are known by name, the shareholders' meeting may be convened by registered letter, unless the articles of association provide otherwise; the day of dispatch shall be considered the day of publication. A notification to those registered in the shareholders' register is sufficient.
- (4a) In case of public companies which have not exclusively issued registered shares or which do not send the convention directly to the shareholders pursuant to para. 4 sentence 2, the notice shall, at the latest on the date of announcement, be furnished to such suitable media as may be expected to disseminate the information throughout the European Union.
- (7) In case of deadlines and dates which are calculated back from the date of the meeting, the day of the meeting itself shall not be included in the calculation. Adjourning the meeting from a Sunday, Saturday or a holiday to a preceding or following working day shall not be an option. Sections 187 to 193 of the German Civil Code (Bürgerliches Gesetzbuch) shall not be applied analogously. In case of unlisted companies, the articles may provide for a different calculation of the deadline.

Section 70 of the German Stock Corporation Act: Computation of the period of shareholding

If the exercise of rights arising from a share shall require the shareholder to have been the holder of the share for a certain period of time, the right to claim transfer from a bank, a financial services institution or an enterprise active according to section 53 para. 1 sentence 1 or section 53b para. 1 sentence 1 or para. 7 of the Banking Act shall be deemed equivalent to ownership. The period during which the share was owned by a predecessor in title shall be attributed to the shareholder, if he acquired the share without consideration from his fiduciary, as universal successor, upon severance of co-ownership, or as a result of a transfer of assets pursuant to section 13 of the Insurance Supervision Act or section 14 of the Building Savings Bank Act.

2. 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 (CEST), 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.

The relevant sections of the PandemieG and the German Stock Corporation Act upon which those shareholder rights are based and which also set forth under which preconditions counter-proposals and election proposals do not need to be made available are as follows:

Section 1 COVID-19-Act (...) (excerpt)

(2) The management board can decide that the annual meeting of shareholders is to be held as a virtual meeting without the physical presence of the shareholders or their authorized representatives, provided that

1. [...],

...

Motions and nominations from shareholders that must be made available pursuant to § 126 or § 127 of the German Stock Corporation Act are considered submitted during the meeting if the shareholder who submits the motion or nomination has been properly legitimated and registered for the shareholders' meeting.

Section 126 of the German Stock Corporation Act: Propositions by shareholders

(1) Information on shareholders propositions, including the respective shareholder's name, as well as the underlying reasons for the proposition and statements, if any, by the Management need only be given to the beneficiaries pursuant to section 125 para. 1 through 3, if the shareholder submits to the company at the address specified his counter-application stating the reasons for it to a proposal of the executive management board and the supervisory board concerning a specific agenda item at the latest 14 days prior to the general meeting. The day of the receipt is not counted. Public companies have to publish the propositions on their webpage. Section 125 para. 3 applies accordingly.

- (2) Information on a counter-application and the reasons therefor need not be given, if:
1. the executive management board would by reason of giving such information become criminally liable;
 2. the counter-application would result in a resolution of the general meeting which would be unlawful or in breach of the articles;
 3. the grounds contain statements which are manifestly false or misleading in material respects or which are defamatory;
 4. a counter-application of such shareholder based on the same facts has already been communicated to a general meeting of the company pursuant to section 125;
 5. the same counter-application of such shareholder on essentially identical grounds has already been communicated pursuant to section 125 to at least two general meetings of the company within the past five years and at such general meetings less than one-twentieth of the share capital represented voted in favour of such counter-application;
 6. the shareholder indicates that he will neither attend nor be represented at the general meeting; or
 7. within the past two years at two general meetings the shareholder failed to move or cause to be moved on his behalf a counter-application communicated by him.

The statement of grounds need not be communicated if it exceeds 5,000 figures.

- (3) If several shareholder make counter-applications in respect of the same resolution, the management board may combine such counter-applications and their statements of grounds.

Section 127 sentences 1 to 3 of the German Stock Corporation Act: Nominations by shareholders

Section 126 shall apply analogously to nomination by a shareholder for election of supervisory board members or auditors. Such nomination need not be supported by statement of grounds. Nor need the executive management board give notice of such nomination if it fails to contain the particulars required by section 124 para. 3 sentence 4 and section 125 para. 1 sentence 5.

Section 124 of the German Stock Corporation Act: Publication for requests for supplements; proposals for resolutions (excerpt)

- (3) ...The nomination for the election of supervisory board members or auditors shall state their name, profession and domicile. ...

Section 125 of the German Stock Corporation Act: Communications to shareholders and Members of the Supervisory Board (excerpt)

- (1) ...In case of listed companies details on the membership in other supervisory boards to be established pursuant to statutory provisions must be added to any nomination for the election of supervisory board members; details on their membership in comparable domestic and foreign controlling bodies of enterprises shall be added.

Section 137 of the German Stock Corporation Act: Voting on nomination made by shareholders

If a shareholder has made a nomination for the election of members of the supervisory board pursuant to section 127 and proposes at the general meeting the election of the person nominated by him, such proposal shall be resolved upon prior to consideration of the proposal of the supervisory board if a minority of shareholders whose aggregate holding is at least one-tenth of the share capital represented at the meeting so requests.

3. Shareholders' right ask questions pursuant to 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 (CEST), midnight (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.

The provisions of the PandemieG on which these shareholder rights are based are as follows:

Section 1 COVID-19-Act (...) (excerpt)

(2) The management board can decide that the annual meeting of shareholders is to be held as a virtual meeting without the physical presence of the shareholders or their authorized representatives, provided that

1. [...],
2. [...],
3. the shareholders are granted a right to raise questions by way of electronic communication,
4. [...].

The management board is at liberty to decide after due consideration and at its discretion how it answers questions; it may also stipulate that questions submitted electronically shall be received no later than one day before the shareholders' meeting.

Hamburg, April 2021

ENCAVIS AG

The Executive Board