



**Invitation to the Annual  
General Meeting of WashTec AG  
on May 18, 2021**

## Table of information in accordance with Section 125 of the German Stock Corporation Act (AktG) in conjunction with Table 3 of Implementing Regulation (EU) 2018/1212

### A. A. Specification of the message

1. Unique identifier of the event: Virtual Annual General Meeting of WashTec AG 2021  
*in the format specified in the EU IR: WashTec\_oHV20210518*
2. Type of message: Convocation of the General Meeting  
*in the format specified in the EU IR: NEWM*

### B. Specification of the issuer

1. ISIN: DE0007507501
2. Name of issuer: WashTec AG

### C. Specification of the meeting

1. Date of the General Meeting: May 18, 2021  
*in the format specified in the EU IR: 20210518*
2. Time of the General Meeting (commencement): 10.00 hrs CEST  
*in the format specified in the EU IR: 08:00 UTC (Coordinated Universal Time)*
3. Type of General Meeting: virtual Annual General Meeting without the physical presence of shareholders or their proxy holders  
*in the format specified in the EU IR: GMET*
4. Location of the General Meeting: URL of the Company's AGM portal for audio/video stream of the Annual General Meeting and for the exercise of shareholders' rights:  
[https://ir.washtec.de/websites/washtec/German/5000/hauptversammlung\\_-\\_finanzkalender.html](https://ir.washtec.de/websites/washtec/German/5000/hauptversammlung_-_finanzkalender.html)  
*Venue of the Annual General Meeting within the meaning of the German Stock Corporation Act:*  
Stettenstrasse 1–3, 86150 Augsburg, Germany
5. Record date: April 27, 2021, 0:00 hrs (CEST)  
*in the format specified in the EU IR: 20210426*
6. Annual General Meeting Uniform Resource Locator (URL): [https://ir.washtec.de/websites/washtec/German/5000/hauptversammlung\\_-\\_finanzkalender.html](https://ir.washtec.de/websites/washtec/German/5000/hauptversammlung_-_finanzkalender.html)



## WashTec AG

Augsburg

German securities identification number (WKN) 750 750

ISIN: DE 000 750 750 1

## Invitation to the Annual General Meeting of WashTec AG (virtual Annual General Meeting)

We hereby invite our shareholders to the 2021 Annual General Meeting of WashTec AG, Augsburg, on Tuesday, May 18, 2021, at 10:00 hrs Central European Summer Time (CEST).

The meeting will be held as a virtual Annual General Meeting, without the physical presence of shareholders or their proxy holders (with the exception of Company-designated proxy holders). The Annual General Meeting will be transmitted on the Internet for shareholders by live audio/video stream. Shareholders will be able to exercise their voting rights exclusively by postal vote or by granting proxy to Company-designated proxy holders. The venue of the Annual General Meeting within the meaning of the German Stock Corporation Act (Aktiengesetz – AktG) is Stettenstrasse 1–3, 86150 Augsburg, Germany.

## I. Agenda

### 1. Presentation of the adopted annual and approved consolidated annual financial statements as of and for the year ended December 31, 2020; presentation of the combined management report of WashTec AG and the Group for fiscal year 2020, including the explanatory report of the Management Board under sections 289a and 315a of the German Commercial Code (Handelsgesetzbuch – HGB); presentation of the proposal of the Management Board on the appropriation of the distributable profit and of the report of the Supervisory Board for fiscal year 2020

The Supervisory Board has approved the annual financial statements of WashTec AG and the consolidated financial statements prepared by the Management Board. The annual financial statements have thus been adopted in accordance with Section 172 sentence 1 of the German Stock Corporation Act (Aktengesetz – AktG). In accordance with the statutory provisions, agenda item 1 is not subject to resolution by the Annual General Meeting. Section 175 (1) sentence 1 AktG merely stipulates that the Management Board must convene the Annual General Meeting to accept the adopted annual financial statements and management report and to resolve on the appropriation of any distributable profit and, in the case of a parent company, to accept the consolidated annual financial statements approved by the Supervisory Board and the Group management report. Under Sections 176 (1) sentence 1 and 175 (2) AktG, the Management Board must make available to the Annual General Meeting the annual financial statements, the management report, the report of the Supervisory Board, the proposal of the Management Board on the appropriation of distributable profit and – in the case of publicly listed companies – an explanatory report on the disclosures pursuant to Section 289a (1) and 315a (1) HGB in the version applicable in fiscal year 2020 and, in

the case of a parent company, the consolidated financial statements, the Group management report and the Supervisory Board's report thereon.

The above documents will be explained in greater detail in the virtual Annual General Meeting by the Management Board and – in the case of the report of the Supervisory Board – by the Chairman of the Supervisory Board. They will be published in the Investor Relations section of the Company website, [www.washtec.de](http://www.washtec.de), from the date of convocation and will continue to be available there during the virtual Annual General Meeting.

### 2. Resolution on the appropriation of distributable profit

The Management Board and Supervisory Board submit the following proposal to the Annual General Meeting for the appropriation of distributable profit. The proposal for distribution of a dividend to shareholders includes a special dividend of €1.31 in addition to the dividend of €0.99 for fiscal year 2020.

The Management Board and Supervisory Board therefore propose that the distributable profit of €31,174,580.45 shown in the Company's annual financial statements for fiscal year 2020 be appropriated as follows:

- a) Payment of a dividend in the amount of €2.30 per eligible share, totaling €30,779,345.20;
- b) The remaining distributable profit of €395,235.25 is to be carried forward.

The dividend is payable on the third business day following the Annual General Meeting resolution, i.e., May 21, 2021.



**3. Resolution on ratification of the actions of the Management Board in fiscal year 2020**

The Management Board and Supervisory Board propose the ratification of the actions of the Management Board in fiscal year 2020.

**4. Resolution on ratification of the actions of the Supervisory Board in fiscal year 2020**

The Management Board and Supervisory Board propose the ratification of the actions of the Supervisory Board in fiscal year 2020.

**5. Election of the auditor of the annual and consolidated financial statements for fiscal year 2021 and of the auditor for the audit review of the interim financial reports for fiscal year 2021**

The Supervisory Board proposes, at the recommendation of the Audit Committee, that it be resolved:

To appoint PricewaterhouseCoopers GmbH, Wirtschaftsprüfungsgesellschaft, Munich as auditor of the annual and consolidated financial statements for fiscal year 2021 and as auditor for any audit review of interim financial reports for fiscal year 2021.

The Audit Committee has stated that its recommendation is free of undue influence by any third party and, in particular, that no clause of the kind referred to in Article 16(6) of Regulation (EU) No 537/2014 has been imposed upon it.

**6. Resolution on the approval of the remuneration system for the members of the Management Board as submitted by the Supervisory Board**

Under Section 120a (1) sentence 1 AktG, the Annual General Meeting votes on approval of the remuneration system for the members of the Management Board as submitted by the Supervisory Board at every material change and in any case at least every four years. The first resolution of the Annual General Meeting on approval of the remuneration system for the members of the Management Board must be passed by the end of the first Annual General Meeting following December 31, 2020.

At its meeting on March 24, 2021, the Supervisory Board, after due deliberation, adopted the system for the remuneration of the members of the Management Board (“Remuneration System”) of WashTec AG (“WashTec” or the “Company”) in accordance with the new requirements of the German Stock Corporation Act as a result of the German Act Implementing the Second Shareholder Rights Directive (ARUG II) and taking into account the revised German Corporate Governance Code dated December 16, 2019 (the “German Corporate Governance Code 2020”). This remuneration system applies to all Management Board contracts newly entered into or extended after the Annual General Meeting on May 18, 2021 and is required to be submitted to the Annual General Meeting for approval under Section 120a (1) AktG.

The Supervisory Board proposes that the following system for the remuneration of the members of the Management Board of WashTec AG, as adopted by the Supervisory Board at its meeting of March 24, 2021, be approved:

## Management Board remuneration system

### A. Basic features of the remuneration system:

#### 1. Promotion of the corporate strategy and the Company's long-term development

The Company's remuneration system is geared to promoting the corporate strategy and the long-term development of the Company and its affiliates. This is achieved among other things by means of a simple and clear incentive structure in Management Board remuneration. The remuneration system and the uniform remuneration structure for all Management Board functions are designed to prevent inappropriate incentives, both from outside and from within the Company. In particular, it aims to prevent Management Board decision-making that is calculated to maximize remuneration in the short term but is not conducive to the long-term success of the business.

For short-term variable remuneration ("annual MBO award"), strategic and/or financial and/or operational targets are selected that are based on corporate or personal performance targets depending on the Management Board position. The Company's long-term development is promoted in particular by supplementing the annual MBO award with an additional variable remuneration component in the form of long-term variable remuneration granted over a three-year assessment basis (Long Term Incentive Program, or LTIP). With its clear focus on a share price-based performance target – total shareholder return (TSR) – and return on capital employed (ROCE), the LTIP additionally incorporates incentives for long-term decision-making by the Management Board.

Overall, the remuneration system takes into account the challenging responsibilities incumbent on Management Board members for implementing the Group strategy and leading a globally operating company with innovative, digital and flexible solutions in the face of global competition. At the same time, Management Board remuneration is intended to be in line with the market and be competitive so that the Company is able to attract capable and dynamic executive talent. Within specified bounds, the remuneration system is therefore also intended to give the Supervisory Board the latitude to respond flexibly to a changing market and competitive environment. The incentives are intended to be structured in a clear and comprehensible manner, not only for shareholders, but also of course most of all for the members of the Management Board and for employees, whose bonus systems are based on targets that are largely harmonized with Management Board remuneration.

This new remuneration system applies to all Management Board contracts newly entered into or extended after the Annual General Meeting on May 18, 2021. In accordance with the German Corporate Governance Code 2020 and Section 26 of the Introductory Act to the Stock Corporation Act (EAG AktG), all current Management Board contracts continue to be subject to the previous remuneration system (see also the Declaration of Conformity of March 24, 2021 submitted in accordance with Section 161 AktG by the Management Board and Supervisory Board). The members of the Management Board are each remunerated in accordance with the remuneration system applicable to them. The new remuneration system complies with the requirements of the German Stock Corporation Act for a clear and understandable remuneration system and, as set out below, follows the recommendations of the German Corporate Governance Code 2020 other than in those cases where an exception has been declared in the Declaration of Conformity in accordance with Section 161 AktG.

In terms of structure, specific implementation and remuneration levels, the new remuneration system meets all of the requirements for modern, competitive remuneration of Management Board members and complies with good corporate governance:

- Highly transparent and easily understood
- Balanced choice of performance indicators
- Clear weighting of individual remuneration components
- Close alignment with business success and corporate performance
- Includes long-term targets
- Incorporates share price performance and growth in shareholder value
- Appropriate and in line with horizontal and vertical benchmarks

## 2. Components of the remuneration system and total target remuneration

Remuneration for the Management Board of WashTec AG consists of fixed and variable remuneration components. The fixed remuneration components comprise the basic annual salary (fixed remuneration) and incidental benefits. Performance-based variable remuneration consists of short-term variable remuneration – the management-by-objectives award (annual MBO award) and long-term variable remuneration (LTIP). In addition, the decision may be made to award an exceptional performance bonus. No retirement provision is granted to members of the Management Board. The remuneration system also provides for customary benefits on termination of Management Board office.

On the basis of the remuneration system, and within maximum remuneration limits set by the Annual General Meeting, the Supervisory Board determines total target

remuneration for each Management Board member, comprising fixed remuneration, incidental benefits and target amounts for the annual MBO award and the LTIP assuming 100% target achievement.

The remuneration system enables the Supervisory Board to take into account the function and responsibilities of each individual Management Board member when setting the total target remuneration. At the Supervisory Board's due discretion, function-specific variation is permissible to take account of criteria such as experience, length of Management Board service and Management Board position. In view of the aforementioned scope for variation, the figures stated for the individual remuneration components as a percentage of total target remuneration are given as a percentage range. The actual percentages therefore vary according to function and as a result of any adjustments made in regular remuneration reviews.

The LTIP provides for a non-personal-investment component and an additional voluntary personal investment component (for details of the LTIP, see under B.2.b.). Excluding the personal investment LTIP component, the fixed remuneration in the new remuneration system accounts for around 40% to 50% and the incidental benefits for up to around 5.0%<sup>1</sup> of the total target remuneration. The short-term variable remuneration component accounts for approximately 25%–30% of the total target remuneration for all members of the Management Board. The long-term variable remuneration component accounts for approximately 25%–30% of the total target remuneration for all members of the Management Board. If a Manage-

<sup>1</sup> The percentage stated for incidental benefits is that for incidental benefits granted as a rule on the basis of experience from past years. If additional incidental benefits such as benefits on appointment are granted in an individual case, the incidental benefits percentage may be correspondingly higher for that individual case. Any such additional benefits must be appropriate; they are also included in – and consequently limited in amount by – the specified maximum remuneration.

ment Board member participates in the personal investment LTIP component, the LTIP proportion can increase to up to 40%–45% of the total target remuneration. Participation in the personal investment component is optional.

The fact that the long-term, multi-year remuneration (LTIP) is overweighted relative to the short-term annual remuneration (annual MBO award) aligns the remuneration structure with the sustainable development and long-term growth in the value of the company.

Any exceptional performance bonus granted in individual instances is structured in such a way that the long-term variable remuneration continues to exceed the percentage accounted for by the short-term variable remuneration.

### **3. Horizontal and vertical benchmarking of remuneration and employment conditions**

The remuneration of Management Board members takes into account the responsibilities of each member of the Management Board, their personal performance and the financial situation, the success and the future prospects of the Company and the Group taking into account peer group entities and the remuneration structure applicable elsewhere in the Company. Within these bounds, the Supervisory Board ensures that the total target remuneration is in line with the market. For this purpose, the Supervisory Board uses both horizontal and vertical benchmarking.

#### **a) Horizontal benchmarking**

In order to assess whether the specific total remuneration of Management Board members is appropriate and in line with usual levels compared to other enterprises, the Supervisory Board selects a peer group of other third-party entities that is

suitable with regard to WashTec's market position (in particular in terms of sector, size and country). The peer group comprises companies that are comparable with WashTec in terms of being listed in the S-DAX index or Frankfurt Stock Exchange Prime Standard, mechanical engineering sector classification, revenue and size of workforce. The benchmarking is applied in relation to both the absolute amount of Management Board remuneration and the development of Management Board remuneration relative to revenue and personnel expenses at peer entities.

#### **b) Vertical benchmarking**

An in-Company comparison (“**vertical benchmarking**”) is also performed. For the purposes of vertical benchmarking, the Supervisory Board looks at the development of Management Board remuneration in a vertical comparison with the remuneration of senior management and of the overall workforce of the WashTec Group in Germany. The Supervisory Board looks here at the relationship of Management Board remuneration to the remuneration of the groups referred to, including overtime.

For this purpose, the Supervisory Board defines senior management as all employees who (1) hold a management position in Germany and in that capacity report directly to the Management Board or (2) hold an international management position, have a German employment contract and in the capacity of their position report directly to the Management Board. The overall workforce comprises the entire workforce employed by all German companies of the WashTec Group, including senior management.

The Supervisory Board uses vertical benchmarking to determine whether the remuneration differential relative to the workforce is indicative of inappropriate Manage-



ment Board remuneration. In addition, the Supervisory Board takes care to ensure that the remuneration system for Management Board members is compatible with the remuneration system for non-pay-scale employees. The structure of short-term variable remuneration for Management Board members therefore essentially corresponds to the structure of the short-term variable remuneration for non-pay-scale employees.

**B. Detailed description of the remuneration system**

**1. Non-performance-based remuneration components (fixed remuneration)**

The non-performance-related remuneration consists of fixed remuneration and ancillary benefits.

- **Fixed remuneration:** The **fixed salary** is paid retroactively at the end of each month in twelve equal monthly installments with retention of statutory deductions.
- **Incidental benefits:** Customary incidental benefits may be granted in the scope stated under A.2 above, in particular including insurance premiums, company car with private use and reimbursement of expenses.

**2. Performance-based variable remuneration components (variable remuneration)**

The performance-based variable remuneration components comprise short-term and long-term components tied to the achievement of various targets to be set by the Supervisory Board. The variable remuneration components are calculated in essentially the same way for all members of the Management Board.

**a. Short-term variable remuneration**

The short-term variable annual remuneration is made up on the basis of corporate targets – based on strategic, financial and/or operational targets such as EBIT, free cash flow, Group revenue or another key performance indicator – and individual performance targets for each Management Board position. The individual performance targets for each Management Board position comprise operational or strategic targets, including non-financial targets, primarily from the areas of product innovation, sustainability, process optimization, digitalization and customer benefit. The specific targets and their respective weightings within the annual MBO award are set by the Supervisory Board in the annual target agreement.

For the short-term variable annual remuneration, an amount corresponding to 100% target achievement (target amount) is individually agreed with each Management Board member. The annual bonus may be reduced to as little as 0% of the agreed amount if one or more targets are not met and increased to up to 130% of the agreed target amount if one or more targets are exceeded. The payout amount for short-term variable remuneration is therefore capped at a maximum of 130% of the target amount. If a Management Board member is appointed part-way through the year, the short-term variable annual remuneration may be granted in the first year of service pro rata temporis from the time of appointment.

Target achievement for short-term variable remuneration is determined after approval of the consolidated financial statements for the respective financial year and the short-term variable remuneration then falls due for payment in cash together with the next monthly salary payment.

**b. Long-term variable remuneration (LTIP)**

In addition to the short-term variable remuneration, long-term variable remuneration is provided for in the form of a Long Term Incentive Program (LTIP) with a one-time cash award. The program is structured for a three-year term (incentive period). The incentive period for the current LTIP is from January 1, 2021 to December 31, 2023.

The LTIP includes a non-personal-investment component, under which a Management Board member can obtain a maximum cash award, at 100% target achievement, of 100% of their respective short-term variable annual target remuneration for each year of the LTIP.

An additional personal investment component provides a Management Board member with the opportunity to increase – up to a maximum of double (bonus multiplier = 2) – their cash award under the non-personal-investment component by personal investment in WashTec AG shares. Doubling the cash award requires a personal investment in the amount of 100% of the short-term variable target annual remuneration in euros by a specified cut-off date. For the current LTIP, the cut-off date is June 30, 2023. If the personal investment is lower, the personal investment component is proportionately smaller (bonus multiplier < 2). Personal investment for the purposes of the LTIP means (euro) amounts invested in shares in the Company held personally by the Management Board member on the cut-off date. This includes shares that the Management Board member acquired under previous LTIP programs and still holds. Management Board members are only entitled to a cash award for the personal investment component if they continue to hold at least the number of shares invested at the cut-off date through to the end of the incentive period.

Performance targets are specified in the LTIP for return on capital employed (ROCE) and total shareholder return (TSR). Both of these performance targets are geared to long-term performance and sustainability under the corporate strategy. Subject to certain requirements and on a case-by-case basis, one-off expense and income items may be neutralized in the calculation of the profit figure relevant to the ROCE target.

The targets must each reach a minimum threshold set by the Supervisory Board in order to count. The Supervisory Board determines the degree of target achievement for each target at the end of the incentive period. If both performance targets are fully met or exceeded, the cash award reaches its maximum amount and 100% is paid out. If target achievement on either target is less than 100% but at least equal to the threshold, proportionately less is paid out for that target for each percentage point below 100%. If target achievement on either target is less than the threshold, there is no payout for the target concerned. If target achievement on both performance targets is not at least equal to the threshold, no bonus is paid.

The ROCE target has a weighting of 70% and the TSR target has a weighting of 30% in determination of the cash award.

Payment of the LTIP cash award falls due on the date on which the Supervisory Board adopts the annual financial statements for the final year of the incentive period (payout date).

If the Management Board member makes use of the personal investment component, payment is subject to the resolutive condition that one-sixth of the gross cash award under the LTIP with personal investment is reinvested in shares in the Company by the Management Board member within three months of the cash award falling due

and that the Management Board member remains invested with that quantity of shares for at least three years after acquiring them. There are exemptions to the reinvestment requirement and the holding period in the event of the Management Board member leaving office.

The current LTIP was adopted by resolution of the Supervisory Board on March 2, 2021 and has a term (incentive period) from January 1, 2021 to December 31, 2023. In future LTIPs, the performance targets may be replaced or supplemented with other targets according to the strategic assessment at the time.

### **3. Maximum remuneration**

In accordance with Section 87a (1) sentence 2 no. 1 AktG, the Supervisory Board has set a maximum amount for the total of all remuneration components for members of the Management Board, including incidental benefits (“maximum remuneration”).

The maximum theoretical remuneration achievable for a fiscal year within the meaning of Section 87a (1) sentence 2 no. 1 AktG is €2,000,000.00 for the Chief Executive Officer and €1,500,000.00 for ordinary members of the Management Board. These maximum amounts relate in each case to the total of all payments that could theoretically result from the remuneration arrangements for one fiscal year.

The maximum remuneration as determined for the purposes of the Stock Corporation Act is not the same as the total target remuneration. It merely sets an absolute cap.

### **4. Negative bonus/clawback arrangement**

Negative bonus/clawback arrangements are implemented in the Management Board contracts and the LTIP conditions. Under the negative bonus/clawback arrangement in the LTIP, a serious breach of duty by a Management Board member during the incentive period can result in a total or partial reduction in the LTIP payout amount. Amounts already paid out under the LTIP may be clawed back for up to one year after the end of the incentive period. The Supervisory Board decides on any reduction or clawback at its due discretion. A corresponding stipulation will be included for annual MBO awards in future Management Board contracts.

### **5. Concurrent office**

Management Board members do not receive separate remuneration for the assumption of managerial responsibilities at subsidiaries. The assumption of concurrent offices or positions of employment by individual members of the Management Board, including in particular the assumption of Supervisory Board or similar offices, requires the consent of the Supervisory Board. If a member of the Management Board receives remuneration from supervisory board, administrative board, advisory board or similar offices at companies in which the Company holds a direct or indirect interest, that remuneration is deduction from the Management Board member’s remuneration entitlement at WashTec AG. Remuneration from supervisory board, administrative board, advisory board or similar offices assumed at other companies is not deducted.

## 6. Exceptional performance bonus

In exceptional cases, the Supervisory Board may at its due discretion decide an exceptional performance bonus for individual or all members of the Management Board. This is decided on a case-by-case basis at the due discretion of the Supervisory Board, in accordance with the arrangements set out under A.2 above.

## 7. Remuneration-related transactions; arrangements for the event of termination of appointment or of Management Board contract

The regular term of appointment of a member of the Management Board and the contract term of each Management Board contract is normally three years. On reappointment, unless otherwise agreed, the Management Board contract extends for the term of the reappointment. Revocation of the appointment of a Management Board member for cause in accordance with Section 84 AktG is deemed to terminate the Management Board contract with a corresponding notice period in accordance with Section 622 of the German Civil Code (Bürgerliches Gesetzbuch/BGB) without requiring separate notice of termination. A Management Board contract may be terminated at any time without notice for cause in accordance with Section 626 BGB. If a member of the Management Board becomes permanently incapacitated for work during the term of the Management Board contract, the contract terminates at the end of the quarter in which the permanent incapacity for work is established.

If a member of the Management Board is appointed or leaves part-way through the year, the fixed salary is granted on a monthly basis pro rata temporis.

If a Management Board contract is terminated early, the short-term variable remuneration is granted pro rata temporis up to the termination date or, if the Manage-

ment Board member is suspended from office, the commencement date of the suspension. Payment is made – except in the event of termination of contract due to death or invalidity – at the contractually agreed payout date and on the basis of the originally agreed targets, including in the event of termination of appointment or of the Management Board member's contract before the end of a fiscal year. In the event of termination of a Management Board contract by the Company for cause in accordance with section 626 BGB or of unilateral resignation from office in breach of contract, the Management Board member ceases to be entitled to (pro rata) payment of short-term variable remuneration for the then current fiscal year.

Any LTIP cash award entitlement lapses if the Management Board contract terminates before regular contractual term. The cash award is paid pro rata temporis in the event that the regular term of appointment or of the Management Board contract is completed but termination takes place before the end of the incentive period or in the event of death or permanent incapacity to work due to invalidity. The LTIP cash award is only paid out – except in the event of contract termination due to death or invalidity – at the stipulated payout date after the end of the incentive period and on the basis of the originally agreed targets and comparison parameters.

Any severance payments agreed on early termination of Management Board office other than for cause warranting termination of the Management Board contract may not exceed the remuneration entitlements for the remaining term of the contract and must be limited to a maximum of two years' remuneration (severance cap). In future Management Board contracts, if a post-contractual non-compete covenant applies, any severance payments will be taken into account in the calculation of the compensation payments.

In the event of death of a married member of the Management Board during the term of their Management Board contract, then their spouse is entitled to receive the fixed annual salary for the month of death and the following six months, or up to the end of the contract term, whichever is earlier. This entitlement is heritable.

A post-contractual non-compete covenant can be agreed with members of the Management Board of WashTec AG for a period of two years after termination of the Management Board contract, with an undertaking not to work for any company that is in direct or indirect competition with the Company or a company affiliated with it. Where members of the Management Board are subject to a post-contractual non-compete covenant, they are entitled to remuneration amounting to 50% of the monthly pro rata portion of their fixed annual salary (compensation) for the duration of the non-compete covenant.

### **C. Process for determination, implementation and review of the Management Board remuneration system**

The Supervisory Board decides upon a clear and understandable system for Management Board remuneration in accordance with Section 87a AktG and determines the remuneration of the Management Board members in accordance with Section 87 (1) AktG. The Supervisory Board is supported in this by its Personnel Committee. Taking into account the recommendations of the German Corporate Governance Code as amended, the Personnel Committee develops recommendations for the system of Management Board remuneration, which are then discussed in detail and adopted by resolution of the Supervisory Board.

The Personnel Committee also prepares the regular review of the remuneration system by the Supervisory Board. It will regularly review the appropriateness and structure of the remuneration system. Where necessary, the Personnel Committee will submit to the Supervisory Board proposals for modifications, on which the Supervisory Board may then proceed to pass a resolution.

The Supervisory Board may avail itself of the assistance of an outside remuneration consultant. If it does so, care is taken to ensure that the consultant is independent of the Management Board and the Company.

Any conflicts of interest arising for members of the Supervisory Board in connection with the process of determining, implementing and reviewing the remuneration system must be disclosed to the Supervisory Board. How any conflict of interest is dealt with is decided on a case-by-case basis; in particular, it may be decided that the member with a conflict of interest does not participate in related consultations and voting by the Supervisory Board or of the Personnel Committee. The Supervisory Board provides information in its report to the Annual General Meeting about any conflicts of interest that have arisen and how they were addressed.

The remuneration system adopted by the Supervisory Board is submitted to the Annual General Meeting for approval. If the Annual General Meeting does not approve the remuneration system, a revised remuneration system must be submitted at the next Annual General Meeting at the latest. The remuneration system is resubmitted to the Annual General Meeting for approval at every material change and at least every four years.



**D. Authority to temporarily derogate from the remuneration system**

The Supervisory Board may temporarily derogate from the remuneration system if this is necessary to serve the long-term interests of the Company. Examples include alignment of the remuneration system in order to ensure that incentives remain adequate in the event of a significant change in corporate strategy or in the event of a severe economic crisis. Procedurally, any such derogation requires an explicit resolution of the Supervisory Board describing in suitable form the precise duration of the derogation, the derogation as such and the reason for it (meaning why the long-term interests of the Company make the derogation necessary). Substantively, the Supervisory Board may derogate from the relative percentage shares accounted for by the individual remuneration components and their respective preconditions and may also temporarily set the fixed salary at a different level in individual cases if this is in the long-term interest of the Company, although it may not exceed the maximum remuneration specified by the Annual General Meeting. The components of the remuneration system that may be derogated from are the procedure, the stipulations on the remuneration structure and amount, and the individual remuneration components. The Supervisory Board may also, at its due discretion, temporarily reimburse exceptional amounts as incidental benefits (such as for security measures) in the event of an established significant change in requirements. In addition, the Supervisory Board has the right to grant special payments to newly appointed members of the Management Board in order to compensate for salary losses from previous employment or to cover relocation costs.

**7. Resolution to confirm the remuneration of the members of the Supervisory Board**

Under Section 113 (3) AktG, as amended by the German Act Implementing the Second Shareholder Rights Directive (ARUG II), the annual general meeting of a listed company must adopt a resolution at least once every four years on the remuneration of members of the Supervisory Board. The resolution relates both to the system of remuneration for Supervisory Board members presented to the Annual General Meeting and to the setting of the remuneration for Supervisory Board members. The resolution is permitted to take the form of a resolution confirming the remuneration. The first resolution must be passed by the end of the first Annual General Meeting following December 31, 2020.

The current remuneration of the Supervisory Board is laid down in Section 8.16 of the Articles of Association of WashTec AG, as amended on August 5, 2020, and in the Long Term Incentive Program for the Supervisory Board (LTIP) adopted by resolution of the Annual General Meeting on April 30, 2018.

The Management Board and the Supervisory Board consider the Supervisory Board remuneration set out in Section 8.16 of the Articles of Association and in the Long Term Incentive Program for the Supervisory Board adopted by resolution of the Annual General Meeting on April 30, 2018 to be appropriate and therefore propose that the current remuneration rules for the Supervisory Board be confirmed.

The Long Term Incentive Program for the Supervisory Board adopted by resolution of the Annual General Meeting on April 30, 2018 is reproduced below the agenda under the heading "Information on Agenda Item 7".

The remuneration rules in Section 8.16 of the Articles of Association, the Long Term Incentive Program for the Supervisory Board adopted by resolution of the Annual General Meeting on April 30, 2018, and the system for the remuneration of Supervisory Board members reproduced under a) are available in the Investor Relations section of the website [www.washtec.de](http://www.washtec.de) from the date of the convocation notice for the Annual General Meeting onwards and for the entire duration of the Annual General Meeting.

The Management Board and Supervisory Board – the latter acting on the basis of the recommendation of the Personnel Committee – propose that the following resolution be adopted:

**a) Remuneration system for the members of the Supervisory Board**

The remuneration of members of the Supervisory Board is required to be commensurate with the responsibilities and tasks of Supervisory Board members and the situation of the Company. At the same time, Supervisory Board remuneration is intended to be appropriate with a view to competing for suitable candidates for future appointments to the Supervisory Board.

As recommended in the German Corporate Governance Code, remuneration for Supervisory Board membership takes appropriate account, with commensurate function-related remuneration, of the larger time commitment of the Chairperson and the Deputy Chairperson of the Supervisory Board and of the chairpersons and the members of committees. In addition, with a view of the Supervisory Board's supervisory and advisory responsibilities, the Supervisory Board's remuneration contributes to the successful implementation of the business strategy and to the Company's long-term success.

The Annual General Meeting adopts a resolution on the remuneration of Supervisory Board members at least every four years and when changes to the remunera-

tion rules are proposed. The Annual General Meeting may confirm the existing Supervisory Board remuneration system or adopt a resolution to amend it. Proposals for resolutions are submitted to the Annual General Meeting by the Management Board or the Supervisory Board according to the statutory division of responsibilities; mutual control of the two corporate governing bodies is thus ensured. The Supervisory Board is supported in the preparation of proposals for resolutions by the Personnel Committee. The right to decide on the structure of the remuneration system and on the remuneration of Supervisory Board members remains with the Annual General Meeting.

(1) Components of Supervisory Board remuneration

Under Section 8.16 of the Articles of Association, the remuneration of members of the Supervisory Board comprises fixed remuneration, attendance fees and performance-based remuneration, together with reimbursement of expenses and of value added tax payable on Supervisory Board remuneration. Total annual remuneration under the Articles of Association (fixed and performance-based remuneration plus attendance fees) is limited to a maximum of EUR 75,000.00 for an ordinary member of the Supervisory Board, EUR 100,000.00 for the Chairperson of the Audit Committee, EUR 150,000.00 for the Deputy Chairperson of the Supervisory Board and EUR 200,000.00 for the Chairperson of the Supervisory Board.

In addition, the Long Term Incentive Program for the period from January 1, 2019 to December 31, 2021 adopted by resolution of the Annual General Meeting in 2018 provides for a long-term variable remuneration component for the Supervisory Board with a one-time cash award. The cash award is capped by the maximum possible number of invested shares, the maximum achievable multiplier of 1.2 and the maximum reference share price of €100. In variable remuneration for any one fiscal year, the maximum possible cash award (pro rata temporis) from the Long

Term Incentive Program generally exceeds the maximum possible performance-based remuneration under the Articles of Association.

(2) Fixed remuneration, attendance fees, performance-based remuneration, reimbursement of expenses and reimbursement of value-added tax under Section 8.16 of the Articles of Association

The current remuneration arrangements under Section 8.16 of the Articles of Association, as amended on August 5, 2020, read as follows:

“Beginning in fiscal year 2015 and for subsequent fiscal years, in addition to reimbursement for expenses, each member of the Supervisory Board is paid fixed remuneration in the amount of EUR 35,000.00 for each full fiscal year of membership of the Supervisory Board. The fixed remuneration is EUR 70,000.00 for the Deputy Chairperson of the Supervisory Board and EUR 100,000.00 for the Chairperson of the Supervisory Board.

Each member of a committee (with the exception of the Audit Committee) receives additional fixed remuneration of EUR 2,500.00. The chairperson of a committee (with the exception of the Audit Committee) receives additional fixed remuneration of EUR 5,000.00. Each member of the Audit Committee receives an additional fixed remuneration of EUR 5,000.00 and the Chairperson receives such remuneration of 10,000.00.

In addition, each member of the Supervisory Board receives an attendance fee of EUR 1,500.00 for each meeting of the Supervisory Board and its committees that they attend. Only one attendance fee is paid for multiple meetings held on a single day. The Chairperson of the Supervisory Board receives double the attendance fee stipulated in this subsection.

The fixed remuneration and the attendance fee are payable following completion of the fiscal year.

In addition, for membership of the Supervisory Board during the preceding fiscal year, each member of the Supervisory Board receives, after adoption of the resolution on the appropriation of profit, performance-based remuneration of EUR 500.00 for each cent by which IFRS-basis consolidated profit per share exceeds the equivalent amount for the prior fiscal year.

Total annual remuneration under the Articles of Association (fixed and performance-based remuneration plus attendance fees) is limited to a maximum of EUR 75,000.00 for an ordinary member of the Supervisory Board, EUR 100,000.00 for the Chairperson of the Audit Committee, EUR 150,000.00 for the Deputy Chairperson of the Supervisory Board and EUR 200,000.00 for the Chairperson of the Supervisory Board. Where offices coincide, the maximum relates to the greater amount.

Any Supervisory Board members who have served on the Supervisory Board or a Supervisory Board committee for only part of a fiscal year receive proportionately reduced fixed and performance-based remuneration. The Supervisory Board reimburses each Supervisory Board member the value-added tax payable on their remuneration.

The General Meeting may resolve to establish one or more long-term variable remuneration components for the Supervisory Board that are added to the remuneration under the Articles of Association.”

(3) Long-term variable remuneration: Long Term Incentive Program for the Supervisory Board

The remuneration system in its current form also provides for a long-term variable remuneration component in the form of a Long Term Incentive Program for the Supervisory Board, which is provided in addition to the remuneration under the Articles of Association. The Long Term Incentive Program for the Supervisory Board was adopted by resolution of the Annual General Meeting in 2018 with a term from January 1, 2019 to December 31, 2021.

The Long Term Incentive Program (LTIP) for the Supervisory Board has a three-year term (incentive period) and provides for a one-time cash award at the end of the incentive period. As a condition for participation in the LTIP, the program stipulates that Supervisory Board members must make a personal investment in WashTec shares on or before July 31, 2019. The Chairperson may participate with a personal investment of up to 4,000 shares and the remaining Supervisory Board members with a personal investment of up to 2,000 shares. A Supervisory Board member can also participate in the LTIP with shares already purchased by such member prior to the Company's Annual General Meeting which passed the resolution adopting the LTIP.

The cash award is calculated by multiplying the number of invested shares by the reference share price and a multiplier determined on the basis of target achievement. For calculation of the cash award, the maximum possible reference share price is limited to €100.00.

Performance targets are set for earnings per share (EPS), ROCE and free cash flow. The performance targets are geared to long-term performance and sustainability

under the corporate strategy. The reference base for the LTIP targets comprises the key performance indicators for fiscal year 2018 as of December 31, 2018. Depending on whether one, several or all of the targets are fulfilled, a different multiplier applies for the cash award. If the EPS target is exceeded, the multiplier can increase up to a maximum of 1.2.

The cash award is paid out on the day following the Annual General Meeting in fiscal year 2022. Supervisory Board members are only entitled to the full amount if they have been members of the Supervisory Board for the whole of the incentive period and still hold the invested shares in the Company at the end of the incentive period.

Entitlement to payment is subject to the resolute condition that one-sixth of the cash award received under the LTIP is reinvested in shares in the Company by the eligible Supervisory Board member within three months subsequent to the Company's Annual General Meeting in fiscal year 2022 and the Supervisory Board member holds those shares for at least three years after acquiring them. The requirement to hold the shares ends if the eligible Supervisory Board member leaves the Supervisory Board during the three-year holding period.

In exceptional circumstances, a pro-rata cash award is granted. Such circumstances comprise departure from the Supervisory Board due to termination of the period of office before the end of the incentive period, death of the Supervisory Board member, resignation or removal subsequent to a change of control, termination of office on merger, division or transformation, or delisting of the Company's shares. A pro-rata cash award is conditional on the invested shares still being held on termination.

In the case of newly appointed Supervisory Board members, the cash award is reduced pro rata and is only granted for the duration of actual membership of the Supervisory Board. 1/36th of the cash award is granted for each month of membership.

For details of the Long Term Incentive Program for the period from January 1, 2018 to December 31, 2021, reference is made to the Long Term Incentive Program for the Supervisory Board adopted by resolution of the Annual General Meeting on April 30, 2018, which is additionally reproduced in the invitation to the Annual General Meeting of May 18, 2021 under “Information on Agenda Item 7”.

- b) The Supervisory Board remuneration set out in Section 8.16 of the Articles of Association and the Long Term Incentive Program for the Supervisory Board adopted by resolution of the Annual General Meeting on April 30, 2018 is confirmed.**

## **8. Resolution on long-term variable remuneration for the Supervisory Board 2022–2024**

Section 8.16 of the Articles of Association stipulates that the Annual General Meeting may resolve to establish one or more long-term variable remuneration components that are added to the remuneration under the Articles of Association. The Long Term Incentive Program adopted by resolution of the Annual General Meeting on April 30, 2018 expires on December 31, 2021. Following a detailed review, the Management Board and Supervisory Board therefore propose that a new Long Term Incentive Program (LTIP) for the Supervisory Board for the January 1, 2022 to December 31, 2024 be adopted with the targets set out in the following. The proposed Long Term Incentive

Program 2022-2024 corresponds in structure and scope to the Long Term Incentive Program adopted by resolution of the Annual General Meeting on April 30, 2018 and provides for participating Supervisory Board members to receive a one-time cash award that depends upon the achievement of certain value generation targets over a three-year period and upon the Supervisory Board members’ personal investment. As in the Long Term Incentive Program adopted by resolution of the Annual General Meeting on April 30, 2018, the cash award is capped by the maximum possible number of invested shares, the maximum achievable multiplier of 1.2 and the maximum reference share price of €100.

The Long Term Incentive Program for the Supervisory Board 2022–2024 set out in the following is available in the Investor Relations section of the website [www.washtec.de](http://www.washtec.de) from the date of the convocation notice for the Annual General Meeting onwards and for the entire duration of the Annual General Meeting.

The Management Board and Supervisory Board – the latter acting on the basis of the recommendation of the Personnel Committee – propose that the following resolution be adopted:

With reference to the system for the remuneration of Supervisory Board members published under agenda item 7 in the invitation to the Annual General Meeting of May 18, 2021, and in continuation of that remuneration system, the following Long Term Incentive Program for the Supervisory Board 2022-2024 is adopted for the period January 1, 2022 to December 31, 2024:



## Long Term Incentive Program for the Supervisory Board (2022–2024)

### § 1 Definitions

**Termination event** has the meaning as defined in § 6.1.

**Cash award** has the meaning as defined in § 4.

**Capital employed** means fixed assets plus net operating working capital calculated as an average over five quarters.

**Change of control** means the acquisition of a number of shares in the Company that leads to a shareholding in the amount of more than 50% of shares in the Company by an existing shareholder or third party.

**EBIT** means the WashTec Group's earnings before interest and taxes based on the Company's audited and approved consolidated financial statements.

**Invested shares** has the meaning as defined in § 2.1.

**EPS** means earnings per share, i.e., the WashTec Group's consolidated net income, as presented in the audited and approved consolidated financial statements, divided by the weighted average number of shares outstanding (calculated on a fully diluted basis).

**EPS target** has the meaning as defined in § 3.

**Performance targets** comprise the EPS target, the ROCE target and the free cash flow target.

**Fixed assets** mean property, plant and equipment, goodwill and other intangible assets as presented in the Company's approved consolidated financial statements.

**Free cash flow** is defined as net cash flow from operating activities including changes in net working capital minus net cash flows from investing activities.

**Free cash flow target** has the meaning as defined in § 3.

The **Company** means WashTec AG.

**Incentive period** means the period in which the performance targets must be achieved. The period begins on January 1, 2022 and lasts until December 31, 2024.

**LTIP** stands for Long Term Incentive Program.

**LTIP 2015** means the LTIP for the members of the Supervisory Board which has been approved by the Annual General Meeting of the Company on May 13, 2015.

**LTIP 2018** means the LTIP for the members of the Supervisory Board which has been approved by the Annual General Meeting of the Company on April 30, 2018.

**LTIP 2018 Shares** includes both the personal investment shares with which the Supervisory Board member has participated in LTIP 2018 and the shares acquired by the Supervisory Board member in order to receive the cash award under LTIP 2018. Such reinvestments relate to one-sixth of the cash award received by the member under LTIP 2018. Invested shares for the purposes of participation in LTIP 2018 may also include shares with which the Supervisory Board member already participated in LTIP 2015 and shares that the member acquired in order to receive the cash award under LTIP 2015.

**Multiplier** has the meaning as defined in § 4.

**Net operating working capital** means trade receivables plus all inventories minus trade payables and prepayments on orders as presented in the company's approved consolidated financial statements.

**Pro-rata cash award** has the meaning as defined in § 6.1.

**Reference share price** means the volume-weighted average price of shares in the Company in XETRA trading (or in a successor system) on Frankfurt Stock Exchange during the last three months of the incentive period. If the volume-weighted average price of shares in the Company in XETRA trading (or in a successor system) on Frankfurt Stock Exchange during the last three months of the incentive period exceeds EUR 100.00, the reference share price is EUR 100.00. For calculation of the cash award, this figure of EUR 100.00 therefore represents the maximum possible reference share price. In the event of a change in the number of shares due to a stock split or consolidation, the reference share price for calculation of the cash award is adjusted accordingly; for this purpose, the reference share price is multiplied by the number of shares before the stock split or consolidation divided by the number of shares after the stock split or consolidation. The maximum applicable reference share price continues to be EUR 100.00 in the event of such an adjustment.

**ROCE** means EBIT divided by capital employed.

**ROCE target** has the meaning as defined in § 3.

**Reduced incentive period** means the period from January 1, 2022 to the end of the fiscal year in which a termination event occurs. If a participating Supervisory Board member is a member of the Supervisory Board for less than three months of the financial year in which the termination event occurs, the reduced incentive period is from January 1, 2022 until the end of the financial year prior to the financial year in which the termination event occurs.

**WashTec Group** means the Company and the legal entities included in the Company's consolidated financial statements.

## § 2 Personal investment

- 2.1 In order to participate in the LTIP, a Supervisory Board member is required to make a personal investment in shares in the Company by December 31, 2022 ("invested shares"). A Supervisory Board member can also participate in LTIP with shares already purchased by such member prior to the Company's Annual General Meeting in fiscal year 2021. In such case invested shares may also include those acquired by a Supervisory Board Member under LTIP 2018.
- 2.2 The Chairman of the Supervisory Board may participate in the LTIP with a personal investment of up to 4,000 shares. The remaining members of the Supervisory Board may participate in the LTIP with a personal investment of up to 2,000 shares.

**§ 3 Performance targets**

The cash award depends on achievement of three performance targets, each of which must be 100% achieved in order to count:

- (i) Compounded average annual normalized EPS growth of at least 22% during the incentive period (“**EPS target**”).
- (ii) Average ROCE of more than 27% during the incentive period (“**ROCE target**”).
- (iii) Compounded average annual free cash flow growth of at least 15% during the incentive period (“**free cash flow target**”).

The basis for calculation of the annual growth rates comprises the performance indicators for fiscal year 2021 as of December 31, 2021.

**§ 4 Calculation of the cash award**

The LTIP return profile depends on the level of achievement of the performance targets. The participating members of the Supervisory Board are only entitled to a cash award (“**cash award**”) if they achieve 100% on at least one of the performance targets. The cash award is calculated by multiplying a multiplier (“**multiplier**”) with the number of invested shares multiplied by the reference share price.

- Full achievement: If all three performance targets are achieved, the multiplier is 0.5.
- Partial fulfillment: If only two out of three performance targets are achieved, the multiplier is 0.33. If only one of the three performance targets is achieved, the multiplier is 0.17.

- Over-achievement of the EPS target: If the free cash flow target and the ROCE target are attained and average annual EPS growth during the incentive period is 23% or more, the multiplier is between 0.6 and 1.2, as set out in the table below:

Average EPS growth	Multiplier
23%	0.6
24%	0.8
25%	1
26%	1.2

**§ 5 Payment**

- 5.1 If a participating Supervisory Board member is entitled to a cash award under § 4, the cash award falls due on the day of the Company’s Annual General Meeting in fiscal year 2025.
- 5.2 A participating Supervisory Board member shall only be entitled to a cash award in the full amount if the member (i) still holds either all of the invested shares (applicable to Board Members not participating in the LTIP 2018) or all the LTIP 2018 Shares (applicable to the rest of Board Members) at the end of the incentive period and, (ii) subject to the provisions in § 6 and § 7 has been a member of the Supervisory Board without interruption from the beginning to the end of the incentive period.
- 5.3 Entitlement to payment is subject to the resolute condition that the entitled Supervisory Board member (i) within three months subsequent to the Company’s

Annual General Meeting in fiscal year 2025, reinvests one-sixth of the cash award received under the LTIP in shares in the Company and (ii) holds those shares for at least three years after purchase; the requirement to hold the shares ends if the entitled Supervisory Board member ceases to be a member of the Supervisory Board during the three-year holding period.

## § 6 Pro-rata-cash award

6.1 If one of the following events (each a “termination event”) occurs before the end of the incentive period, the participating Supervisory Board member is entitled to a pro-rata cash award (“pro-rata cash award”) provided that the member still holds the invested shares when the termination event occurs and is a member of the Supervisory Board for a period of at least twelve months during the incentive period:

- a) Resignation or removal of the participating Supervisory Board member within three months subsequently to a change of control.
- b) Departure of the participating Supervisory Board member from the Supervisory Board due to expiry of the member’s term of office before the end of the incentive period.
- c) Death of the participating Supervisory Board member.
- d) Termination of the participating Supervisory Board member’s office on entry into effect of a merger, division, or transformation under the Transformation Act (Umwandlungsgesetz).
- e) Delisting of the Company’s shares from the Frankfurt Stock Exchange.

6.2 The basis for calculation of the pro-rata cash award is the LTIP return profile in accordance with § 4. However, this is adjusted as follows:

- a) The reference share price is the volume-weighted average price of shares in the Company in XETRA trading (or a successor system) on Frankfurt Stock Exchange during the last three months before the termination event. If the volume-weighted average price of shares in the Company in XETRA trading (or in a successor system) on Frankfurt Stock Exchange during the last three months before the termination event exceeds EUR 100.00, the reference share price is EUR 100.00. For calculation of the cash award, this figure of EUR 100.00 therefore represents the maximum possible reference share price. In the event of a change in the number of shares due to a stock split or consolidation, the reference share price for calculation of the cash award is adjusted accordingly; for this purpose, the reference share price is multiplied by the number of shares before the stock split or consolidation divided by the number of shares after the stock split or consolidation.

The maximum applicable reference share price continues to be EUR 100.00 in the event of such an adjustment.

- b) The multiplier shall be adjusted. The basis for the calculation comprises the multipliers in accordance with § 4 up to the factor 0.5; the limit of 0.5 then also applies if average annual EPS growth is 23% or more. The multiplier must be adjusted pro rata in line with the reduced incentive period. Accordingly, the multiplier is reduced by one-third for each year by which the reduced incentive period is shorter than the incentive period; that is, for each year in which the entitled Supervisory Board member has not been a member of the Supervisory Board for at least three months. If all three performance targets are achieved, the adjusted multiplier is thus 0.33 for a reduced incentive period of two years and 0.17 for a reduced incentive period of one year.
- c) The performance targets are not adjusted. However, the performance targets are applied to the reduced incentive period.

- 6.3 If a participating Supervisory Board member is entitled to a pro-rata cash award, the payment falls due on the day of the Company's Annual General Meeting in the year following the fiscal year in which the termination event occurred.

#### **§ 7 New members of the Supervisory Board**

- 7.1 A Supervisory Board member who is elected or appointed by court order to the Supervisory Board after the beginning of the incentive period may participate in the LTIP. In order to do so, the member must make a personal investment in shares in the Company in accordance with § 2, with the invested shares purchased at the latest three months of the entry into effect of the member's election or appointment by court order to the Supervisory Board.
- 7.2 The calculation of the cash award, including in instances coming under § 7.1, is initially based on § 4. The cash award is reduced pro rata and is only granted for the duration of actual membership of the Supervisory Board. For this purpose, 1/36th of the cash award calculated in accordance with § 4 is granted for each month for which the member is a member of the Supervisory Board during the incentive period. If the Supervisory Board member's term of office does not begin as of the first of a given month, that month is counted in full in the calculation if the member has been a member of the Supervisory Board for at least 15 calendar days of the month concerned; otherwise, that month is not counted in the calculation. If a termination event occurs before the end of the incentive period, § 6 applies in addition.
- 7.3 § 5 applies with regard to when the cash award calculated in accordance with § 7.2 falls due. § 6.3 is unaffected.

#### **§ 8 Taxes**

Any income tax payable on the cash award (or the pro-rata cash award) shall be borne personally by each participating Supervisory Board member.



## Information on Agenda Item 7, “Resolution to confirm the remuneration of the members of the Supervisory Board”

### Long Term Incentive Program for the Supervisory Board in accordance with the resolution of the Annual General Meeting on April 30, 2018:

#### § 1 Definitionen

**Termination event** has the meaning as defined in § 6.1.

**Cash award** has the meaning as defined in § 4.

**Capital employed** means fixed assets plus net operating working capital calculated as an average over five quarters.

**Change of control** means the acquisition of a number of shares in the Company that leads to a shareholding in the amount of more than 50% of shares in the Company by an existing shareholder or third party.

**EBIT** means the WashTec Group’s earnings before interest and taxes based on the Company’s audited and approved consolidated financial statements.

**Invested shares** has the meaning as defined in § 2.1.

**EPS** means earnings per share, i.e., the WashTec Group’s consolidated net income, as presented in the audited and approved consolidated financial statements, divided by the weighted average number of shares outstanding (calculated on a fully diluted basis).

**EPS target** has the meaning as defined in § 3.

**Performance targets** comprise the EPS target, the ROCE target and the free cash flow target.

**Fixed assets** mean property, plant and equipment, goodwill and other intangible assets as presented in the Company’s approved consolidated financial statements.

**Free cash flow** is defined as net cash flow from operating activities including changes in net working capital minus net cash flows from investing activities.

**Free cash flow target** has the meaning as defined in § 3.

The **Company** means WashTec AG.

**Incentive period** means the period in which the performance targets must be attained. The period begins on January 1, 2019 and lasts until December 31, 2021.

**LTIP** stands for Long Term Incentive Program.

**LTIP 2015** means the LTIP for the members of the Supervisory Board which has been approved by the Annual General Meeting of the Company on May 13, 2015.

**LTIP 2015 Shares** includes both the initial investment under LTIP 2015 and the binding reinvestment of the cash award by Supervisory Board Members. Such reinvestments relate to one third of the post-tax proceeds as defined in the LTIP 2015.

**Multiplier** has the meaning as defined in § 4.

**Net operating working capital** means trade receivables plus all inventories minus trade payables and prepayments on orders as presented in the company's approved consolidated financial statements.

**Pro-rata cash award** has the meaning as defined in § 6.1.

**Reference share price** means the volume-weighted average price of shares in the Company in XETRA trading (or in a successor system) on Frankfurt Stock Exchange during the last three months of the incentive period. If the volume-weighted average price of shares in the Company in XETRA trading (or in a successor system) on Frankfurt Stock Exchange during the last three months of the incentive period exceeds EUR 100.00, the reference share price is EUR 100.00. In the event of a change in the number of shares due to a stock split or consolidation, the reference share price for calculation of the cash award is adjusted accordingly; for this purpose, the reference share price is multiplied by the number of shares before the stock split or consolidation divided by the number of shares after the stock split or consolidation. The maximum applicable reference share price continues to be EUR 100.00 in the event of such an adjustment.

**ROCE** means EBIT divided by capital employed.

**ROCE target** has the meaning as defined in § 3.

**Reduced incentive period** means the period from January 1, 2019 to the end of the fiscal year in which a termination event occurs. If a participating Supervisory Board member is a member of the Supervisory Board for less than three months of the financial year in which the termination event occurs, the reduced incentive period is from January 1, 2019 until the end of the financial year prior to the financial year in which the termination event occurs.

**WashTec Group** means the Company and the legal entities included in the Company's consolidated financial statements.

## § 2 Personal investment

- 2.1 In order to participate in the LTIP, a Supervisory Board member is required to make a personal investment in shares in the Company by July 31, 2019 ("invested shares"). A Supervisory Board member can also participate in LTIP with shares already purchased by such member prior to the Company's Annual General Meeting in fiscal year 2018. In such case invested shares may also include those acquired by a Supervisory Board Member under LTIP 2015.
- 2.2 The Chairman of the Supervisory Board may participate in the LTIP with a personal investment of up to 4,000 shares. The remaining members of the Supervisory Board may participate in the LTIP with a personal investment of up to 2,000 shares.

## § 3 Performance targets

The cash award depends on attainment of three performance targets, each of which must be 100% attained in order to count:

- (i) Compounded average annual normalized EPS growth of at least 15% during the incentive period ("**EPS target**").
- (ii) Average ROCE of more than 30% during the incentive period ("**ROCE target**").
- (iii) Compounded average annual free cash flow growth of at least 15% during the incentive period ("**free cash flow target**").

The basis for calculation of the annual growth rates comprises the performance indicators for fiscal year 2018 as of December 31, 2018.

**§ 4 Calculation of the cash award**

The LTIP return profile depends on the level of attainment of the performance targets. The participating members of the Supervisory Board are only entitled to a cash award (“**cash award**”) if they attain 100% on at least one of the performance targets. The cash award is calculated by multiplying a multiplier (“**multiplier**”) with the number of invested shares multiplied by the reference share price.

- Full attainment: If all three performance targets are attained, the multiplier is 0.5.
- Partial fulfillment: If only two out of three performance targets are attained, the multiplier is 0.33. If only one of the three performance targets is attained, the multiplier is 0.17.
- Over-attainment of the EPS target: If the free cash flow target and the ROCE target are attained and average annual EPS growth during the incentive period is 15.8% or more, the multiplier is between 0.66 and 1.2, as set out in the table below:

Average EPS growth	Multiplier
15.8%	0.66
17.6%	0.83
19.3%	1.01
20.9%	1.20

**§ 5 Payment**

- 5.1 If a participating Supervisory Board member is entitled to a cash award under § 4, the cash award falls due on the day of the Company’s Annual General Meeting in fiscal year 2022.
- 5.2 A participating Supervisory Board member shall only be entitled to a cash award in the full amount if the member (i) still holds either all of the invested shares (applicable to Board Members not participating in the LTIP 2015) or all the LTIP 2015 Shares (applicable to the rest of Board Members) at the end of the incentive period and, (ii) subject to the provisions in § 6 and § 7 has been a member of the Supervisory Board without interruption from the beginning to the end of the incentive period.
- 5.3 Entitlement to payment is subject to the resolute condition that the entitled Supervisory Board member (i) within three months subsequent to the Company’s Annual General Meeting in fiscal year 2022, reinvests one-sixth of the cash award received under the LTIP in shares in the Company and (ii) holds those shares for at least three years after purchase; the requirement to hold the shares ends if the entitled Supervisory Board member ceases to be a member of the Supervisory Board during the three-year holding period.

**§ 6 Pro-rata cash award**

- 6.1 If one of the following events (each a “**termination event**”) occurs before the end of the incentive period, the participating Supervisory Board member is entitled to a pro-rata cash award (“**pro-rata cash award**”) provided that the member still holds the invested shares when the termination event occurs:

- a) Resignation or removal of the participating Supervisory Board member within three months subsequently to a change of control.
- b) Departure of the participating Supervisory Board member from the Supervisory Board due to expiry of the member's term of office before the end of the incentive period.
- c) Death of the participating Supervisory Board member.
- d) Termination of the participating Supervisory Board member's office on entry into effect of a merger, division, or transformation under the Transformation Act (Umwandlungsgesetz).
- e) Delisting of the Company's shares from the Frankfurt Stock Exchange.

6.2 The basis for calculation of the pro-rata cash award is the LTIP return profile in accordance with § 4. However, this is adjusted as follows:

- a) The reference share price is the volume-weighted average price of shares in the Company in XETRA trading (or a successor system) on Frankfurt Stock Exchange during the last three months before the termination event. If the volume-weighted average price of shares in the Company in XETRA trading (or in a successor system) on Frankfurt Stock Exchange during the last three months before the termination event exceeds EUR 100.00, the reference share price is EUR 100.00. In the event of a change in the number of shares due to a stock split or consolidation, the reference share price for calculation of the cash award is adjusted accordingly; for this purpose, the reference share price is multiplied by the number of shares before the stock split or consolidation divided by the number of shares after the stock split or consolidation. The

maximum applicable reference share price continues to be EUR 100.00 in the event of such an adjustment.

- b) The multiplier shall be adjusted. The basis for the calculation comprises the multipliers in accordance with § 4 up to the factor 0.5; the limit of 0.5 then also applies if average annual EPS growth is 15.8% or more. The multiplier must be adjusted pro rata in line with the reduced incentive period. Accordingly, the multiplier is reduced by one-third for each year by which the reduced incentive period is shorter than the incentive period; that is, for each year in which the entitled Supervisory Board member has not been a member of the Supervisory Board for at least three months. If all three performance targets are attained, the adjusted multiplier is thus 0.33 for a reduced incentive period of two years and 0.17 for a reduced incentive period of one year.
- c) The performance targets are not adjusted. However, the performance targets are applied to the reduced incentive period.

6.3 If a participating Supervisory Board member is entitled to a pro-rata cash award, the payment falls due on the day of the Company's Annual General Meeting in the year following the fiscal year in which the termination event occurred.

## § 7 New members of the Supervisory Board

7.1 A Supervisory Board member who is elected or appointed by court order to the Supervisory Board after the beginning of the incentive period may participate in the LTIP. In order to do so, the member must make a personal investment in shares in the Company in accordance with § 2, with the invested shares purchased at the latest three months of the entry into effect of the member's election or appointment by court order to the Supervisory Board.

7.2. The calculation of the cash award, including in instances coming under § 7.1, is initially based on § 4. The cash award is reduced pro rata and is only granted for the duration of actual membership of the Supervisory Board. For this purpose, 1/36th of the cash award calculated in accordance with § 4 is granted for each month for which the member is a member of the Supervisory Board during the incentive period. If the Supervisory Board member's term of office does not begin as of the first of a given month, that month is counted in full in the calculation if the member has been a member of the Supervisory Board for at least 15 calendar days of the month concerned; otherwise, that month is not counted in the calculation. If a termination event occurs before the end of the incentive period, § 6 applies in addition.

7.3 § 5 applies with regard to when the cash award calculated in accordance with § 7.2 falls due. § 6.3 is unaffected.

## **§ 8 Taxes**

Any income tax payable on the cash award (or the pro-rata cash award) shall be borne personally by each participating Supervisory Board member.

## **II. Further information on convocation**

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

On convocation of the Annual General Meeting, WashTec AG has issued a total of 13,976,970 no-par-value shares granting a total of 13,976,970 voting rights. On convocation of the Annual General Meeting, the Company holds 594,646 treasury shares in respect of which the Company has no rights.

### **2. Annual General Meeting held as a virtual Annual General Meeting without the physical presence of shareholders or their proxy holders**

In accordance with the Act Concerning Measures in Company, Cooperative, Association, Foundation and Condominium Law to Combat the Effects of the COVID-19 Pandemic (Article 2 of the Act of March 27, 2020 to Mitigate the Consequences of the COVID-19 Pandemic in Civil, Insolvency and Criminal Procedure Law, Federal Law Gazette I 2020, p. 569), most recently amended by Article 11 of the Act of December 22, 2020 Concerning Further Shortening of the Residual Debt Discharge Procedure and Amendment of Pandemic-related Provisions in the Law of Companies, Cooperative Societies, Associations and Foundations and in Rental and Lease Law – hereinafter the “Covid-19 Act” – the Management Board of WashTec AG has resolved with the approval of the Supervisory Board to hold the Annual General Meeting as a virtual Annual General Meeting without the physical presence of the shareholders or their proxy holders (hereinafter the “virtual Annual General Meeting”). Shareholders and their proxy holders (with the exception of Company-designated proxy holders) are therefore not permitted to attend in person.

They will however be able to follow the entire Annual General Meeting on May 18, 2021, starting at 10:00 a.m. CEST, by audio/video stream in the AGM Portal in the Investor Relations section of the Company website, [www.washtec.de](http://www.washtec.de). Shareholders who wish to participate in the virtual Annual General Meeting must register for the meeting. Shareholders who have duly registered will be sent the personal access data that they need in order to follow the entire Annual General Meeting in the AGM Portal together with their voting card and additional information on exercising their rights and using the AGM Portal. The live stream does not enable participation in the Annual General Meeting within the meaning of section 118 (1) sentence 2 AktG.

Duly registered shareholders or their proxy holders may exercise their voting rights exclusively by means of electronic communication (postal vote) or by granting proxy to Company-designated proxy holders. Questions may be submitted to the Management Board exclusively by electronic means by May 16, 2021, 24:00 hrs CEST, using the password-protected AGM portal in the Investor Relations section of the Company website, [www.washtec.de](http://www.washtec.de). Shareholders who have exercised their voting rights and wish to lodge objections to resolutions of the Annual General Meeting may do so by electronic means for recording in the minutes using the AGM Portal, at any time from the beginning of the virtual Annual General Meeting on May 18, 2021 to the end of the meeting. No other form of submission is permitted.

Further details are provided in the following explanatory notes.

### 3. Requirements for participating and voting in the virtual Annual General Meeting

Shareholders who wish to participate and vote in the virtual Annual General Meeting must register before the meeting. Shareholders must also present proof of the right to participate and vote in the virtual Annual General Meeting. This requires proof of their share ownership in text form from the last intermediary in German or English relating to the beginning of the 21st day prior to the General Meeting, meaning 0:00 hrs CEST on Tuesday, April 27, 2021 (the record date). Proof of ownership by the last intermediary in accordance with the requirements of Section 67c (3) AktG shall suffice.

Registration and proof of ownership must reach the Company by no later than 24:00 hrs CEST on Tuesday, May 11, 2021, at the following address:

WashTec AG  
c/o Link Market Services GmbH  
Landshuter Allee 10  
80637 München  
Germany  
Email: [inhaberaktien@linkmarketservices.de](mailto:inhaberaktien@linkmarketservices.de)

For the purposes of the Company, only those who have submitted proof of share ownership have the right to participate and vote in the virtual meeting. The right to participate and the number of voting rights are determined solely by the shares held by a shareholder at the record date. There is no restriction on the right to sell shares after the record date. Even if all or part of a shareholding is sold after the record date, the right to participate and the number of voting rights continue to be determined solely by the shares held by the shareholder at the record date; i.e. sales of shares after the

record date have no effect on the right to participate or the number of voting rights. The same applies to purchases of shares after the record date. Anyone who does not own shares at the record date and only become a shareholder afterwards has no right to participate or vote unless they have obtained proxy or power of attorney to exercise the rights in this regard. The record date is not a relevant date for dividend eligibility.

After receipt of their registration and proof of share ownership, shareholders entitled to participate will be sent voting cards with their personal access data for use of the AGM Portal for the virtual Annual General Meeting. Shareholders who wish to participate in the virtual Annual General Meeting or exercise their voting rights – either in person or by proxy – are requested to arrange the necessary registration and proof of share ownership with their custodian bank in good time.

#### 4. Electronic postal voting procedure

Shareholders or their proxy holders may cast their votes by electronic communication without participating in the Annual General Meeting (postal voting). Here, too, the above requirements for participating and voting in the virtual Annual General Meeting must be met. Postal votes (and any modification or revocation of postal votes) may be submitted to the Company exclusively using the password-protected AGM portal in the Investor Relations section of the company website, [www.washtec.de](http://www.washtec.de), and must be received by the Company no later than the commencement of voting in the virtual Annual General Meeting on Tuesday, May 18, 2021. Personal access data for the AGM Portal will be sent automatically to duly registered shareholders or their proxy holders together with their voting card.

Please note that no other communication channels are available for postal voting and in particular that it is not possible to vote by letter mail.

#### 5. Procedure for voting using Company-designated proxy holders

For the purpose of voting in the virtual Annual General Meeting, we offer shareholders and their proxy holders the opportunity to appoint Company-designated proxy holders to act on the shareholders' instructions. Here, too, the shareholders must meet the above requirements for participating and voting in the virtual Annual General Meeting. Appointed company-designated proxy holders must be issued with binding instructions in text form for voting in each case; they are under obligation to vote in accordance with the instructions issued to them. Without such instructions, the proxy is invalid. The granting of proxy (with instructions), its revocation and proof of proxy towards the Company must be in text form. The proxy together with the instructions to the Company-designated proxy holders (and any modification or revocation of issued proxies and instructions) must be received by the Company as follows:

either by Monday, May 17, 2021, 12.00 hrs CEST, at the address given below, which includes the possibility of submission by email:

WashTec AG  
c/o Link Market Services GmbH  
Landshuter Allee 10  
80637 München, Germany  
Email: [inhaberaktien@linkmarketservices.de](mailto:inhaberaktien@linkmarketservices.de)

or using the password-protected AGM Portal in the Investor Relations section of the Company website, [www.washtec.de](http://www.washtec.de), no later than the commencement of voting in the virtual Annual General Meeting on Tuesday, May 18, 2021.



Personal access data for the AGM Portal, as well as a form for issuing proxy and instructions to Company-designated proxy holders will be sent automatically to duly registered shareholders or their proxy holders together with their voting card.

Representation by Company-designated proxy holders is restricted to voting in accordance with instructions when voting on items on the agenda; Company-designated proxy holders do not accept instructions to exercise other shareholder rights including, in particular, instructions to submit motions or questions or to lodge objections.

## 6. Procedure for voting using other proxy holders

Shareholders who do not participate in the virtual Annual General Meeting can exercise their voting rights (and where applicable other rights relating to the Annual General Meeting) through another proxy holder such as an intermediary (a credit institution or other financial services institution, including a foreign financial services institution), shareholders' association, Company-designated proxy holder or other third party. Here, too, timely registration and proof of share ownership in accordance with the foregoing stipulations are required.

As such proxy holders are unable to take part in person due to the annual general meeting being held as a virtual Annual General Meeting under the Covid-19 Act, they are likewise able to vote in the Annual General Meeting by postal vote using electronic communication or by granting (sub-)proxy to Company-designated proxy holders. For a proxy holder to exercise rights by electronic communication using the password-protected AGM Portal, the principal must provide the proxy holder with the personal access data sent with the voting card.

Under Section 134 (3) sentence 3 AktG, the granting and revocation of proxy and proof of proxy towards the Company must be in text form; this is without prejudice to Section 135 AktG. Notifications of appointment of proxy holders may alternatively be sent by email to the following address:

[inhaberaktien@linkmarketservices.de](mailto:inhaberaktien@linkmarketservices.de)

If an intermediary, a shareholders' association, a proxy adviser or another person for whom Section 135 (8) AktG stipulates that the provisions of Section 135 (1) to (7) AktG apply analogously is appointed as a proxy holder, the proxy holder must keep the notification of appointment for verification; the notification of appointment must also be completed in full and may only contain representations related to voting. In these cases, shareholders should agree the form of proxy with the proxy holder.

Shareholders who wish to appoint a proxy holder other than a Company-designated proxy holder to participate and vote will find a form in accordance with Section 48 (1) no. 5 of the Securities Trading Act (WpHG) on the back of the voting rights card sent out to shareholders after proper and timely registration.

Any granting or revocation of proxy communicated to the Company and the communication of any proof or revocation of proxy issued to a proxy holder must be received no later than Monday, May 17, 2021, 12:00 hrs CEST at one of the above addresses listed for registration.

## 7. Publication on the Company website

This convocation notice for the Annual General Meeting together with the information and explanatory notes required by law and the documents to be published will be published in the Investor Relations section of the Company website, [www.washtec.de](http://www.washtec.de) (see Section 124a AktG). All documents to be published for the Annual General Meeting by law will also continue to be available on the Company website during the virtual Annual General Meeting. Voting results will be published on the same website after the Annual General Meeting.

If voting rights are exercised by electronic postal voting, the Company will send the person casting the vote an electronic confirmation of receipt of the electronically cast vote in accordance with Section 118 (2) sentence 2 and (1) sentences 3 to 5 AktG in conjunction with Article 7(1) and Article 9(5)(1) of Implementing Regulation (EU) 2018/1212. Under Article 129 (5) AktG in conjunction with Article 7(2) and Article 9(5) (2) of Implementing Regulation (EU) 2018/1212, the persons casting votes may request confirmation from the Company within one month of the day of the Annual General Meeting as to whether and how their vote was counted. This confirmation may be requested after the Annual General Meeting via the AGM portal using the personal access data printed on your voting card.

## 8. Notes on shareholders' rights

### 8.1. Right to have items put on the agenda under Section 122 (2) AktG

Shareholders whose shares together make up one-twentieth of the registered share capital or a pro rata amount of €500,000.00 (this pro rata amount being equivalent to 174,713 no-par-value shares) may have items put on the agenda and published.

Under Section 87 (4) AktG, this also applies to the maximum remuneration for members of the Management Board specified in accordance with Section 87a (1) sentence 2 no. 1 AktG. Each new item must be accompanied by a justification and a draft resolution. Requests must be directed in writing to the Management Board of the Company and must reach the Company no later than midnight (24:00 hrs CEST) on April 17, 2021. Please submit requests to the following address:

WashTec AG  
Investor Relations Department  
Argonstrasse 7  
86153 Augsburg, Germany

Requesters are required to prove that they have owned the shares since at least 90 days before the date of receipt of the request by the Company and that they continue to hold the shares until the request is decided upon by the Management Board, not including the day of receipt. Confirmation from the custodian institution will suffice as proof. The shareholding period is computed in accordance with Section 70 AktG.

Items put on the agenda that require publishing – unless already published with the convocation – will, without delay following receipt of the request, be published in the German Federal Gazette and released for publication by media for which it can be assumed that the information will be disseminated throughout the entire European Union. They will also be published in the Investor Relations section of the Company website, [www.washtec.de](http://www.washtec.de), and communicated to shareholders.

Orderly motions received by April 17, 2021 (24.00 hrs CEST) on business put on the agenda or to be put on the agenda under Section 122 (2) AktG will be treated in the Annual General Meeting as if brought in the Annual General Meeting.

## 8.2. Countermotions and nominations under Sections 126 (1) and 127 AktG

Any shareholder has the right to send in countermotions to proposals of the Management Board and/or Supervisory Board on specific items of the agenda and to send in nominations for election. Countermotions and nominations to be published prior to the Annual General Meeting must be sent exclusively to this address:

WashTec AG  
 Abteilung Investor Relations  
 Argonstrasse 7  
 86153 Augsburg, Germany  
 Email: [hauptversammlung@washtec.de](mailto:hauptversammlung@washtec.de)

Countermotions and nominations addressed differently will be disregarded.

Orderly countermotions and nominations received from shareholders at the foregoing address by no later than midnight (24:00 hrs CEST) on May 3, 2021 will, following receipt, be published without delay in the Investor Relations section of the Company website, [www.washtec.de](http://www.washtec.de) (including the name of the shareholder and – in the case of motions – the reasons). Any position taken by management on motions and nominations received will likewise be published on the above-mentioned website.

Any countermotion or nomination to be published under section 126 or 127 AktG will be treated as if made in the virtual Annual General Meeting if the shareholder making it has duly registered for the Annual General Meeting. This does not prejudice the chairman of the meeting's right to have management proposals put to the vote first.

## 8.3. Right of shareholders to submit questions under Section 1 (2) sentence 1 no. 3 and sentence 2 of the Covid-19 Act; right to request information under Section 131 (1) AktG

Under the Covid-19 Act, shareholders do not have a right within the meaning of Section 131 AktG to request information in the Annual General Meeting, but they do have to be granted the right to ask questions by electronic communication.

With the approval of the Supervisory Board, the Management Board of WashTec AG has resolved that questions from shareholders duly registered for the virtual Annual General Meeting or their proxy holders may be submitted to the Management Board exclusively using the AGM Portal in the Investor Relations section of the Company website, [www.washtec.de](http://www.washtec.de). Questions must relate to the Company's affairs, the Company's legal and business relations with affiliates and the situation of the Group and the companies included in the consolidated financial statements in so far as is necessary to permit proper evaluation of an agenda item.

Questions from shareholders or their proxy holders must be received by the Company via the Company's password-protected AGM Portal no later than 24.00 hrs CEST on May 16, 2021. No questions can be submitted during the virtual Annual General Meeting.

The Management Board will decide how it responds to questions at its due and free discretion (Section 1 (2) sentence 2 clause 1 of the Covid-19 Act). In particular, it may combine multiple questions and their answers if this appears appropriate. Questions in languages other than German will not be considered. The Management Board reserves the right to answer frequently asked questions in general terms in advance on the Company website.

When answering questions during the Annual General Meeting, the name of the persons posing them will generally be disclosed (in so far as questions are answered individually) unless the person posing a question has expressly objected to being named when sending the question.

Please also note the above explanatory notes on shareholders' rights and the notes on data protection at the end of this convocation notice.

## **9. Objections to resolutions of the Annual General Meeting**

Duly registered shareholders who have exercised their voting rights in the virtual Annual General Meeting by electronic communication or by granting proxy, or their proxies, who wish to lodge objections to resolutions of the Annual General Meeting may do so by electronic means for recording in the minutes using the password-protected AGM Portal in the Investor Relations section of the Company website, [www.washtec.de](http://www.washtec.de), at any time from the beginning to the end of the Annual General Meeting.

## **10. Note on availability of the audio/video stream**

Shareholders can follow the entire Annual General Meeting by audio/video stream on the Internet. The audio/video stream of the Annual General Meeting and the availability of the Internet-based AGM Portal may, according to the current state of technology, be subject to fluctuations beyond the Company's control due to restrictions in the availability of the telecommunication network and restrictions in third-party Internet services. The Company cannot give any warranty or assume any liability for the functioning and constant availability of the contracted Internet services, contracted third-party network elements or the audio/video stream or for access to the AGM portal and its availability in general. The Company furthermore assumes no responsibility for errors and defects in the hardware and software used to conduct the virtual Annual General Meeting on the Internet, including those of contracted service providers, except in the case of willful intent.

### III. Data protection

#### 1. General information

##### a) Introduction

WashTec AG attaches great importance to data protection and the protection of privacy. In the data protection information that follows, we would like to inform our shareholders about the processing of their personal data and their rights in accordance with applicable data protection law, notably Regulation (EU) No 2016/679 (the General Data Protection Regulation/GDPR), in connection with the preparation, conduct and follow-up of the virtual Annual General Meeting.

##### b) Controller within the meaning of Article 4(7) GDPR

WashTec AG, Argonstrasse 7, 86153 Augsburg, Germany

##### c) Kontaktdaten des Datenschutzbeauftragten

WashTec AG  
Data Protection Officer  
Argonstrasse 7, 86153 Augsburg, Germany  
Phone: +49 821 5584-1111  
Email: datenschutzbeauftragter@washtec.com

#### 2. Information regarding processing

##### a) Categories of data

We process, in particular, the following categories of personal data:

- Forename and surname
- Address
- Number of shares
- Class of shares
- Type of share ownership
- Voting card number

In addition, we may also process the personal data (in particular, the name and place residence) of any proxy nominated by a shareholder. If shareholders or their proxy holders contact us, we also process the personal data necessary to respond to any requests (such as contact details – e.g., email address or telephone number – provided by the shareholder or proxy holder). Where applicable, we also process information on motions, questions, nominations for election and shareholders' requests in the virtual Annual General Meeting.

##### b) Purpose and legal basis of the processing

We use personal data in order to enable shareholders to participate in and exercise their rights at the virtual Annual General Meeting. The processing of personal data is essential to the proper preparation, conduct and follow-up of the virtual Annual General Meeting and to enable shareholders to participate in the virtual Annual General Meeting pursuant to Sections 118 et seq. AktG. The legal basis for the processing of personal data is Article 6(1)c GDPR read in conjunction with Sections

118 et seq. AktG and Section 1 of the Covid-19 Act. In addition, we also process personal data as necessary to fulfil other legal obligations, such as regulatory requirements and retention obligations under stock corporation law, securities law, commercial law and tax law. The legal basis for this processing is Article 6(1)c GDPR read in conjunction with the applicable statutory provisions. In addition, data processing necessary for the organization of the virtual Annual General Meeting may be performed on the basis of overriding interests (Article 6(1)(f) GDPR).

All shares in WashTec AG are bearer shares. In contrast to registered shares, WashTec AG does not maintain a share register stating the family name, date of birth, address and the number of shares held, as stipulated in Section 67 AktG.

**c) Categories of recipients of personal data**

We make use of external service providers for the preparation, conduct and follow-up of the virtual Annual General Meeting (in particular for registrations for and for the conduct of the Annual General Meeting). Service providers contracted for the purpose of the preparation, conduct and follow-up of the Annual General Meeting receive from us only the personal data needed to perform the contracted service and process the data exclusively in accordance with WashTec AG's instructions. All of our employees and all employees of external service providers who have access to and/or process personal data are under obligation to treat the data confidentially.

In addition, it may be possible for personal data of shareholders and proxy holders exercising rights in connection with the virtual Annual General Meeting to be inspected by other shareholders and proxy holders as required by law. The Company will make shareholders' counter motions and nominations available on the Company website if the requirements under the provisions of German stock corporation law

(Section 126 (1) and Section 127 AktG) are met, stating the name of the shareholder, and will deal with them in the virtual Annual General Meeting subject to the requirements set out in the convocation notice for the virtual Annual General Meeting 2021. In connection with answering any questions submitted in advance by shareholders or proxy holders (Section 1 (2) sentence 1 no. 3 and sentence 2 of the Covid-19 Act), the name of the person submitting a question will be mentioned in the course of answering such questions during the Annual General Meeting (in so far as questions are answered individually) unless they have objected to being named. The Company is required under Section 129 AktG to keep a list of attendees of the Annual General Meeting. Under Section 129 (4) AktG, the listed personal data can be inspected by participants in the Annual General Meeting during the meeting and by shareholders for up to two years after the meeting.

**d) Data sources**

As a rule, we and our contracted service providers obtain shareholders' personal data via our registration office from the credit institutions used by shareholders for the custody of their shares ("custodian banks").

**e) Retention period**

The retention period for data stored in connection with the Annual General Meeting is generally up to three years. We anonymize or erase personal data unless statutory verification and retention obligations require us to retain it for a longer period and unless longer retention is necessary in connection with legal proceedings. Information on shareholders' questions in the coming Annual General Meeting will be anonymized after one month unless longer retention is necessary for the aforementioned reasons.

### 3. Rights of data subjects

As data subjects, shareholders may contact our Data Protection Officer, using the contact data provided above under 1 (c), with a non-formal request in order to exercise their rights under the GDPR, the requirements for which are subject to individual appraisal. In particular, these rights comprise:

- The right to obtain information about the processing and a copy of the processed data (right of access, Article 15 GDPR);
- The right to obtain the rectification of inaccurate data and the completion of incomplete data (right of rectification, Article 16 GDPR);
- The right to obtain erasure of personal data and, if personal data have been published, to have other controllers notified of the request for erasure (right to erasure, Article 17 GDPR);
- The right to obtain the restriction of processing (right to restriction of processing, Article 18 GDPR).

If personal data is processed on the basis of Article 6(1)(f) GDPR, shareholders and shareholder representatives also have a right of objection subject to the statutory requirements (Article 21 GDPR).

Data subjects also have the right to lodge a complaint with a supervisory authority. The competent supervisory authority in Bavaria is as follows:

Bayerisches Landesamt für Datenschutzaufsicht (BayLDA)  
(Bavarian Data Protection Authority/BayLDA)  
Promenade 18  
91522 Ansbach, Germany  
Phone +49 981 53 1300  
Fax: +49 981 53 98 1300  
Email: [poststelle@lda.bayern.de](mailto:poststelle@lda.bayern.de)

Augsburg, April 2021

WashTec AG  
The Management Board