

Annual General Meeting of PVA TePla AG on June 18, 2021

Explanations on shareholder rights (pursuant to Sections 122 (2), 126 (1), 127, 131 (1) Stock Corporation Act in connection with Section 1 (2) COVID-19 Act)

Act to Mitigate the Consequences of the COVID-19 Pandemic under Civil, Insolvency and Criminal Procedure Law of March 27, 2020 (most recently amended by Article 11 of the Act for the Additional Shortening of the Residual Debt Exemption Process and Adjustment to Pandemic-Related Regulations Concerning Measures Under the Law of Companies, Cooperative Societies, Associations, Foundations as well as in Rental and Leasing Law of December 22, 2020, BGBl. I 2020, page 3328), “Covid-19 Act”

Article 2

Act Concerning Measures Under the Law of Companies, Cooperative Societies, Associations, Foundations and Commonhold Property to Combat the Effects of the COVID-19 Pandemic (excerpts)

Section 1

Stock corporations; public partly limited partnerships; European companies (SEs); mutual insurance companies

- (1) Decisions concerning the right of shareholders to participate in the general meeting by means of electronic communication in accordance with section 118 (1) sentence 2 of the Stock Corporation Act (Aktengesetz) (electronic participation), to exercise the right to cast their vote by means of electronic communication in accordance with section 118 (2) of the Stock Corporation Act (postal vote), the participation of members of the supervisory board by means of audio and video transmission in accordance with section 118 (3) sentence 2 of the Stock Corporation Act and provision for the general meeting to be broadcast by means of audio and video transmission in accordance with section 118 (4) of the Stock Corporation Act may be taken by the company’s management board even without authority being granted therefor under the by-laws or rules of procedure.
- (2) The management board may decide that the general meeting is to be held in the form of a virtual general meeting without the need for shareholders or their authorised representatives to be physically present, provided that
 1. the broadcast by means of audio and video transmission encompasses the entire general meeting,
 2. provision is made for shareholders to exercise their voting right by means of electronic communication (postal vote or electronic participation) and to grant a power of attorney,
 3. shareholders are given the opportunity to ask questions by means of electronic communication,
 4. shareholders who exercise their voting right in accordance with no. 2 are afforded the possibility of objecting to a resolution adopted by the general meeting by way of derogation from section 245 no. 1 of the Stock Corporation Act, the need to be physically present at the general meeting thus being waived.

The management board decides at its duty-bound, free discretion which questions it wishes to respond to; it may also stipulate that questions must be submitted by means of electronic communication no later than one day prior to the meeting. Motions or nominations by shareholders which are to be made accessible pursuant to Section 126 or

Section 127 of the Stock Corporation Act are considered made in the meeting if the petitioner or the shareholder making the nomination is properly legitimized and registered for the general meeting.

- (3) By way of 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 prior to the day of the general meeting. By way of derogation from section 123 (4) sentence 2 of the Stock Corporation Act, proof of shares held in companies listed on the stock exchange must refer to the start of the 12th day prior to the general meeting and must, in the case of bearer shares of the company, be sent to the address stated in the invitation convening the general meeting to arrive there no later than four days prior to the general meeting, unless the management board makes provision in its invitation convening the general meeting for a shorter period within which the company must be in receipt of that proof; deviating determinations made in the by-laws are irrelevant. Where an invitation convening a general meeting stipulates a shorter period than that set out in sentence 1, the notification referred to in section 125 (1) sentence 1 of the Stock Corporation Act must be made no later than 12 days prior to the general meeting and the notification referred to in section 125 (2) of the Stock Corporation Act must be made to the entity entered in the share register before the start of the 12th day prior to the general meeting. By way of derogation from section 122 (2) of the Stock Corporation Act, the company must, in the aforementioned case, be in receipt of any demands for amendments no later than 14 days prior to the general meeting.
- (4) By way of derogation from section 59 (1) of the Stock Corporation Act, the management board may decide, even without being granted authority therefor under the by-laws, to make an interim payment towards the net income to shareholders pursuant to section 59 (2) of the Stock Corporation Act. Sentence 1 applies accordingly to an interim payment towards the payment of compensation (section 304 of the Stock Corporation Act) made to external shareholders under an inter-company agreement.
- (5) The management board may decide, by way of derogation from section 175 (1) sentence 2 of the Stock Corporation Act, that the general meeting is to be held in the course of the financial year.
- (6) The decisions of the management board as referred to in subsections (1) to (5) require the consent of the supervisory board. By way of derogation from section 108 (4) of the Stock Corporation Act, the supervisory board may pass resolutions pertaining to its consent in writing, by telephone or by other comparable forms, regardless of the rules set out in the by-laws or rules of procedure and without the need for its members to be physically present.
- (7) Notwithstanding the rule set out in section 243 (3) no. 1 of the Stock Corporation Act, an action for avoidance of a resolution adopted by 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 in respect of notifications in accordance with section 125 of the Stock Corporation Act nor on a breach of subsection (2), unless the company can be proven to have acted with intent.

Section 7

Transitional regulations

- (1) Section 1 only applies to general meetings held and interim payments towards the net income made in 2020 and 2021.
- (2) Section 2 only applies to shareholder meetings held and resolutions passed in 2020 and 2021.
- (3) Section 3 (1) and (2) applies to general meetings and meetings of representatives held in 2020 and 2021, section 3 (3) to annual accounts adopted in 2020 and 2021, section 3 (4) to interim payments made in 2020, section 3 (5) to the terms of office of board or supervisory board members which expire in 2020 and 2021, and section 3 (6) to meetings of the

cooperative society's board of directors or supervisory board or their joint meetings held in 2020 and 2021.

- (4) Section 4 only applies to register entries made in 2020.
- (5) Section 5 only applies to the terms of office of members of the board of an association or of a foundation which expire in 2020 and 2021 and to meetings of the members held in 2020 or 2021.

1. Motions added to the agenda pursuant to Section 122 (2) Stock Corporation Act

Stockholders whose shares of stock, in the aggregate, are at least equivalent to one twentieth of the share capital, or to a stake of 500 000 euros, may demand that items of business be set out in the agenda and be published by notice. Each item of business to be newly added to the agenda must include the reasons therefor or a proposal for a resolution. The petitioners are to submit proof that they have been holders of minimum level of stock since at least ninety (90) days prior to the date on which their demand is received, and that they will continue to so hold the shares until the management board takes a decision regarding their demand.

The demand is to be submitted to the Management Board and must reach the Company by May 18, 2021, midnight, at the following address:

PVA TePla AG
Management Board
Im Westpark 10 - 12
D-35435 Wettenberg

Additions to the agenda which must be notified, to the extent that they are not already announced in the invitation, are to be announced directly after receipt of the demand in the same way as the invitation. In addition, they are made accessible on the Company website under <https://www.pvatepla.com/en/investor-relations/annual-general-meeting/> and information provided to the custodian banks pursuant to Section 125 (1) Stock Corporation Act.

The regulations of the Stock Corporation Act relating to these shareholder rights are as follows:

Section 122 Stock Corporation Act Convening the general meeting upon a corresponding demand being made by a minority

- (1) The general meeting is to be convened wherever stockholders, whose shares of stock, in the aggregate, are at least equivalent to one twentieth of the share capital, demand that it be so convened, doing so in writing and citing the purpose and the reasons therefor; the demand is to be addressed to the management board. The by-laws may tie the right to demand that the general meeting be convened to a different 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 of stock since at least ninety (90) days prior to the date on which their demand is received, and that they will continue to so hold the shares until the management board takes a decision regarding their petition. Section 121 (7) shall apply mutatis mutandis.
- (2) In like manner, stockholders whose shares of stock, in the aggregate, are at least equivalent to one twentieth of the share capital, or to a stake of 500 000 euros, may demand that items of business be set out in the agenda and be published by notice. Each item of business to be newly added to the agenda must include the reasons therefor or a proposal for a resolution. The demand in the sense of the first sentence

must be received by the company at the latest twenty-four (24) days prior to the general meeting, in the case of companies listed on the stock exchange at the latest thirty (30) days prior to the general meeting; the date of its receipt shall not be included in calculating the period.

- (3) Where the demand is not complied with, the court may grant authority to the stockholders who have raised the demand to convene the general meeting or to publish by notice the item of business. Concurrently, the court may determine the chairman of the general meeting. The invitation convening the general meeting or the notice must indicate the authorisation by the court. A complaint may permissibly be lodged against the decision taken. The petitioners are to submit proof that they will continue to hold the shares of stock until the court hands down its decision.
- (4) The company shall bear the costs of the general meeting and, in the case governed by subsection (3), also the court costs if the court has complied with the petition.

Section 124 Stock Corporation Act Notice by publication of demands for amendment; guidance regarding resolutions (excerpt)

- (1) Where the minority pursuant to section 122 (2) has demanded that items of business be set out in the agenda, said items of business are to be published by notice either together with the invitation convening the general meeting or, if that is not the case, without undue delay after the demand has been received. Section 121 (4) shall apply mutatis mutandis; moreover, in the case of companies listed on the stock exchange, section 121 (4a) shall apply mutatis mutandis. The notice is to be published and forwarded in the same way as the invitation convening the general meeting.

Section 121 Stock Corporation Act General provisions (excerpt)

- (4) Notice of the invitation convening the general meeting is to be given in the company's publications of record. Where the stockholders of the company are known by name, the general meeting may be convened by registered letter unless stipulated otherwise in the by-laws; the date on which the invitation is posted shall be deemed the date of the notice. The notification to those entered in the share register is sufficient.
- (4a) In the case of companies listed on the stock exchange that have not issued exclusively registered shares of stock or that do not directly send the invitation convening the general meeting to the stockholders pursuant to subsection (4), second sentence, the invitation convening the general meeting is to be forwarded, at the latest as per the time of the notice, to such media for publication regarding which it can be assumed that they will disseminate the information in the entire European Union.
- (7) In the case of periods and deadlines that are counted back from the date of the general meeting, the date of the general meeting itself is not to be counted. Rescheduling the general meeting from a Sunday, a Saturday, or a holiday to a preceding or subsequent business day is not an available option. Sections 187 to 193 of the Civil Code (BGB) shall have no corresponding application. In the case of companies not listed on the stock exchange, the by-laws may provide for a different calculation of the period.

Section 70 Stock Corporation Act Calculation of the period of possession of the share of stock

Where the exercise of rights attaching to the share of stock is contingent upon the stockholder having been holder of the share of stock for a specified period of time, a claim to transfer of title against a credit institution, a financial services provider, or an enterprise pursuing activities in accordance with section 53 (1), first sentence, or section 53b (1), first sentence, or subsection (7) of the Banking Act (KWG) shall be equivalent to ownership of the share of stock. The period of ownership of a predecessor in title shall be attributed to the stockholder if he has purchased the share of stock in any

of the following manners: without monetary consideration, from his trustee, as a universal successor, in the course of a distribution of assets among a community, or as part of a portfolio transfer pursuant to section 13 of the Insurance Supervisory Act (VAG) or section 14 of the Act on Savings and Loan Associations (BauSparkG).

2. Countermotions and and nominations by shareholders pursuant to Sections 126 (1) and 127 Stock Corporation Act in connection with Section 1 (2) sentence 3 Covid-19 Act

Countermotions and reasons against a proposal of the Management Board and/or Supervisory Board on a specific item of the agenda pursuant to Section 126 (1) Stock Corporation Act or nominations on the election of Supervisory Board members or statutory auditors pursuant to Section 127 Stock Corporation Act are to be addressed exclusively to following address, telefax number of e-mail address:

PVA TePla AG
Investor Relations
Im Westpark 10 - 12
D-35435 Wettenberg
Fax +49 641 68690808
E-Mail: gert.fisahn@pvatepla.com

No consideration will be given to motions sent to different addresses.

Countermotions of shareholders which are received at least 14 days before the date of the Annual General Meeting, i.e. by June 3, 2021, midnight (CEST), with evidence of being a shareholder, will be made accessible directly, including the name of the shareholder, the reasons for which the motions are being made, and a statement, if any has been made, by the management regarding its position, on the Company website under <https://www.pvatepla.com/en/investor-relations/annual-general-meeting/>, provided the other conditions for publication pursuant to Section 126 Stock Corporation Act are met.

For nominations pursuant to Section 127 Stock Corporation Act on the election of Supervisory Board members or statutory auditors, the above comments on Section 126 Stock Corporation Act apply, with the proviso that no reasons need to be given for the nomination. Except in the cases of Section 126 (2) Stock Corporation Act, the Management Board need not make accessible nominations if these do not include the information pursuant to Section 124 (3) sentence 4 Stock Corporation Act (name, profession exercised and residence and in the case of legal entities, the company and the registered office of the statutory auditor proposed) and with nominations for the election of Supervisory Board members, information should be attached pursuant to Section 125 (1) sentence 5 Stock Corporation Act on their membership in other supervisory boards mandated by the law as well as information on their membership in comparable supervisory committees of business enterprises within Germany and abroad.

As this year's Annual General Meeting of the company is to be held as a virtual annual general meeting without the physical presence of the shareholders or their authorized representatives (with the exception of the proxies of the company), no motions can be made during the virtual Annual General Meeting.

However, a countermotion or a nomination to be made accessible pursuant to Sections 126, 127 Stock Corporation Act is considered made in the virtual Annual General Meeting if the petitioner or the shareholder making the nomination is properly legitimized and registered for the Annual General Meeting.

The regulations of the COVID-19 Act and the Stock Corporation Act relating to these shareholder rights, which also determine under which conditions making accessible countermotions and nominations can be waived, are as follows:

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

- (2) The management board may decide that the general meeting is to be held in the form of a virtual general meeting without the need for shareholders or their authorised representatives to be physically present, provided that

1. [...],

....

Motions or nominations by shareholders which are to be made accessible pursuant to Section 126 or Section 127 of the Stock Corporation Act are considered made in the meeting if the petitioner or the shareholder making the nomination is properly legitimized and registered for the general meeting.

Section 126 Stock Corporation Act Motions by stockholders

- (1) Motions by stockholders are to be made accessible to the beneficiaries set out in section 125 subsections (1) to (3), subject to the pre-requisites listed therein, including the name of the stockholder, the reasons for which the motions are being made, and a statement, if any has been made, by the management regarding its position, provided that the stockholder has sent, at the latest fourteen (14) days prior to the date of the general meeting, a counter-motion opposing a proposal or guidance by the management board and the supervisory board regarding a certain item of business set out in the agenda, specifying the reasons therefor, to the address set out for this purpose in the invitation convening the general meeting. The date on which the counter-motion is received shall not be included in calculating the period. In the case of companies listed on the stock exchange, the counter-motion shall be made accessible via the company's website. Section 125 (3) shall apply mutatis mutandis.
- (2) A counter-motion and the reasons for which it is being made need not be made accessible:
1. Inasmuch as the management board would be liable to punishment under law, were it to make such proposal accessible;
 2. If the counter-motion were to result in the general meeting adopting a resolution that is in violation of the law or of the by-laws;
 3. If the reasons make manifestly false or misleading statements regarding essential aspects, or if they are insulting;
 4. If a counter-motion made by the stockholder based on the same facts and circumstances has already been made accessible pursuant to section 125 for a general meeting of the company;
 5. If the same counter-motion of the stockholder, citing essentially the same reasons, has been made accessible pursuant to section 125 in the past five (5) years to at least two (2) general meetings of the company, and if less than one twentieth of the share capital represented voted for this counter-motion at the general meeting;

6. If the stockholder indicates that he will not attend the general meeting and will not have a proxy represent him;
7. If, in the past two (2) years at two (2) general meetings, the stockholder has failed to propose or to have proposed a counter-motion regarding which he has informed the company.

The reasons need not be made accessible if they amount to more than 5,000 characters in total.

- (3) Where several stockholders propose counter-motions regarding one and the same business to be resolved upon, the management board may combine the counter-motions and the reasons specified for them.

Section 127 Sentences 1 to 3 Stock Corporation Act Nominations by stockholders

Section 126 shall apply mutatis mutandis to nominations by stockholders of candidates for the supervisory board or for auditors of the annual accounts. No reasons need be specified for the nomination. The management board need not make accessible the nomination also in those cases in which the nomination does not include the information pursuant to section 124 (3), fourth sentence, and section 125 (1), fifth sentence.

Section 124 Stock Corporation Act Notice by publication of demands for amendment; guidance regarding resolutions (excerpt)

- (3) ... The nominations of candidates for the supervisory board or for auditors shall state their names, profession exercised, and places of residence. ...

Section 125 Stock Corporation Act Notifications for the stockholders and to members of the supervisory board (excerpt)

- (1) ... In the case of companies listed on the stock exchange, information on the candidates' membership in other supervisory boards mandated by the law is to be attached to any nomination of candidates for the supervisory board; information on their membership in comparable supervisory committees of business enterprises within Germany and abroad should be attached.

Section 137 Stock Corporation Act Votes on nominations by stockholders

Where a stockholder has nominated a candidate for the supervisory board pursuant to section 127 and moves at the general meeting that the candidate be elected, then his motion shall be resolved upon prior to the nomination made by the supervisory board, provided that a minority of the stockholders so demands whose shares of stock, in the aggregate, are at least equivalent to one tenth of the share capital represented.

3. No right of information of the shareholders pursuant to Section 131 (1) Stock Corporation Act , right to ask questions in connection with Section 1 (2) sentence1 No. 3, sentence 2 Covid-19 Act

As the Annual General Meeting is to take place as a virtual annual general meeting pursuant to Section 1 (2) and (6) of the COVID-19 Act, there is no right to receive for the shareholders to receive information pursuant to Section 131 (1) Stock Corporation Act. However, registered shareholders and their authorized representatives have a right to ask questions pursuant to Section 1 (2) sentence1 No. 3 and sentence 2 COVID-19 Act. The Management Board decides at its duty-bound, free discretion how it wishes to respond to questions. In addition, the Management Board has to decide that questions are to be submitted to the

company via the website at <https://www.pvatepla.com/en/investor-relations/annual-general-meeting/> not later than one day prior to the meeting, i.e. by June 16, 2021, midnight (CEST).

Questions are to relate to matters pertaining to the company relating to the legal and business relations of the company with an affiliated enterprise and to the situation of the group and the enterprises included in the consolidated financial statements, insofar as this is required in order to appropriately adjudge the item of business set out in the agenda.

The regulations of the COVID-19 Act relating to these shareholder rights are as follows:

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

- (2) The management board may decide that the general meeting is to be held in the form of a virtual general meeting without the need for shareholders or their authorised representatives to be physically present, provided that
 1. [...],
 2. [...],
 3. shareholders are given the opportunity to ask questions by means of electronic communication,
 4. [...].

The management board decides at its duty-bound, free discretion which questions it wishes to respond to; it may also stipulate that questions must be submitted by means of electronic communication no later than one day prior to the meeting. ...

Section 131 Stock Corporation Act Stockholder's right to request information

- (1) The management board is to inform each stockholder at the general meeting, upon a corresponding request being made, concerning matters pertaining to the company insofar as this is required in order to appropriately adjudge the item of business set out in the agenda. The obligation to provide information shall also extend to include the legal and business relations of the company with an affiliated enterprise. Where a company avails itself of the eased requirements pursuant to section 266 (1), third sentence, section 276, or section 288 of the Commercial Code (HGB), then each stockholder may request that, at the general meeting deliberating on the annual accounts, the annual accounts be made available to him in the form that they would have without these eased requirements. The obligation of the management board of a parent company to provide information (section 290 subsections (1) and (2) of the Commercial Code (HGB)) at the general meeting to which the consolidated financial statements and the consolidated management report are submitted shall also extend to cover the situation of the group and the enterprises included in the consolidated financial statements.
- (2) The information provided is to correspond to the principles of conscientious and faithful accounting. The by-laws or the rules of procedure pursuant to section 129 may grant authority to the person chairing the meeting to impose reasonable time limits on the stockholder's right to ask questions and to speak, and may also allow him to make further determinations concerning the details in this regard.
- (3) The management board may refuse a request for information:
 1. Inasmuch as the provision of the information, when adjudged applying prudent business judgment, is suited to cause a greater than insignificant disadvantage to the company or an affiliated enterprise;

2. Any refusal to provide information for other than the grounds set out above is not permissible.
3. Regarding the difference between the value at which objects were stated in the annual balance sheet and a higher value of such objects, unless the general meeting approves and establishes the annual accounts;
4. Regarding the accounting and valuation methods insofar as it suffices to cite these methods in the notes in order to accurately represent the company's assets, financial position, and revenue situation in keeping with its actual circumstances in the sense of section 264 (2) of the Commercial Code (HGB); this shall not apply if the general meeting approves and establishes the annual accounts;
5. Inasmuch as the management board would be liable to punishment under law were it to provide the information;
6. Inasmuch as, in the case of a credit institution or financial services provider, no information need be provided regarding the accounting and valuation methods applied, nor regarding the netting performed in the annual accounts, management report, consolidated financial statements, or consolidated management report;
7. Inasmuch as such information is continuously accessible on the company's website for at least seven (7) days prior to commencement of the general meeting, and also in its course.

Any refusal to provide information for other than the grounds set out above is not permissible.

- (4) Where information has been provided to a stockholder because of his capacity as such, and this was done outside of the general meeting, it is to be provided to every other stockholder making a corresponding request at the general meeting, even if such information is not required in order to appropriately adjudge the item of business set out in the agenda. The management board may not refuse to provide the information in accordance with subsection (3), first sentence, nos. 1 to 4. The first and second sentences shall not apply if a subsidiary company (section 290 subsections (1) and (2) of the Commercial Code (HGB)), a joint venture (section 310 (1) of the Commercial Code (HGB)) or an associated enterprise (section 311 (1) of the Commercial Code (HGB)) issues the information to a parent company (section 290 subsections (1) and (2) of the Commercial Code (HGB)) for purposes of including the company in the consolidated financial statements of the parent company and the information is required for this purpose.
- (5) Where a stockholder's request for information is refused, he may demand that his question and the grounds for refusing to provide the information be included in the minutes of the meeting.

Wettenberg, May 2021

PVA TePla AG

Management Board