

GRAMMER AG
Annual Virtual General Meeting 2024

Explanatory notes on shareholders' rights

**(pursuant to Section 122 (2) AktG, Section 126 (1), Section 127 AktG, Section 130a AktG,
Section 131 (1) AktG)**

The notice convening the Annual Virtual General Meeting contains information on the rights of shareholders pursuant to Sections 122 (2), 126 (1), 127, 130a, 131 (1) of the German Stock Corporation Act (Aktiengesetz – "**AktG**"), in particular on the periods available for exercising such rights. The following information serves to provide a more detailed explanation of such shareholder rights.

1. Petition to supplement the Agenda (Section 122 (2) AktG)

Shareholders whose shares collectively correspond to a twentieth of the capital stock, i.e. 761,897 shares at the time of convening the Annual Virtual General Meeting or reaching the pro-rata amount of EUR 500,000.00 (corresponding to 195,313 shares at the time of convocation), can call for items to be placed on the agenda and made known accordingly. Each new item must be accompanied by justification or a draft resolution. The petition is to be addressed to the Executive Board in writing. Motions to supplement the agenda must have been received by the Company no later than 30 days prior to the Meeting, i.e. by June 04, 2024 24:00h (CEST), at the following address:

An den Vorstand der GRAMMER AG
– Hauptversammlung –
Grammer-Allee 2
92289 Ursensollen

Petitioners are required to prove that they have held the shares for at least 90 days prior to the date of receipt of the petition and that they shall hold the shares until such time as a resolution has been adopted by the Executive Board on the application.

Supplementary notices to be announced regarding the agenda are promulgated without delay on receipt of such petitions in the German Government Gazette

(*Bundesanzeiger*) and forwarded for publication to such media that can safely be assumed to disseminate such information throughout the European Union.

In addition, they are communicated to the shareholders and published on the Company's website at

<https://www.grammer.com/investor-relations/hauptversammlung/>

and shareholders will be made aware of them. Shareholders connected to the Virtual Annual General Meeting electronically may also submit motions and nominations during the Annual General Meeting without prior transmission. A more detailed explanation of the procedure provided for this can be found in the section "Right to speak (sections 118a (1) sentence 2 no. 7, 130a (5) and (6) AktG), right to information (sections 118a (1) sentence 2 no. 4, 131 AktG) and right to propose motions (section 118a (1) sentence 2 no. 3 AktG) at the Annual General Meeting".

The provisions of AktG on which the underlying rights of the shareholders are based are worded as follows:

Section 122 AktG (excerpt):

Convening the Meeting at the request of a minority

(1) The Annual General Meeting is to be convened whenever shareholders whose shares collectively reach a twentieth of the capital stock call for convocation in writing, indicating the purpose and reasons therefor; the petition is to be addressed to the Executive Board. The Articles of Incorporation can tie the convocation of the Annual General Meeting to some other form and to possession of a smaller share of the capital stock. Petitioners are required to prove that they have held the shares for at least 90 days prior to the date of receipt of the petition and that they shall hold the shares until such time as a resolution has been adopted by the Executive Board on the application. Section 121 (7) is to be applied accordingly.

(2) In the same way, shareholders whose shares collectively reach a twentieth of the capital stock or the pro-rated amount of 500,000 euros can call for items to be placed on the agenda and published. Each new item must be accompanied by justification or a draft resolution. The petition as contemplated by sentence 1 must be received by the Company no later than 24 days (listed companies: at least 30 days) prior to the Meeting; the day of receipt is not to be included.

Section 121 AktG (excerpt):

General

(7) For periods and deadlines counted backwards from the date of the Meeting, that particular day is not to be included. Postponement from a Sunday, Saturday or a public holiday to a prior or subsequent working day will not be taken into consideration. Sections 187 to 193 of the German Civil Code (Bürgerliches Gesetzbuch – BGB) are not to be applied by analogy. In the case of non-listed companies, the Articles of Incorporation may determine some other calculation of the period in question.

Section 70 AktG:

Shareholding period calculation

If the exercise of rights derived from shares depends on the shareholder having held the shares during a certain period of time, then ownership is equivalent to a claim for transfer thereof against a credit institution, financial service providing institution or an enterprise trading pursuant to Section 53 (1) sentence 1 or Section 53b (1) sentence 1 or (7) of the German Banking Act. The period of ownership of a predecessor-in-title is assigned to the shareholder if the latter acquired the share non-gratuitously, from his or her trustee, as a universal successor-in-title, on dissolution of a community or transfer of a portfolio pursuant to Section 13 of the [German] Insurance Supervision Act or Section 14 of the Building Societies Act (Gesetz über Bausparkassen).

2. Countermotions and/or election proposals (Sections 126 (1), 127 AktG)

Each shareholder is entitled to send countermotions and election proposals to the Company prior to the Annual Virtual General Meeting pursuant to Sections 126 (1), 127 AktG. The Company will publish countermotions and election proposals on the Company's website provided the statutory requirements for this have been met.

Should any countermotions or election proposals be made accessible in advance by the Company pursuant to Sections 126, 127 AktG, they must be sent no later than 14 days prior to the Annual Virtual General Meeting, i.e. by May 20, 2024, 24:00h (CEST), to the following address:

GRAMMER AG
– Hauptversammlung –
Grammer-Allee 2
92289 Ursensollen
E-Mail: hv@grammer.com

Any countermotions and election proposals otherwise addressed will not be taken into consideration.

Furthermore, under certain further preconditions detailed in Sections 126 and 127 AktG, the Company may dispense the need to make information accessible, either wholly or in part, or it may consolidate or summarize countermotions, election proposals and the reasons for these. Justification is not necessary at any rate in the case of an election proposal. Information is to be made accessible, including the name of the shareholder, justification to be made accessible, mandatory disclosures pursuant to Section 127 (4) AktG and a possible statement from Management on the Company's website at

<https://www.grammer.com/investor-relations/hauptversammlung/>

Countermotions and election proposals are only deemed to have been made if they are submitted during the general meeting. The right of each shareholder to submit countermotions and election proposals on the various agenda items during the general meeting, even without prior and timely submission to the company, shall remain unaffected.

The provisions of AktG on which these shareholders' rights are based are worded as follows:

Section 126 AktG

Motions by shareholders

(1) Motions by shareholders, including the name of the shareholder, the reasons and a possible statement from Management are to be made accessible to the authorized persons specified in Section 125 (1) to (3) under the relevant prerequisites if the shareholder sent a countermotion to a proposal tabled by the Executive Board or Supervisory Board on a certain item of the agenda at least 14 days prior to the Meeting of the Company along with the relevant reasons to the address stipulated to this end in the notice convening the Meeting. The day of receipt is not to be included in this regard. For listed companies, the relevant information must be made accessible via the Company's website. Section 125 (3) applies accordingly.

(2) A countermotion and reasons therefore do not need to be made accessible

- 1. if the Executive Board would incur criminal liability in making the information accessible,*
- 2. if the countermotion would lead to a resolution being adopted at the Annual General*

Meeting that would be unlawful or contrary to the Articles of Incorporation,

3. if the reasons obviously contain incorrect or misleading information with regard to material items or if they contain any insults,

4. if a countermotion by the shareholder based on the same facts and circumstances regarding an Annual General Meeting of the Company has already been made accessible as contemplated by Section 125,

5. if the same countermotion filed by the shareholder has already been made accessible according to Section 125 for more or less the same reasons prior to at least two General Meetings in the past five years and less than a twentieth of the capital stock represented voted for it,

6. if the shareholder indicates that he or she will not attend the Annual General Meeting, not even by proxy, or

7. if the shareholder failed to file a countermotion communicated at two Annual General Meetings in the last two years or failed to have such countermotion filed. The reasons do not need to be made accessible if they amount to a total of more than 5,000 characters.

(3) If multiple shareholders file countermotions on the same item of the resolution to be adopted, then the Executive Board may consolidate or summarize the countermotions and the reasons to substantiate them.

Section 127 AktG:

Election proposals by shareholders

Section 126 applies mutatis mutandis to proposals by a shareholder for the election of Supervisory Board members or auditors of financial statements. The election proposal does not need to be justified. The Executive Board does not need to make the election proposal accessible even if it does not contain the disclosures listed in Section 124 (3) sentence 4 and Section 125 (1) sentence 5. The Executive Board must provide the proposal by a shareholder for the election of Supervisory Board members of listed companies to which the Co-determination Act, the Co-determination Act for the Coal & Steel Industry or the Supplementary Co-determination Act is applicable with the following content:

1. reference to the requirements of Section 96 (2),

2. indication whether an objection was raised to overall performance under Section 96 (2) sentence 3, and

3. an indication of how many seats on the Supervisory Board need to be filled by

women and men, respectively, in order to fulfill the minimum representation quota under Section 96 (2) sentence 1.

Section 124 (3) sentence 4 AktG (excerpt)

Announcement of supplementary petitions; proposals for resolutions to be adopted

The proposal for election of Supervisory Board members or auditors must contain their names, exercised profession and place of residence.

Section 125 (1) sentence 5 AktG:

Notifications for shareholders and to Supervisory Board members

For listed companies, when submitting a proposal for election of Supervisory Board members information must be submitted on their membership of other supervisory boards required to be set up by law; information on their membership of similar domestic and foreign control bodies of business enterprises are to be attached.

3. Right to submit statements (section 118a(1) sentence 2 no. 6 and section 130a(1) to (4) AktG)

Shareholders who have registered properly for the Annual General Meeting and provided evidence of their shareholdings, or their authorized representatives, have the right to submit statements on the items of the agenda electronically on the GRAMMER shareholder portal at

<https://www.grammer.com/en/investor-relations/annual-general-meeting/>

in written form before the Annual General Meeting. Statements must not exceed a length of 10,000 characters. It is possible to submit multiple statements. By submitting a statement, the shareholder or his/her authorized representatives consents to the statement being made available on the password-protected GRAMMER shareholder portal along with his/her name. Statements must be submitted by no later than five days before the Annual General Meeting, i.e. by no later than the end of May 29, 2024 (midnight, CEST).

Submitted statements that satisfy these requirements and are to be made available in accordance with the statutory provisions will be published no later than four days before the Annual General Meeting, i.e. by the end of May 30, 2024 (midnight, CEST), on the GRAMMER shareholder portal accessible at

<https://www.grammer.com/en/investor-relations/annual-general-meeting/>

disclosing the name of the shareholder or of his/her authorized representative.

Questions, motions, nominations, and objections to resolutions of the Annual General Meeting that are contained in statements will not be taken into account as such.

The provisions of AktG on which these shareholders' rights are based are worded as follows:

Section § 118a AktG (excerpt):

Virtual general meeting

(1) The by-laws may provide, or may grant authority to the management board to provide, that the meeting is held without the stockholders or their authorised representatives being physically present at the place at which it is being held (virtual general meeting). Where a virtual general meeting is held, the following pre-requisites are to be met:

[...]

6. the stockholders are granted the right to submit statements in accordance with section 130a (1) to (4) by way of electronic communication, [...].

Section 130a AktG (excerpt):

Right to make statements and right to speak at virtual general meetings

(1) In the case of the virtual general meeting, stockholders are entitled to submit statements prior to the meeting regarding the items of business set out in the agenda, doing so by way of electronic communication using the address provided for this purpose in the invitation convening the general meeting. This right may be restricted to stockholders who have duly registered for the general meeting. The scope of the statements reasonably may be restricted in the invitation convening the general meeting.

(2) Statements are to be submitted by no later than five days prior to the meeting.

(3) The statements submitted are to be made accessible to all stockholders by no later than four days prior to the meeting. The ability to access the statements may be restricted to stockholders duly registered for the meeting. In the case of listed companies, the statements are to be made accessible via the company's website; in

the case governed by sentence 2, accessibility may be effected via a third-party website. Section 126 (2) sentence 1 nos. 1, 3 and 6 applies accordingly.

(4) Section 121 (7) applies to the calculation of the time periods set out in subsections (2) and (3) sentence 1.

4. Right to speak (section 118a(1) sentence 2 no. 7 and section 130a(5) and (6) AktG), right to information (section 118a(1) sentence 2 no. 4 and section 131 AktG) and right to propose motions (section 118a(1) sentence 2 no. 3 AktG) at the Annual General Meeting

Shareholders and authorized representatives of shareholders who are connected to the Annual General Meeting electronically have a right to speak and a right to information at the Annual General Meeting. Requests for information may form part of a speech. It is not possible to submit questions prior to the Annual General Meeting.

Shareholders and authorized representatives of shareholders who are connected to the Annual General Meeting electronically also have the right to submit motions and nominations at the Annual General Meeting.

The GRAMMER shareholder portal at

<https://www.grammer.com/en/investor-relations/annual-general-meeting/>

is to be used for exercising the above rights. The right to speak and the right to submit motions and nominations at the Annual General Meeting will be exercised by way of video communication; it is planned to stipulate that the right to information can also be exercised only by way of video communication. The above rights can be exercised only on the day of the Annual General Meeting starting from 10:00 a.m. (CEST) until the time determined by the chair of the meeting.

The Company has reserved the right to check the functionality of the video communication between the shareholder or authorized representative and the Company at the meeting in advance and to refuse the speech, question, motion, or nomination if functionality is not ensured. The chair of the meeting will explain the procedure for requesting to speak and calling shareholders up to speak at the Annual General Meeting in more detail.

The right to information in accordance with section 131(1) AktG comprises information on matters relating to the Company, provided this is required to

appropriately assess an item on the agenda. The Executive Board's duty to provide information also extends to the Company's legal and business relations with affiliated companies and the position of the Group and the companies included in the consolidated financial statements (see section 131(1) sentence 2 and sentence 4 AktG). The Executive Board may refrain from answering individual questions for the reasons listed in section 131(3) AktG.

Section 118a AktG (excerpt):

Virtual general meeting

(1) The by-laws may provide, or may grant authority to the management board to provide, that the meeting is held without the stockholders or their authorised representatives being physically present at the place at which it is being held (virtual general meeting). Where a virtual general meeting is held, the following pre-requisites are to be met:

[...]

3. the stockholders participating in the meeting by electronic means are granted the right to propose motions and to make nominations by way of video communication technology at the meeting,

4. the stockholders are granted a right to seek information in accordance with section 131 by way of electronic communication,

7. the stockholders participating in the meeting by electronic means are granted a right to speak at the general meeting by means of video communication technology in accordance with section 130a (5) and (6), [...].

Section 130a AktG (excerpt):

Right to make statements and right to speak at virtual general meetings

(5) The stockholders participating in the meeting by electronic means are to be granted a right to speak at the meeting by means of video communication technology. The form of video communication offered by the company is to be used for the spoken contributions. The spoken contribution may consist of motions and nominations under section 118a (1) sentence 2 no. 3, the demand for information under section 131 (1), follow-up questions under section 131 (1d) as well as of further questions under section 131 (1e). Section 131 (2) sentence 2 applies accordingly.

(6) The company may reserve the right, in the invitation convening the general meeting, to test the functionality of the video communication between the stockholder and the company at the meeting and prior to the spoken contribution and to refuse to admit the spoken contribution if said functionality is not assured.

Section 131 AktG (excerpt):

Right of the shareholder to information

(1) Each shareholder shall upon request be provided with information at the shareholders' meeting by the executive board regarding the company's affairs, to the extent that such information is necessary to permit a proper evaluation of the relevant item on the agenda. This duty to provide information also includes details of the Company's legal and business relations with an affiliated company. If a company makes use of the simplified procedure pursuant to section 266 (1) sentence 3, section 276 or section 288 of the Commercial Code, each shareholder may request that the annual financial statements be presented to him at the shareholders' meeting on such annual financial statements in the form which would have been used if such provisions on simplified procedure were not applied. The duty of the executive board of the parent enterprise (section 290 (1) and (2) of the Commercial Code) to inform in the shareholders' meeting that considers the consolidated financial statement and consolidated management report shall extend to the outlook of the group and the enterprises included in the consolidated financial statement.

(1a) In the case of the virtual general meeting, subsection (1) sentence 1 is to be applied subject to the proviso that the management board may stipulate that questions by the stockholders are to be submitted by way of electronic communication no later than three days prior to the general meeting. Section 121 (7) applies to the calculation of the time limit. Questions not submitted in due time need not be considered.

(1b) The scope in which questions may be submitted may reasonably be restricted in the invitation convening the general meeting. The right to submit questions may be restricted to stockholders duly registered for the meeting.

(1c) The company is to make accessible to all stockholders, prior to the general meeting, the questions duly submitted and is to provide answers to such questions no later than by one day prior to the meeting; section 121 (7) applies to the calculation of the time limit. In the case of listed companies, the questions are to be made accessible and the answers are to be provided via the company's website. Section 126 (2) sentence 1 no. 1, 3 and 6 applies accordingly to the accessibility of the questions. If the

answers have been continuously accessible one day prior to commencement of the general meeting and while the meeting is ongoing, the management board may refuse, at the meeting, to provide information regarding those questions.

(1d) Each stockholder participating in the general meeting by electronic means is to be granted a right, by way of electronic communication, to ask follow-up questions regarding all of the answers provided by the management board before the meeting and while it is ongoing. Subsection (2) sentence 2 applies also to the right to ask follow-up questions.

(1e) Moreover, each stockholder participating in the general meeting by electronic means is to be granted the right, by way of electronic communication, to ask questions regarding facts and circumstances that have come about only after the time limit defined in subsection (1a) sentence 1 has expired. Subsection 2 sentence 2 applies also to this right to ask questions.

(1f) The person chairing the meeting may establish that the right to seek information under subsection (1), the right to ask follow-up questions under subsection (1d) and the right to ask questions under subsection (1e) may be exercised at the general meeting exclusively by means of video communication technology.

(2) The information provided shall comply with the principles of conscientious and accurate accounting. The articles or the rules of procedure pursuant to section 129 may authorize the chairperson of the meeting to limit the number of questions and speaking time of shareholders as appropriate and to lay down general rules thereon.

(3) The executive board may refuse to provide information:

- 1. to the extent that providing such information is, in the light of sound business judgment, likely to cause material damage to the company or an affiliated enterprise;*
- 2. to the extent that such information relates to tax valuations or the amount of certain taxes;*
- 3. with regard to the difference between the value at which items are shown in the annual balance sheet and the higher market value of such items, unless the shareholders' meeting is to approve the annual financial statements;*
- 4. with regard to the methods of accounting and valuation, if disclosure of such methods in the notes suffices to provide a clear view of the actual condition of the company's assets, financial position and results of operations within the meaning of*

section 264 (2) of the Commercial Code; the foregoing shall not apply if the shareholders' meeting is to approve the annual financial statements;

5. if provision thereof would render the executive board criminally liable;

6. if in the case of a credit institution or financial services institution information about the applied accounting and valuation methods or calculations made in the annual financial statements, the management report, the consolidated annual financial statement or the group's management report may be dispensed with;

7. if the information is continuously available on the company's website seven or more days prior to the shareholders' meeting as well as during the meeting.

The provision of information may not be denied for other reasons.

(4) Where information has been provided to a stockholder because of their capacity as such, and this was done outside of the general meeting, it is to be provided to every other stockholder making a corresponding demand 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. In the case of the virtual general meeting, it is to be warranted that each stockholder participating in the general meeting by electronic means is able to transmit their demand under sentence 1 by way of electronic communication. The management board may not refuse to provide the information in accordance with subsection (3) sentence 1 nos. 1 to 4. Sentences 1 to 3 do not apply if a subsidiary undertaking (section 290 (1) and (2) of the Commercial Code), a joint venture (section 310 (1) of the Commercial Code) or an associated enterprise (section 311 (1) of the Commercial Code) issues the information to a parent undertaking (section 290 (1) and (2) of the Commercial Code) for purposes of including the company in the consolidated financial statements of the parent undertaking and the information is required for this purpose.

(5) Where a stockholder is denied the information sought, the stockholder may demand that their question and the grounds for refusing to provide the information be included in the minutes of the meeting. In the case of the virtual general meeting, it is to be warranted that each stockholder participating in the meeting by electronic means is able to transmit their demand under sentence 1 by way of electronic communication.

5. Filing objections (section 118a(1) sentence 2 no. 8 AktG)

Shareholders and their authorized representatives are given the possibility to declare objections to resolutions of the Annual General Meeting. Such declarations can be made by way of electronic communication on the GRAMMER shareholder portal accessible at

<https://www.grammer.com/en/investor-relations/annual-general-meeting/>

and are possible from the time that the Annual General Meeting is opened on June 4, 2024, until it is closed by chair of the meeting.

Section § 118a AktG (excerpt):

Virtual general meeting

(1) The by-laws may provide, or may grant authority to the management board to provide, that the meeting is held without the stockholders or their authorised representatives being physically present at the place at which it is being held (virtual general meeting). Where a virtual general meeting is held, the following pre-requisites are to be met: [...]

8. the stockholders participating in the meeting by electronic means are granted a right to lodge an objection against a resolution adopted by the general meeting by way of electronic communication.
