



**Information on shareholder rights pursuant to sections 122 (2), 126 (1), 127, 131 (1) of the AktG in conjunction with section 1 (2) sentence 1 no. 3 of the C19-AuswBekG**

**I. Requests for amendments to the agenda in accordance with section 122 (2) of the AktG**

Shareholders whose combined shareholdings amount to one-twentieth of the registered share capital, or a proportional number of shares amounting to €500,000 (equivalent to 166,667 shares), may request that certain items be included in the agenda and made public (section 122 (2) of the AktG). Each new item to be added must be accompanied by an explanation or a resolution proposal. Applicants must prove that they have been holders of the relevant shares for a minimum of 90 days prior to the day the request is received and that they will continue to hold them until the Management Board has made a decision on their application. Evidence can be provided in form of a certificate issued by the custodian bank.

The application must be addressed in writing (section 126 of the German Civil Code (BGB)) or in electronic form, i.e. using the qualified electronic signature (section 126a of the German Civil Code (BGB)), to the Management Board of Aareal Bank AG and must be received by the Company no later than 26 April 2020 (24:00 hours CEST) at the following address:

Management Board of Aareal Bank AG  
Paulinenstraße 15  
65189 Wiesbaden, Germany  
E-Mail: [HV2020@aareal-bank.com](mailto:HV2020@aareal-bank.com)

Unless already communicated at the date of convocation, amendments to the agenda requiring publication must be published, without undue delay following receipt, in the electronic German Federal Gazette (Bundesanzeiger) and in such other media that can be assumed to distribute information throughout the entire European Union. In addition, they will be published on the Company's website at <https://www.aareal-bank.com/en/> (at Investors/General Meeting 2020) and communicated to the shareholders.

**Legislative framework:**

**Section 122 (1) and (2) of the AktG:**

- (1) The general meeting shall be called when shareholders whose combined shareholdings add up to a 20% share in the registered share capital submit a written request that the general meeting be called, stating the purpose of such meeting and the reasons for their request; said request must be addressed to the management board. The articles of association may require another form of request or make the right to request the calling of a general meeting dependent on a smaller share in the registered share capital.



Applicants must prove that they have been holders of the shares for at least 90 days prior to the date of receipt of the request and that they hold the shares until the decision of the Board on the request. Section 121 paragraph 7 shall apply mutatis mutandis.

- (2) Similarly, shareholders whose combined shareholdings add up to a 20% share in the registered share capital, or a proportional amount of shares amounting to €500,000, may request that certain items be included in the agenda and communicated. Each new item to be added must be accompanied by an explanation or a proposal. Any request within the meaning of sentence 1 must be received by the company no less than 24 days (30 days for stock exchange-listed companies) prior to the meeting; the day of receipt shall not be included in the calculation.

**Section 121 (7) of the AktG:**

Time limits or deadlines that are calculated backwards by the Annual General Meeting shall be calculated in a manner not reflecting the day of the meeting. A shift of a Sunday, Saturday or holiday to a temporally preceding or following working day is not to be taken into account. Sections 187 up to 193 of the German Civil Code (Bürgerliches Gesetzbuch - BGB) shall not apply accordingly. The articles of association may prescribe another calculation of the time limit.

***II. Motions and nominations by shareholders in accordance with section 126 (1) and section 127 of the AktG***

Shareholders may lodge counter-proposals to the proposals submitted by the Management Board and the Supervisory Board on certain items of the agenda and submit nominations for the election of members of the Supervisory Board and external auditors. Any such counter-proposals must also state their reasons; nominations for elections do not require any substantiation. Counter-proposals pertaining to items of the agenda and nominations must be sent to the following address only:

Aareal Bank AG  
Corporate Affairs - Board Office  
Paulinenstraße 15  
D-65189 Wiesbaden  
Fax: +49 611 348-2965  
Email: [HV2020@aareal-bank.com](mailto:HV2020@aareal-bank.com)

Counter-proposals and nominations received by the Company at the aforementioned address by no later than **12 May 2020 (24:00 hours CEST)** will be published on the Company's website at <https://www.aareal-bank.com/en/> (at Investors/General Meeting 2020) immediately after



they are received, including the shareholder's name and the reasons for the counter-proposal, taking the further stipulations set forth in sections 126 and 127 of the AktG into consideration. Any management statements will be published on the same website.

A counter-proposal or nomination to be published in accordance with sections 126 and 127 of the AktG will be deemed to have been duly served if the shareholder submitting it is duly registered for attendance at the virtual Annual General Meeting.

***Legislative framework:***

**Section 126 of the AktG:**

- (1) Applications from shareholders, including the shareholder's name, the substantiation and any statement by the management, shall be made available to the entitled parties listed in section 125 (1) to (3), provided that the requirements stated therein are met, if the shareholder has forwarded a counter-proposal to a proposal of management board and supervisory board on a particular agenda item, including its substantiation, no less than 14 days prior to the Company's General Meeting to the address specified in the invitation for this purpose. The day of receipt shall not be included in the calculation of the deadline. For exchange-listed companies, the making available shall be effected via the company's website. Section 125 (3) shall apply *mutatis mutandis*.
- (2) Counter-proposals and their substantiation do not need to be made available:
  1. where the management board would incur criminal liability by doing so;
  2. where the counter-proposal would result in the passing of a resolution by the general meeting that is in contravention of the law or the memorandum and articles of association;
  3. where material points of the substantiation contain manifestly incorrect or misleading information or insults;
  4. where a counter-proposal of the shareholder that is based on the same issue has already been made available to the company's general meeting pursuant to section 125;
  5. where the same counter-proposal of the shareholder, including essentially the same substantiation, was made available to at least two of the company's general meetings over the past five years pursuant to section 125 and less than 20 per cent of the registered share capital represented at the general meeting voted in favour of such counter-proposal;
  6. where the shareholder indicates that he does not wish to attend the general meeting in person or to be represented by a proxy; or
  7. where, at two general meetings during the past two years, the shareholder failed, in person or by proxy, to bring forward the counter-proposal previously communicated by him.



Substantiations do not need to be made accessible where they exceed 5,000 characters in total.

- (3) Where several shareholders bring forward counter-proposals with regard to the same item to be resolved on, the management board may combine the counter-proposals and their substantiations.

**Section 127 sentence 1 - 3 of the AktG:**

Section 126 shall apply *mutatis mutandis* to shareholder's nominations of members to the supervisory board or external auditors. Such nominations do not require substantiation. Furthermore, the management board does not need to make said nomination accessible if such nomination does not include the information specified in section 124 (3) sentence 4 and section 125 (1) sentence 5.

**Section 124 (3) sentence 4 of the AktG:**

Nominations to the supervisory board or for external auditors shall contain name, occupation and domicile of the nominated person(s).

**Section 125 (1) sentence 5 of the AktG:**

For exchange-listed companies, any nomination for election to the supervisory board shall be accompanied by information on any offices held by the nominated person(s) on other statutory supervisory boards as well as any offices held on similar governing bodies of commercial enterprises within Germany or abroad.

**III. Right to disclosure pursuant to section 131 (1) of the AktG in connection with section 1 (2) Nr. 3 C19-AuswBekG**

The shareholders' right to request information is substantially restricted in the case of a virtual Annual General Meeting held in accordance with section 1 (2) of the C19-AuswBekG. Accordingly, the shareholders are only able to ask questions via electronic channels (section 1 (2) sentence 1 no. 3 of the C19-AuswBekG). Moreover, the Management Board may stipulate that questions are to be submitted by no later than two days before the Annual General Meeting. The Management Board has utilised this right with approval of the Supervisory Board's approval. In derogation of section 131 of the AktG, the Management Board decides on the response to questions at its own free discretion in accordance with section 1 (2) sentence 2 of the C19-AuswBekG. In accordance with the explanatory memorandum to section 1 (2) sentence 2 of the C19-AuswBekG, management does not have to answer all questions under any circumstances; it can summarise questions and select meaningful questions in the interest of the other shareholders. In doing so, it may give preference to shareholder associations and institutional investors with significant shareholdings.

Duly registered shareholders are able to ask questions via electronic channels (section 1 (2) sentence 1 no. 3 of the C19-AuswBekG). Any questions must be submitted no later than two



days before the Annual General Meeting, i.e. by 24 May 2020 (24:00 hours CEST) via the Company's shareholder portal accessible at the Internet address <https://www.aareal-bank.com/en/> (at Investors/Annual General Meeting 2020).

No questions can be submitted after the expiry of the aforementioned deadline. The name of the person asking the question will generally be disclosed. Please also note the detailed explanations on shareholder rights and data protection at the end of this invitation.

***Legislative framework:***

**Section 1 (1) and (2) of the C19-AuswBekG**

- (1) Decisions on the participation of shareholders in the Annual General Meeting by means of electronic communication in accordance with section 118 (1) sentence 2 of the German Public Limited Companies Act (AktG) (electronic participation), the casting of votes by means of electronic communication in accordance with section 118 (2) of the AktG (postal vote), the participation of members of the Supervisory Board by means of video and audio transmission in accordance with section 118 (3) sentence 2 of the AktG and the approval of video and audio transmission in accordance with section 118 (4) of the AktG may be taken by the Management Board of the Company notwithstanding the fact that it is not authorised to do so under the Articles of Association or the Rules of Procedure.
- (2) The Management Board may decide that the meeting is to be held as a virtual meeting without the physical presence of the shareholders or their representatives, provided that
  1. there is video and audio transmission of the entire meeting,
  2. it is possible for the shareholders to exercise their voting rights (postal voting or electronic participation) and to grant voting proxies by means of electronic communication,
  3. the shareholders are able to ask questions by means of electronic communication,
  4. the shareholders who have exercised their voting rights in accordance with number 2 above may in derogation of section 245 number 1 of the AktG lodge an objection to a resolution passed at the meeting without any obligation to attend the meeting in person.

The Management Board shall decide, at its sole discretion, which questions to answer and how to answer them; it may also stipulate that questions must be submitted by electronic communication at least two days before the meeting.

**Section 131 of the AktG:**

- (1) Every shareholder may request at the general meeting that the management board provide information on company matters, provided that such information is necessary to



make a reasonable assessment of the relevant agenda item. This disclosure obligation also relates to the company's legal and commercial relationships to its affiliated companies. Where a company avails itself of the relief provided under section 266 (1) sentence 3, section 276 or section 288 of the German Commercial Code (*Handelsgesetzbuch* – "HGB"), every shareholder may request that, at the general meeting resolving on the annual financial statements, the annual financial statements be presented to him in the form they would have been presented the relief not had applied. The disclosure obligation of the management board of the parent company (section 290 (1) and (2) of the HGB) at the annual 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 companies within the group's scope of consolidation.

(2) The information provided must comply with the principles of diligent and conscientious rendering of accounts. The chairperson of the meeting may be authorised by virtue of the company's articles of association, or by way of internal rules of procedure within the meaning of section 129, to set a reasonable time limit for shareholders exercising their right to speak or to ask questions; the articles of association or the internal rules of procedure may contain further stipulations in this regard.

(3) The management board may refuse to disclose information:

1. where the making of such a disclosure could, in accordance with prudent commercial judgement, have a serious adverse effect on the company or one of its affiliated companies;
2. where such disclosure relates to tax bases or the amount of specific taxes;
3. regarding the difference between the carrying amount of items in the annual balance sheet and the actual higher value of such items, unless the general meeting adopts the financial statements;
4. regarding accounting policies, provided that the specification of these policies in the notes is sufficient to present a true and fair view of the company's net assets, financial position and results of operations within the meaning of section 264 (2) of the HGB; this does not apply if the general meeting adopts the annual financial statements;
5. where the management board would incur criminal liability by making the requested disclosure;
6. where, with regard to a bank or financial services provider, no information is required as to the accounting policies used or any offsetting entries in the annual financial statements, management report, consolidated financial statements or the group management report;
7. where the requested information has been continuously available on the company's website for a duration of no less than seven days prior to the commencement of the general meeting.



Disclosure cannot be refused for other reasons.

- (4) Where a shareholder has been given information outside the general meeting, in its/his/her capacity as a shareholder, this information must be given to any other shareholder at the general meeting, upon such shareholder's request, even if such information is not necessary to make a reasonable assessment of the relevant agenda item. The management board cannot refuse the disclosure of any such information by invoking the provisions of paragraph (3) sentence 1 nos. 1 to 4. Sentences 1 and 2 do not apply where a subsidiary (section 290 (1) and (2) of the HGB), a joint venture (section 310 (1) of the HGB) or an associate (section 311 (1) of the HGB) makes such disclosure to the parent company (section 290 (1) and (2) of the HGB) for the purpose of inclusion into the parent company's consolidated financial statement, and such disclosure is required for this purpose.
- (5) Where a shareholder is refused information, said shareholder may request that its/his/her query and the reason for the refusal are recorded in the minutes of the meeting.

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