



Annual General Meeting of WashTec AG on May 16, 2022

Explanatory notes on the rights of shareholders under Sections 122 (2), 126 (1), 127 and 131 (1) of the German Stock Corporation Act (AktG) in conjunction with Section 1 of the COVID-19 Act (COVID-19-Gesetz)

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 No. 14 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 (Federal Law Gazette I No. 67 2020, p. 3332), the validity of which was extended until August 31, 2022 by Article 15 of the Act on the Establishment of a Special Fund "Reconstruction Assistance 2021" and on the Temporary Suspension of the Obligation to File an Insolvency Petition Due to Heavy Rainfall and Floods in July 2021 and on the Amendment of Other Laws of September 10, 2021 (Federal Law Gazette I 2021 No. 63 2021, p. 4153), – hereinafter the "Covid-19 Act" – the Management Board of WashTec AG has resolved with the approval of the Supervisory Board to hold a virtual Annual General Meeting without the physical presence of the shareholders or their proxy holders (with the exception of the Company-designated proxy holders), hereinafter the "virtual shareholders' meeting". The rights of shareholders are therefore based on the German Stock Corporation Act and on the provisions modified by the COVID-19 Act.

The underlying provisions of the COVID-19 Act read as follows:

Section 1 – Stock corporations (AG); limited partnerships limited by shares (KGaA); European public limited companies (SE); mutual insurance companies (VVG) (excerpt)

(1) Decisions on participation by shareholders in the general meeting by electronic communication under section 118 (1) sentence 2 of the Stock Corporation Act (electronic participation), on the casting of votes by electronic communication under section 118 (2) of the Stock Corporation Act (postal voting), on participation by members of the supervisory board by audio and video transmission under section 118 (3) sentence 2 of the Stock Corporation Act and on the authorisation of audio and video transmission under section 118 (4) of the Stock Corporation Act may be made by the management board of the company regardless of whether it is authorised to do so under the articles of association or rules of procedure.

(2) The management board may decide that the meeting is held as a virtual shareholders' meeting without the physical presence of the shareholders or their proxies, provided that

- 1. a video and audio transmission is provided of the entire meeting,*
- 2. it is possible for shareholders to exercise their voting rights and grant proxy by electronic communication (absentee vote or electronic participation),*
- 3. shareholders are granted a right to ask questions by electronic communication,*

4. shareholders who have exercised their voting right in accordance with number 2, in derogation from section 245 (1) of the Stock Corporation Act, are granted a means of objecting to resolutions of the general meeting without being required to attend the general meeting.

The management board decides how it answers the questions at its due and free discretion; it can also stipulate that questions are to be submitted by means of electronic communication no later than one day before the meeting. Shareholders' motions or election nominations that are to be made accessible under section 126 of section 127 of the Stock Corporation Act are deemed to have been made in the meeting if the shareholder bringing the motion or submitting the election nomination is duly legitimised and registered for the general meeting.

(3) In derogation from section 123 (1) sentence 1 and (2) sentence 5 of the Stock Corporation Act, the management board may decide to convene the general meeting no later than the 21st day before the day of the meeting. In derogation from section 123 (4) sentence 2 of the Stock Corporation Act, proof of share ownership must relate in the case of listed companies to the beginning of the 12th day before the meeting and in the case of bearer shares in the company must be received no later than the fourth day before the general meeting at the address stated for the purpose in the notice of convocation unless the management board specifies in the notice of convocation of the general meeting a shorter period for receipt of that proof by the company; conflicting provisions of the articles of association do not apply. In the case that the notice of convocation specifies a shorter period in accordance with sentence 1, the notification under section 125 (1) sentence 1 of the Stock Corporation Act must be made no later than twelve days before the meeting and the notification under section 125 (2) of the Stock Corporation Act must be made to the entity entered in the share register at the beginning of the twelfth day before the general meeting. In derogation from section 122 (2) of the Stock Corporation Act, requests for additions to the agenda in the aforementioned case must be received by the company no later than 14 days before the meeting.

(4) (...)

(5) (...)

(6) The decisions of the management board under subsections (1) to (5) require the approval of the supervisory board. In derogation from section 108 (4) of the Stock Corporation Act, the supervisory board may, regardless of the provisions made in the articles of association or rules of procedure, pass the resolution giving approval in writing, by telephone or in a similar manner without the physical presence of its members.

(7) Without prejudice to the provision in section 243 (3) no. 1 of the Stock Corporation Act, an action for avoidance of a resolution of the general meeting may also not rely on breaches of section 118 (1) sentences 3 to 5, (2) sentence 2 or (4) of the Stock Corporation Act, on a breach of formal requirements for notifications under section 125 of the Stock Corporation Act or on a breach of subsection (2), unless the company can be proven to have acted with wilful intent.

Section 7 Application provisions (excerpt)

(1) Section 1 applies to general meetings held and advance payments against distributable profit held up to and including August 31, 2022.

1) Right to have items put on the agenda under Section 122 (2) of the Stock Corporation Act (AktG)

Shareholders whose shares together make up one-twentieth of the registered share capital or a pro rata amount of €500,000.00 (pro rata amount 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 of business must be accompanied by reasons or a proposal for a 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 15, 2022. 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, and communicated to shareholders.

Orderly motions received by April 15, 2022 (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.

The provisions of the German Stock Corporation Act underlying these shareholder rights read as follows:

Section 122 Convocation at the request of a minority

(1) ¹ The general meeting is to be convened if shareholders whose shares together amount to one-twentieth of the share capital request, in writing, stating the purpose and reasons, that it be convened; the request is to be addressed to the management board. ² The articles of association may tie the right to request convocation of the general meeting to a different form and to possession of a smaller portion of the share capital. ³ The applicants must demonstrate that they have been holders of the shares since at least 90 days before receipt of the request and that they continue to hold the shares until the management board decides on the application. ⁴ Section 121 subsection 7 applies analogously.

(2) ¹ In like manner, shareholders whose shares together amount to one twentieth of the share capital, or a share of 500 000 euros, may request that items of business be put on agenda and be published by notice. ² Each new item of business must be accompanied by reasons or a proposal for a resolution. ³ The request within the meaning of sentence 1 must be received by the company at least 24 days and in the case of listed companies at least 30 days before the meeting, not counting the day of receipt.

(3) ¹ If the request is not complied with, the court may authorise the shareholders who made the request to convene the general meeting or to publish by notice the item of business. ² Concurrently, the court may designate the chairperson of the general meeting. ³ Reference must be made to the authorisation in the convocation or notice. ⁴ The decision is appealable. ⁵ The applicants must demonstrate that they hold the shares until the decision of the court.

(4) The company bears the costs of the general meeting and, in the case referred to in subsection 3, also the court costs if the court has granted the application.

Section 87 Principles governing the compensation of management board members (excerpt)

(4) The general meeting may, on request under section 122 (2) sentence 1, reduce the maximum remuneration determined under section 87a (1) sentence 2 no. 1.

Section 87a Remuneration system at listed companies (excerpt)

(1) (...) ²This remuneration system must include at least the following information, but with regard to remuneration system only in so far as they are actually provided for:
1. the determination of maximum remuneration for management board members;

Section 121 General (excerpt)

(7) ¹ In the case of periods and dates counted back from the meeting, the day of the meeting is not counted. ² Antedating or postdating from a Sunday, a Saturday or a public holiday to a preceding or following working day is not permitted. ³ It is not permitted for Sections 187 to 193 of the German Civil Code (BGB) to be applied analogously. ⁴ In the case of unlisted companies, the articles of association may specify a different manner of calculating the period.

Section 70 Calculation of the shareholding period

¹ If the exercise of rights arising from a share depends upon the shareholder having been the holder of the share for a certain period, a claim for transfer of ownership against a credit institution, a financial services institution, a securities institution or an undertaking operating in accordance with section 53 (1) sentence 1 or section 53b (1) sentence 1 or (7) of the Banking Act is equivalent to ownership. ² The period of ownership of a predecessor in title is attributed to the shareholder if the shareholder acquired the share free of charge, from the shareholder's trustee, as universal successor, in the dissolution of a community or in a portfolio transfer under section 13 of the Insurance Supervision Act or section 14 of the Building and Loan Associations Act.

2) Countermotions and nominations under Sections 126 (1) and 127 of the German Stock Corporation Act (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 of Supervisory Board members or auditors. Countermotions and nominations must be sent exclusively to this address:

WashTec AG
Investor Relations Department
Argonstrasse 7
86153 Augsburg, Germany
Email: 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 1, 2022 will, following receipt, be published without delay in the Investor Relations section of the Company website, 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 authorised and 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.

The provisions of the German Stock Corporation Act that, alongside section 1 (2) sentence 3 of the COVID-19 Act (see above), underlie these shareholder rights – and also determine the circumstances under which publication of countermotions and nominations may be dispensed with – read as follows:

Section 126 Motions by shareholders

(1) ¹ Shareholder motions, including the name of the shareholder, the reasons and any statement by management, must be made accessible to the entitled parties referred to in section 125 (1) to (3) under the conditions there specified if the shareholder has sent a countermotion to a proposal by the management board and supervisory board on a specific agenda item, together with reasons, to the address stated for this purpose in the convocation notice at least 14 days before the company's meeting. ² The date of receipt is not counted. ³ In the case of listed companies, they must be made accessible on the company's website. ⁴ Section 125 (3) applies analogously.

2) ¹ A countermotion and its reasons do not need to be made accessible

1. in so far as by making them accessible the management board would render itself liable to criminal prosecution,
2. if the countermotion would lead to a resolution of the general meeting that would be contrary to the law or the articles of association,
3. if the reasons contain manifestly false or misleading information in essential points or contain insults,
4. if a countermotion from the shareholder based on the same item of business has already been made accessible pursuant to section 125 for a general meeting of the company,
5. if the same countermotion from the shareholder, citing essentially the same reasons, has been made accessible pursuant to section 125 for at least two general meetings of the company in the last five years and less than one-twentieth of the share capital represented voted for it,
6. if the shareholder indicates that the shareholder will neither attend nor be represented at the general meeting, or
7. if in two general meetings in the last two years the shareholder neither submitted nor caused to have submitted a countermotion of which the shareholder had given notice.

² Reasons need not be made accessible if they exceed 5,000 characters in total.

(3) If multiple shareholders submit countermotions on the same item of business for resolution, the management board may combine the countermotions and their reasons.

Section 127 Shareholders' election nominations (excerpt)

¹ Section 126 applies analogously for a shareholder's nomination for the election of supervisory board members or auditors. ² The election nomination does not need to be accompanied by reasons. ³ The management board does not need to publish the election nomination, including if it does not contain the information under section 124 (3) sentence 4 and section 125 (1) sentence 5. (...)

§ 124 Publication by notice of requests for additions; proposals for resolution (excerpt)

(3) (...) ⁴ A nomination for the election of supervisory board members or auditors must state their name, occupation and place of residence. (...)

§ 125 Notices for shareholders and supervisory board members (excerpt)

(1) (...) (1) ⁵ In the case of listed companies, a nomination for the election of supervisory board members must be accompanied by information on their membership of other statutory supervisory boards; information on their membership of comparable domestic and foreign supervisory bodies of commercial enterprises should be added.

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.

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 14, 2022. No questions can be submitted after this time and in particular 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 be disregarded.

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 the convocation notice.

The provisions of the German Stock Corporation Act overridden by Section 1 (2) sentence 1 no. 3 of the COVID-19 Act (see above) read as follows:

§ 131 Right of shareholders to information

(1) ¹ Each shareholder must on request in the general meeting be provided by the management board with information on the company's affairs to the extent it is needed for proper appraisal of an item of the agenda. ² The duty to provide information extends to the company's legal and business relations with any affiliated company. ³ If a company makes use of the exemptions under Section 266 (1) sentence 3, Section 276 or Section 288 of the Commercial Code, then any shareholder may require that in the general meeting dealing with the annual financial statements the annual financial statements be presented in the form they should take without those exemptions. ⁴ For the management board of a parent company (section 290 (1) and (2) of the Commercial Code), the duty to provide information in the general meeting at which the consolidated financial statements and the group management report are presented also extends to the situation of the group and the entities included in the consolidated financial statements.

(2) ¹ The information must comply with the principles of conscientious and accurate rendering of account. ² The articles or the rules of procedure under Section 129 may grant the chairman of the meeting the power to limit the question and speaking time for shareholders and to make further stipulations in that regard.

(3) ¹ The management board may refuse to provide information

- 1. to the extent that, according to reasonable business judgment, providing the information could cause material detriment to the company or to an affiliated entity;*
- 2. to the extent that it relates to amounts determined for tax purposes or the amount of individual taxes;*
- 3. on the difference between the amount at which items are carried in the annual balance sheet and any higher value of the items, unless the general meeting adopts the annual financial statements;*
- 4. on accounting policies, to the extent that the disclosures on accounting policies in the notes suffice to give a true and fair view of the assets, liabilities, financial position and profit or loss of the company within the meaning of Section 264 (2) of the Commercial Code; this does not apply if the general meeting adopts the annual financial statements;*
- 5. to the extent that the management board would make itself subject to criminal prosecution by providing the information;*
- 6. to the extent that in the case of a credit institution, a financial services institution or a securities institution disclosures do not need to be provided about applied accounting policies and offsetting of items in the annual financial statements, management report, consolidated financial statements or group management report;*

7. to the extent that information is continuously available on the company's website for at least seven days before the commencement of and during the general meeting.

² The provision of the information may not be refused for other reasons.

(4) ¹ If a shareholder on account of shareholder status has been provided with information outside of the general meeting, then that information must be provided in the general meeting to every other shareholder who requests it, even if it is not needed for proper appraisal of an item of the agenda. ² The management board may not refuse to provide the information pursuant to Subsection (3) sentence 1 no. 1 to 4. ³ Sentences 1 and 2 do not apply if a subsidiary (Section 290 (1) and (2) of German Commercial Code), a joint venture (section 310 (1) of the Commercial Code) or an associated company (section 311 (1) of the Commercial Code) provides the information to a parent company (section 290 (1) and (2) of the Commercial Code) for the purpose of inclusion of the company in the parent company's consolidated financial statements and the information is required for that purpose.

(5) A shareholder who has been denied information may require that their question and the reason for denying the information be recorded in the minutes of the meeting.