Notes on shareholders’ rights

Annual General Meeting of Gerresheimer AG as virtual Annual General Meeting without the physical presence of shareholders

June 24, 2020, 10:00 hrs CEST
Rheinterrasse Duesseldorf (room: Radschlägersaal),
Joseph-Beuys-Ufer 33, 40479 Duesseldorf, Germany

Notes according to section 121 (3) sentence 3 no. 3 of the German Stock Corporation Act (Aktiengesetz/AktG) on shareholders’ rights under sections 122 (2), 126 (1) and 127 AktG

The notice convening the virtual Annual General Meeting contains information on the rights of shareholders under sections 122 (2), 126 (1) and 127 AktG. Further notes on these provisions, and on the provision for shareholders to submit questions—which in the virtual Annual General Meeting takes the place of the right to request information under section 131 (1) AktG—are provided in the following. In some cases, the relevant provisions of the law are reprinted at the end of the corresponding note. Legal opinions differ on details of the shareholders’ rights explained here. Shareholders are advised to seek legal advice in cases of doubt.

I. Additions to the agenda under section 122 (2) AktG

Under section 122 (2) AktG, shareholders whose shares amount in aggregate to one-twentieth of the capital stock (currently corresponding to EUR 1,570,000 or 1,570,000 shares) or represent a proportionate amount of the capital stock of EUR 500,000 (currently corresponding to 500,000 shares) may request that items be put on the agenda and published. Based on the current figures for Gerresheimer AG, therefore, requests for additions to the agenda require at least 500,000 shares. Each new agenda item must be accompanied by an explanation or a proposal for a resolution. Applicants must also prove that they have owned their shares for at least 90 days prior to the date upon which their request is received and that they will hold the shares until the Management Board has reached a decision on the request. Section 70 AktG applies.

Requests for additions to the agenda are to be sent in writing to the Management Board (Vorstand) of the Company at:

Gerresheimer AG
Vorstand
Klaus-Bungert-Strasse 4
D-40468 Duesseldorf, Germany

They must be received by the Company at least 30 days before the Annual General Meeting, not including the date of receipt and the date of the Annual General Meeting. The last possible date of receipt is therefore Sunday, May 24, 2020, 24:00 hrs CEST. Requests for additions to the agenda received after this deadline date will not be considered.

Additions to the agenda that must be published—unless already published in the convocation notice—will be published, without delay following receipt, in the Federal Law Gazette (Bundesanzeiger) and submitted for publication to those media companies which can be assumed to disseminate the information throughout the European Union. They will also be published online at www.gerresheimer.com/en/investor-relations/annual-general-meeting and communicated in accordance with section 125 (1) sentence 3 AktG.

Proposals for resolution on the subject matter of an addition to the agenda requiring publication will, if received as specified above and provided that the shareholder requesting the addition to the agenda registers in due time, be treated in the virtual Annual General Meeting as if the motion to vote on them were tabled in the virtual Annual General Meeting.

The provisions of the German Stock Corporation Act on which these shareholder rights are based are as follows:

Section 122 (1) and (2) AktG

(1) The general meeting is to be convened if shareholders whose shares amount in aggregate to one-twentieth of the share capital request convocation in writing stating the purpose and the reasons; the request is to be addressed

Please note that the English text of these provisions is provided as a convenience translation and only the German text is authoritative.
to the management board. The articles of association may make the right to request convocation of the general meeting subject to a different requirement as to form and to possession of a lesser portion of the share capital. The petitioners are to submit proof that they have been holders of the shares for at least 90 days prior to the date on which the request is received and that they will continue to hold the shares until the management board’s decision upon the request. Section 121 (7) applies accordingly.

(2) In like manner, shareholders whose shares amount in aggregate to one-twentieth of the share capital or represent a proportionate amount of €500,000 may request that items be put on the agenda and published. Each new item must be accompanied by reasons or a proposal for a resolution. The request under sentence 1 must be received by the Company at least 24 days or, in the case of listed companies, at least 30 days before the meeting, not counting the date of receipt.

Section 121 (7) AktG

(7) In the case of periods and dates counted back from the date of the meeting, the date of the meeting is not counted. Rescheduling from a Sunday, a Saturday or a public holiday to a preceding or subsequent working day is not permitted. Sections 187 to 193 of the Civil Code do not apply accordingly. In the case of non-listed companies, the articles of association may provide for periods to be calculated differently.

Section 70 AktG

If the exercise of rights arising from a share is conditional upon the shareholder having been the holder of the share for a certain period, a claim to transfer of title against a credit institution, a financial services institution or an enterprise operating under section 53 (1) sentence 1 or section 53b (1) sentence 1 or (7) of the Banking Act is equivalent to ownership. The period of ownership of a predecessor in title is attributed to the shareholder if the shareholder has acquired the share without monetary consideration, from the shareholder’s trustee, as universal successor, in a distribution of assets among 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.

II. Counter-motions and nominations by shareholders (sections 126 (1) and 127 AktG)

In addition, shareholders may submit to the Company counter-motions to Management Board and/or Supervisory Board proposals on specific agenda items (see section 126 (1) AktG) and nominations for the election of Supervisory Board members or auditors (see section 127 AktG). Counter-motions under section 126 (1) AktG must be accompanied by reasons. Counter-motions, nominations and other requests from shareholders regarding the Annual General Meeting must be addressed exclusively as follows:

Gerresheimer AG
Investor Relations
Klaus-Bungert-Strasse 4
D-40468 Dusseldorf, Germany
Fax: +49 211 6181-121
E-mail: gerresheimer.ir@gerresheimer.com

Under section 126 (1) AktG, motions by shareholders, including the name of the shareholder, the reasons and any comments by management, must be made available to the beneficiaries referred to in section 125 (1) to (3) AktG subject to the requirements there referred to and on the Company’s website provided that the shareholder has sent a counter-motion to a Management Board and/or Supervisory Board proposal on a specific item on the agenda, with reasons, to the above address at least 14 days before the Company’s Annual General Meeting. The date of receipt and the date of the Annual General Meeting are not counted. The last possible date of receipt is therefore Tuesday, June 9, 2020, 24:00 hrs CEST.

A counter-motion does not need to be made accessible if one of the exemptions applies under section 126 (2) AktG, which is set out below. If multiple shareholders move counter-motions on the same item of business to be resolved upon, the Management Board may combine the counter-motions and their reasons under section 126 (3) AktG.

Section 126 (2) and (3) AktG

(2) A counter-motion and its reasons do not need to be made accessible
1. if the counter-motion would lead to a resolution by the general meeting that would be in breach of the law or of the articles of association,
2. if the reasons contain, in material respects, manifestly false or misleading information or are defamatory,
3. if a counter-motion of the same shareholder relating to the same matter has already been made accessible to a general meeting of the company in accordance with section 125,
4. if the same counter-motion by the same shareholder with essentially the same reasons has been made accessible to at least two general meetings of the company in accordance with section 125 in the last five years and less than one-twentieth of the share capital represented voted for it at the general meeting,
5. if the reasons do not need to be made accessible if they exceed 5,000 characters in total.
6. if the same counter-motion by the same shareholder relating to the same matter has already been made accessible to a general meeting of the company in accordance with section 125,
7. if the reasons contain, in material respects, manifestly false or misleading information or are defamatory,
8. if a counter-motion of the same shareholder relating to the same matter has already been made accessible to a general meeting of the company in accordance with section 125,
9. if the same shareholder indicates that they will not participate in the general meeting and will not be represented by a proxy, or
10. if the same counter-motion by the same shareholder with essentially the same reasons has been made accessible to at least two general meetings of the company in accordance with section 125 in the last five years and less than one-twentieth of the share capital represented voted for it at the general meeting.

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Nominations by shareholders under section 127 AktG do not need to be accompanied by reasons. In addition to the reasons set out in section 126 (2) and (3) AktG, the Management Board need not make a nomination accessible if it does not state the candidate’s name, practiced occupation and place of residence (and in the case of legal entities the name and domicile of the entity) and in the case of the election of Supervisory Board members if it does not state information on their membership in other statutory supervisory boards; information on their membership of similar domestic and foreign supervisory bodies of business enterprises should be attached (see section 127 sentence 3 AktG read in conjunction with section 124 (3) sentence 4 and section 125 (1) sentence 5 AktG). In all other respects, the requirements and provisions for making motions accessible apply accordingly; in particular, the above-mentioned reasons for exclusion pursuant to section 126 (2) AktG and section 126 (3) AktG apply accordingly.

The Company will treat motions and nominations for election that are properly submitted, admissible and received in due time as if tabled in the virtual Annual General Meeting, provided that the shareholder tabling them registers in due time.

Motions and nominations for election received by the Company after 24:00 hrs CEST on Tuesday, June 9, 2020 will not be published and will be deemed not tabled or submitted. Motions and nominations for election not received in due time as specified above cannot be tabled during the virtual Annual General Meeting.

Motions and nominations by shareholders to be made accessible (including the name of the shareholder and, in the case of motions, the reasons) will be made accessible after their receipt online at www.gerresheimer.com/en/investor-relations/annual-general-meeting. Any position taken by the management will likewise be made accessible at the same Internet address.

The provisions of the German Stock Corporation Act on which these shareholder rights are based are as follows (excepting section 126 (2) and (3) AktG, for which please see above):

Section 126 (1) AktG
(1) Motions by shareholders, including the name of the shareholder, the reasons and any comments by management, must be made available to the beneficiaries referred to in section 125 (1) to (3) subject to the requirements there referred to provided that the shareholder has sent a counter-motion to a management board and/or supervisory board proposal on a specific item on the agenda, with reasons, to the address given for the purpose in the convocation notice at least 14 days before the meeting. The date of receipt is not counted. In the case of listed companies, they must be made accessible on the company’s website. Section 125 (3) applies accordingly.

Section 127 AktG
Section 126 applies accordingly to a shareholder nomination for the election of supervisory board members or auditors. Nominations need not to be accompanied by reasons. The management board need not make a nomination accessible if the nomination does not state the information under section 124 (3) sentence 4 and section 125 (1) sentence 5. In the case of a shareholder nomination for the election of supervisory board members of listed companies to which the
Codetermination Act, the Coal and Steel Codetermination Act or the Supplementary Codetermination Act applies, the management board must add the following information:

1. Reference to the requirements of section 96 (2),
2. whether an objection has been raised against joint compliance under section 96 (2) sentence 3 and
3. the minimum number of supervisory board seats each that must be held by women and men in order to meet the minimum percentage requirement under section 96 (2) sentence 1.

Section 124 (3) AktG

For each agenda item upon which the general meeting is to resolve, the management board and the supervisory board, and in the case of resolutions under section 120a (1) sentence 1 and for the election of supervisory board members and auditors, the supervisory board only, must make proposals for resolution in the convocation notice. In the case of companies that are publicly listed within the meaning of section 264d of the Commercial Code, CRR credit institutions within the meaning of section 1 (3d) sentence 1 of the Banking Act, with the exception of the institutions referred to in section 2 (1) numbers 1 and 2 of the Banking Act, or insurance undertakings within the meaning of article 2(1) of Directive 91/674/EEC, the supervisory board’s nomination for election of the auditor is to be based on the recommendation of the audit committee. Sentence 1 does not apply if, in the election of supervisory board members, the general meeting is bound to nominations under section 6 of the Coal and Steel Codetermination Act or if the item of business to be resolved upon has been placed on the agenda at the request of a minority. Nominations for the election of supervisory board members or auditors must state their name, practiced occupation and place of residence. If the supervisory board is also required to comprise supervisory board members representing employees, supervisory board resolutions on nominations for the election of supervisory board members require only a majority of the votes of supervisory board members representing shareholders; this does not prejudice section 8 of the Coal and Steel Codetermination Act.

Section 125 AktG

(1) The management board of a company that has not exclusively issued registered shares must notify convocation of the general meeting at least 21 days before the meeting as follows:

1. to the intermediaries having custody of shares in the company,
2. to the shareholders and intermediaries having requested notification, and
3. to the shareholder associations having requested notification or exercised voting rights at the last general meeting.

The date of the notification is not counted. If the agenda is to be amended under section 122 (2), the amended agenda must be notified in the case of listed companies. The notification must make reference to the possibility of the exercise of voting rights by proxy, including by a shareholder association. In the case of listed companies, information on membership in other supervisory boards to be established by law must be attached to any nomination for the election of supervisory board members; information on their membership of similar domestic and international supervisory bodies of business enterprises are to be attached.

(2) The management board of a company that has issued registered shares must provide the same notification to those registered in the shareholder register at the beginning of the 21st day before the general meeting, to the shareholders and intermediaries having requested notification and to the shareholder associations that have requested notification or exercised voting rights at the last general meeting.

(3) Each supervisory board member may request to be sent the same notifications by the management board.

(4) Each supervisory board member and each shareholder must be informed on request of the resolutions adopted at the general meeting.

(5) For the content and format of the minimum types of information to be provided in notifications under subsection (1) sentence 1 and subsection (2), the requirements of Implementing Regulation (EU) 2018/1212 apply. Section 67a (2) sentence 1 applies for subsections (1) and (2) accordingly. In the case of listed companies, the intermediaries having custody of shares in the company are required to forward and transmit the information under subsections (1) and (2) in accordance with sections 67a and 67b unless the intermediary is aware that the shareholder receives it from another source. The same applies to unlisted companies with the proviso that the provisions of Implementing Regulation (EU) 2018/1212 do not apply.
III. Provision for submitting questions; no shareholder right to request information under section 131 (1) AktG

Under section 1 (2) of the Act of March 27, 2020 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 under Civil, Insolvency and Criminal Procedure Law] (COVID-19 Act), shareholders do not have a right within the meaning of section 131 AktG to request information in the virtual Annual General Meeting. Shareholders are, however, able to submit questions by means of electronic communication. The Management Board will duly decide at its free discretion which questions it will answer and how. It may also specify that questions be submitted by means of electronic communication at least two days before the meeting. The Management Board has made use of this power. Detailed information for shareholders of making use of the provision for submitting questions is provided in the convocation notice. Section 1 (2) of the COVID-19 Act reads as follows:

Section 1 (2) of the COVID-19 Act

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

1. there is a video and audio transmission of the entire meeting,
2. shareholders are able to exercise voting rights by means of electronic communication (postal voting or electronic participation) and to grant proxies,
3. shareholders are provided with a way of submitting questions by means of electronic communication,
4. in derogation from section 245 number 1 of the Stock Corporation Act, shareholders who have exercised their voting rights in accordance with number 2 are given the opportunity to object to a resolution of the general meeting without being required to attend the general meeting.

The management board duly decides at its free discretion which questions it will answer and how; it may also specify that questions be submitted by means of electronic communication at least two days before the meeting.