

Notes on shareholders' rights pursuant to Section 122 (2), Section 126 (1), Section 127, and Section 131 (1) of the German Stock Corporation Act (AktG – Aktiengesetz)

Convocation of the Annual General Meeting already contains details of shareholders' rights pursuant to Section 122 (2), Section 126 (1), Section 127 and Section 131(1) AktG. The following remarks serve as further explanation.

Requests for additions to the agenda pursuant to Section 122 (2) AktG

Shareholders whose combined shareholdings add up to one-twentieth of the share capital or represent the proportionate amount of the share capital of € 500,000 may request that items be placed on the agenda and announced. Each new agenda item must be accompanied by a reason or a proposed resolution (Section 122 (2) AktG).

Requests are to be addressed in writing to the Executive Board and must be received by the Company at least 30 days before the Annual General Meeting, i.e., at the **latest** by 12:00 midnight CEST on 5 June 2016.

Please send such requests to the following address:

bmp Holding AG
- Executive Board -
Schlüterstraße 38
10629 Berlin, Germany
Fax: +49 30 20305-555

Requests for additions are considered only if the applicants prove that they have held shares meeting the minimum shareholding requirement within a time period prescribed by law.

In accordance with Section 26h (4) of the Introductory Act to the German Stock Corporation Act (EGAktG – *Einführungsgesetz zum Aktiengesetz*) in conjunction with Section 122 (1) AktG, as applicable until 30 December 2015, in conjunction with Section 142 (2) second sentence AktG, applicants who submit requests for additions that reach the Company **by 31 May 2016 inclusive** must prove that they have held shares meeting the minimum shareholding requirement for at least three months before the day of the Annual General Meeting, that is since at least since 5 April 2016, 12:00 midnight CEST, and that they hold them at the time of the decision regarding the application.

Excerpts of the provisions of AktG underlying this shareholder right are as follows:

Introductory Act to the German Stock Corporation Act (EGAktG – Einführungsgesetz zum Aktiengesetz)

Section 26h (4) EGAktG – transitional provision on the 2016 Amendment to the German Stock Corporation Act (*Aktienrechtsnovelle 2016*)

Section 122 AktG pursuant to the 2016 Amendment to the German Stock Corporation Act dated 22 December 2015 (German Federal Law Gazette (*Bundesgesetzblatt*) I, page 2,565) is to be applied for the first time to requests for convocation and additions received by the Company on 1 June 2016. Section 122 of the version in force until 30 December 2015 continues to apply to requests for additions received by the Company before 1 June 2016.

AktG as applicable until 30 December 2015 (excerpt)

- Section 122 Convocation at the request of a minority (excerpt)

(1) *The annual general meeting must be convened if shareholders whose combined shareholdings add up to one-twentieth of the share capital request such convocation in writing stating the purpose and reasons; the request is to be addressed to the executive board. The articles of association may make the right to request convocation of the annual general meeting subject to a different form and to holding a smaller amount of the share capital. Section 142 (2) second sentence shall apply mutatis mutandis.*

(2) *Similarly, shareholders whose combined shareholdings add up to one-twentieth of the share capital or the proportionate amount of € 500,000 can request that items be placed on the agenda and announced. Each new item must be accompanied by a reason or a proposed resolution. The request within the meaning of the first sentence must be received by the company at least 24 days, and in the case of stock exchange listed companies at least 30 days, before the meeting; the day of receipt shall not be counted.*

Section 142 Appointment of special auditors (excerpt)

(2) *... The applicants must prove that they have held the shares for at least three months before the day of the annual general meeting of shareholders and that they hold the shares at the time of the decision regarding the application. ...*

In accordance with Section 26h (4) EGAktG in conjunction with Section 122 (1) AktG, applicants who submit requests for additions that reach the Company **as of 1 June 2016** must prove that they have held the shares for at least 90 days before the day of receipt of the request and that they hold the shares at the time of the Executive Board's decision regarding the application.

AktG as applicable as of 31 December 2015 (excerpt)

- Section 122 Convocation at the request of a minority (excerpt)

(1) *The annual general meeting must be convened if shareholders whose combined shareholdings add up to one-twentieth of the share capital request such convocation in writing stating the purpose and reasons; the request is to be addressed to the executive board. The articles of association may make the right to request convocation of the annual general meeting subject to a different form and to holding a smaller amount of the share capital. The applicants must prove that they have held the shares for at least 90 days before the day of receipt of the request and that they hold the shares at the time of the executive board's decision regarding the application. Section 121 (7) shall apply mutatis mutandis.*

(2) *Similarly, shareholders whose combined shareholdings add up to one-twentieth of the share capital or the proportionate amount of € 500,000 can request that items be placed on the agenda and announced. Each new item must be accompanied by a reason or a proposed resolution. The request as per the first sentence must be received by the company at least 24 days, and in the case of stock exchange listed companies at least 30 days, before the meeting; the day of receipt shall not be counted.*

Any additions to the agenda to be announced shall be announced in the German Federal Gazette (*Bundesanzeiger*) immediately upon receipt of the request by the Company, unless they were already announced when the meeting was convened. They shall also be announced in the Investor Relations section of our website under

<http://www.bmp-holding.de/en/investor-relations/annual-general-meeting-2016.html>

(Section 124 (1) AktG in connection with Section 121 (4) 4a).

The Articles of Association of bmp Holding AG do not utilise the option under Section 122 (1) AktG (old and current versions) to make the right to request convocation of the Annual General Meeting subject to a different form and to holding a smaller amount of the share capital.

Counter motions and election proposals pursuant to Section 126 (1) and Section 127 AktG

Any shareholder of the Company is entitled to submit counter motions to proposals of the Executive Board and/or Supervisory Board concerning certain items of the Agenda and to submit election proposals. Counter motions that need to be made accessible must be accompanied by a reason. Election proposals that need to be made accessible need not to be accompanied by a reason. Counter motions, election proposals and other enquiries from shareholders are to be sent exclusively to:

bmp Holding AG
- Executive Board -
Schlüterstraße 38
10629 Berlin, Germany
Fax: +49 30 20305-555

Any counter motions and/or election proposals that are otherwise addressed need not be made accessible.

Under the conditions of Section 126 (2) AktG, the Company is not obliged to make a counter motion and its reasons or an election proposal accessible. Moreover, the reason for a permissible counter motion need not be made accessible if it is longer than 5,000 characters in total.

In addition to the reasons stated in Section 126 (2) AktG, an election proposal also does not need to be made accessible if it does not include the proposed candidate's name, current profession and place of residence. Proposals for the election of Supervisory Board members further do not need to be made accessible if they are not accompanied by details of the proposed candidate's memberships of other statutory supervisory boards as defined by Section 125 (1) Sentence 5 AktG.

Counter motions and election proposals from shareholders that are required to be made accessible, including the shareholders' names and reasons that are to be made accessible upon receipt on the Investor Relations area of our Homepage at

<http://www.bmp-holding.de/en/investor-relations/annual-general-meeting-2016.html>.

Counter motions and election proposals relating to the items of the Agenda that are to be made accessible and that are received at the addresses stated in the first paragraph of this section ("Counter motions and election proposals pursuant to Section 126 (1) and Section 127 AktG") at least 14 days before the Annual General Meeting, i.e. by 21 June 2016, 12:00 midnight CEST, will be considered. Any statements of position by the Management will also be published at the same Internet address.

The Executive Board reserves the right to combine counter motions and their reasons if several shareholders present counter motions on the same subject matter.

The provisions of the Aktiengesetz underlying these shareholders' rights, which specify among other things under which conditions counter motions and election proposals need not be made accessible, are as follows:

Section 126 Motions by shareholders

- (1) *Motions by shareholders, including the shareholders' name, the reasons and any position taken by management shall be made available to the eligible persons referred to in Section 125 (1) through (3) under the conditions specified therein, provided that the shareholder transmitted to the company at least 14 days prior to the company's meeting a counterproposal to a proposal of the executive board and the supervisory board regarding a specific item on the agenda, together with reasons, to the address communicated for this purpose in the convocation. The day of receipt shall not be counted. In the case of stock exchange listed companies, the required accessibility shall be provided via the website of the company. Section 125 (3) shall apply mutatis mutandis.*
- (2) *A countermotion and its reason need not be made accessible if:*
 - 1) *the executive board would become criminally liable due to such accessibility,*
 - 2) *the countermotion would result in a resolution of the annual general meeting in violation of applicable law or the articles of association,*
 - 3) *the main points of the reason obviously contain false or misleading or insulting statements,*
 - 4) *a countermotion of the shareholder relating to the same subject matter has already been made accessible to an annual general meeting pursuant to Section 125,*
 - 5) *the same countermotion of the shareholder with materially the same reason has already been made accessible to at least two annual general meetings of the Company in the past five years pursuant to Section 125 and less than one-twentieth of the share capital represented at the annual general meeting voted in its favour,*
 - 6) *the shareholder indicates that he will not attend or be represented at the annual general meeting, or*
 - 7) *in the past two years at two annual general meetings, the shareholder notified the company of a countermotion but did not present that countermotion and did not have it presented.*

The reason need not to be made accessible if it is longer than 5,000 characters in total.

- (3) *If several shareholders make counterproposals for resolution with respect to the same subject matter, the executive board may combine such counterproposals and the respective supporting information.*

Section 127 Election proposals by shareholders (excerpt)

Section 126 shall apply mutatis mutandis to a proposal by a shareholder for the election of members of the supervisory board or auditors. Such election proposal need not be supported by a reason. The executive board also need not make such election proposal accessible if the proposal fails to contain information pursuant to Section 124 (3), Sentence 4, and Section 125 (1), Sentence 5.

Section 124 Publication of requests for additions to the agenda; proposals for resolutions (excerpt)

- (3) *The proposal for the election of members of the supervisory board or auditors shall state their names, profession and place of residence. ...*

Section 125 Communications to shareholders and supervisory board members (excerpt)

(1) ... In the case of stock exchange listed companies, any proposal for the election of supervisory board members must be accompanied by details on the membership in other supervisory boards whose establishment is required by law; details on their membership in comparable domestic and foreign controlling bodies of business enterprises should also be provided.

...

(3) Every member of the supervisory board may request that the executive board send the same communication to him/her.

Right to obtain information pursuant to Section 131 (1) AktG

Pursuant to Section 131 (1) AktG, every shareholder must be informed by the Executive Board of the Company's affairs on request at the Annual General Meeting to the extent necessary to objectively assess the subject matter of items on the Agenda. The Executive Board's obligation to provide information also includes the legal and business transactions between the Company and its affiliates as well as the state of the Group and its consolidated companies (cf. Section 131 (1), Sentence 2 and Sentence 4 AktG).

In the cases stipulated in Section 131 (3) AktG, the Board of Management may refuse to give information.

If information has been given to a shareholder outside the Annual General Meeting because of that person or entity being a shareholder, this information is also to be provided to every other shareholder upon demand in the Annual General Meeting, even if it is unnecessary for a proper appraisal of the relevant item on the Agenda. In such a case, the Executive Board may not refuse to give the information on the grounds of Section 131 (3) Sentence 1, Numbers 1 through 4 AktG.

If information is refused to a shareholder, he/she/it can demand that his/her/its question and the reason for which the information was refused are stated in the notarial minutes of the Annual General Meeting.

The provisions of the Aktiengesetz underlying these shareholders' rights are as follows:

Section 131 Shareholders' right to obtain 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. The duty to provide information shall also extend to the company's legal and business relations with any affiliated enterprise. If a company makes use of the simplified procedure pursuant to Section 266 (1), Sentence 3, Section 276, or Section 288 of the German Commercial Code (HGB - Handelsgesetzbuch), each shareholder may request that the annual financial statements be presented to him / her at the annual general meeting on such annual financial statements in the form that would have been used if such provisions on the simplified procedure were not applied. The duty of the executive board of a parent company (Section 290 (1) and (2) HGB to provide information at the annual general meeting at which the consolidated financial statements and management report of these statements are presented also extends to the position of the consolidated group and any enterprises included in the consolidated financial statements.

- (2) *The information provided shall comply with the principles of conscientious and accurate accounting. The articles of association or the bylaws pursuant to Section 129 may authorise the chairman of the meeting to reasonably limit a shareholder's time to speak and ask questions and may provide relevant details in this connection.*
- (3) *The executive board may refuse to provide information:*
- 1) *if, according to a reasonable business judgment, disclosing the information is likely to result in material disadvantage to the Company or one of its subsidiaries,*
 - 2) *that relates to the estimation of amounts for tax purposes or the amounts of individual taxes,*
 - 3) *concerning the difference between the amounts at which items are entered in the year-end balance sheet and any higher value of those items, unless the shareholders' meeting is to approve the annual financial statements,*
 - 4) *concerning accounting and valuation methods, if the information on these methods given in the notes to the financial statements is sufficient to provide a true and fair view of the Company's net assets, financial position, and results of operations within the meaning of Section 264 (2) HGB; the foregoing shall not apply if the annual general meeting is to approve the annual financial statements,*
 - 5) *the executive board would become criminally liable for providing such information,*
 - 6) *insofar as, in the case of a credit institution or financial services institution, information need not be given on methods of accounting and valuation applied and setoffs made in the annual financial statements, management report, consolidated financial statements or consolidated management report,*
 - 7) *if the information is fully accessible on the company's website for at least seven days before the beginning of the annual general meeting and is also accessible during the annual general meeting.*

The information may not be refused for any other reasons.

- (4) *If information has been provided to a shareholder outside the shareholders' meeting by reason of his / her status as a shareholder, such information shall upon request be provided to any other shareholder at the shareholders' meeting, even if such information is not necessary to permit a proper evaluation of an item on the agenda. The executive board may not refuse to provide such information on the grounds of Section 131 (3), Sentence 1, Numbers 1 through 4. Sentences 1 and 2 shall not apply if a subsidiary (Section 290 (1) and (2) HGB), a joint venture (Section 310 (1) HGB), or an associated company (Section 311 (1) HGB) provides information to a parent company (Section 290 (1) and (2) HGB) for the purpose of inclusion of the company in the consolidated financial statements of the parent company and such information is needed for such purposes.*
- (5) *A shareholder who has been denied information may request that his / her query and the reason for which the information was denied be recorded in the minutes of the meeting.*

Pursuant to Section 21 (1) of the Articles of Association of the Company, the chair of the Annual General Meeting is usually the Chairman of the Supervisory Board. Pursuant to Section 21 (2) of the Articles of Association, the chair leads the meeting and also determines the order in which the items of the agenda are discussed, and the method and order of voting. In this context, he may also limit the questions and right to speak of shareholders as appropriate.

The shareholders' rights in this context underlying rules of the Articles of Association of the Company are as follows:

Section 21 Chairman of the Annual General Meeting, video and audio transmission

- (1) The chairman of the Supervisory Board presides over the Annual General Meeting; if he is prevented from presiding, his vice-chairman or another Supervisory Board member appointed by the Supervisory Board shall preside. If no member of the Supervisory Board assumes the chairmanship, the chairman of the assembly shall be elected by the Annual General Meeting under the direction of the oldest shareholder present.*
- (2) The chairman shall preside over the assembly. He shall determine the order in which the items of the agenda are considered, the method and order of voting and may reasonably limit the amount of time the shareholders are entitled to speak and ask questions.*