

**ERWE Real Estate AG**

**Frankfurt am Main**

ISIN DE000A1X3WX6

WKN A1X3WX

**Invitation to the Annual General Meeting 2021**

Dear Shareholders,  
Dear shareholders,

We hereby invite you to the Annual General Meeting of ERWE Immobilien AG, which will be held on 25 May 2021, at 10:00 a.m., at the business premises of ERWE Immobilienmanagement GmbH, Hamburg, at Langenhorner Chaussee 602, 22419 Hamburg, as a virtual Annual General Meeting without the physical presence of the shareholders and their proxies (with the exception of the proxies appointed by the Company).

The Annual General Meeting will be published for our registered shareholders and shareholder representatives on the Company's website in the section "Investor Relations/Annual General Meetings" at the Internet address

broadcast live in sound and vision. Shareholders and shareholder representatives may exercise their voting rights exclusively by postal vote or by granting power of attorney to the proxies appointed by the Company. More detailed information on this can be found below in **section "III. Further information on convening and holding the Annual General Meeting"**.

**I. Agenda**

**1. presentation of the adopted annual financial statements, the approved consolidated financial statements, the combined management and group management report, the report of the Supervisory Board and the explanatory report of the Executive Board on the disclosures pursuant to Sections 289a, 315a HGB, in each case for the 2020 financial year**

The Supervisory Board has already approved the annual financial statements prepared by the Management Board and thus adopted the annual financial statements. There is therefore no need for adoption by the Annual General Meeting. The annual financial statements, the consolidated financial statements, the combined management report and group management report, the report of the Supervisory Board and the report of the Executive Board with the explanations of takeover-related disclosures are to be made available to the Annual General Meeting without a resolution being required in accordance with the German Stock Corporation Act.

These documents can be downloaded from the Company's website in the "Investor Relations/Annual General Meetings" section from the time the Annual General Meeting is convened and also during the Annual General Meeting at the Internet address

<http://www.erwe-ag.com/investor-relations/hauptversammlungen/>

will be available for inspection. Furthermore, they will be explained in more detail during the Annual General Meeting.

**2. resolution on the discharge of the Management Board for the financial year 2020**

The Executive Board and the Supervisory Board propose that the following resolution be adopted:

The acts of the members of the Management Board holding office in the 2020 financial year are ratified for this financial year.

**3. resolution on the discharge of the Supervisory Board for the financial year 2020**

The Executive Board and the Supervisory Board propose that the following resolution be adopted:

The acts of the members of the Supervisory Board holding office in the fiscal year 2020 are ratified for this fiscal year.

**4. Selection of the auditor of the annual financial statements and the auditor of the consolidated financial statements for the financial year 2021 as well as the auditor for a review of the half-yearly financial report and other interim financial reports during the year, if applicable.**

The Supervisory Board proposes that the following resolution be adopted:

The auditing firm Ebner Stolz GmbH & Co KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Hamburg, is elected as auditor of the financial statements and auditor of the consolidated financial statements for the fiscal year 2021 as well as auditor for a possible audit review of interim financial reports (half-year and quarterly financial reports) in the fiscal year 2021.

**5. election of a new member of the supervisory board**

The Supervisory Board member elected by the Annual General Meeting, Dr. Hein, has declared that he will resign from the Supervisory Board at the end of this year's Annual General Meeting, so that a new member must be elected to ensure that the Supervisory Board has the minimum size required by law and the Articles of Association. Pursuant to Sections 96 (1), 101 (1) of the German Stock Corporation Act (AktG) in conjunction with Section 8 of the Company's Articles of Association, the Supervisory Board is composed of three shareholder representatives. Upon the proposal of the Supervisory Board, Mr. Volker Lemke shall therefore be elected to the Supervisory Board of the Company.

The Supervisory Board therefore proposes that the following resolution be adopted:

Mr. Volker Lemke, member of the Management Board of Elbstein AG and resident in Schenefeld, is elected as a member of the Supervisory Board from the end of the Annual General Meeting 2021 until the end of the Annual General Meeting which resolves on the discharge of the Supervisory Board for the financial year 2021.

Mr. Volker Lemke is Chairman of the Supervisory Board of BauFinanzwerk AG, Grünwald. Beyond this, he is not a member of any supervisory board or comparable domestic or foreign supervisory bodies of commercial enterprises.

Mr. Volker Lemke is a member of the Management Board of Elbstein AG, which holds around 11.4 % of the Company's share capital. Beyond this, there are no personal or business relationships with the company, the company's executive bodies or any shareholder with a material interest in the company.

Attached below is the resume of the candidate proposed for election:

1991	Diplom-Finanzwirt (FH Hamburg)
1991-1992	Lehndorff Asset Management, Hamburg
1993	Law firm Breidhardt, Eschke, Hamburg
1996	Tax consultant exam
1999-2001	HBAG Real Estate AG, Hamburg, CFO

2002-2004 Deutsche Real Estate AG, Berlin, CFO  
2005-2006 Self-employed activity  
2007-2011 Colonia Real Estate AG, Cologne, CFO  
2012-2014 Self-employed activity  
Since 2014 Member of the Management Board of Elbstein AG

## **6. resolution on the approval of the remuneration system for the members of the Management Board**

The Act Implementing the Second Shareholders' Rights Directive (ARUG II) introduced a new Section 120a of the German Stock Corporation Act. Section 120a (1) of the German Stock Corporation Act provides that the Annual General Meeting of listed companies shall resolve on the approval of the remuneration system for the members of the Executive Board presented by the Supervisory Board whenever there is a material change, but at least every four years. Pursuant to Section 120a (1) sentence 2 AktG, the resolution does not create any rights or obligations, but is of a recommendatory nature.

The Supervisory Board has reviewed the remuneration system for the members of the Management Board and, where necessary, revised it and adapted it to the requirements of the new Section 87a AktG. At its meeting on April 12, 2021, the Supervisory Board adopted a new remuneration system for the members of the Management Board, which is to apply from May 1, 2021. The remuneration system for the members of the Executive Board is described below in "**Section II. Remuneration system for the members of the Executive Board (Item 6 of the Agenda)**" and is available on the Company's website in the section "Investor Relations/Annual General Meetings" at the internet address <http://www.erwe-ag.com/investor-relations/hauptversammlungen/>.

The Supervisory Board proposes that a resolution be passed to approve the remuneration system for the members of the Executive Board set out below under Section II. and adopted by the Supervisory Board with effect from May 1, 2021.

## **7. resolution on the confirmation of the remuneration of the members of the Supervisory Board**

Section 113 (3) of the German Stock Corporation Act (AktG) was revised by the ARUG II. Pursuant to Section 113 (3) sentences 1 and 2 of the German Stock Corporation Act, the Annual General Meeting of listed companies must pass a resolution on the remuneration of the members of the Supervisory Board at least every four years, whereby a resolution confirming the remuneration is permissible.

The remuneration of the Company's Supervisory Board is governed by Article 13(1) of the Articles of Association and was approved by the Annual General Meeting on 12 July 2018 and adjusted in amount by the Annual General Meetings on 13 June 2019 and 16 June 2020. Section 13 (1) of the Company's Articles of Association reads as follows:

*"The members of the Supervisory Board receive remuneration of EUR 20,000 for each full financial year of membership of the Supervisory Board. The Chairman receives double this amount, the Deputy Chairman receives one and a half times this amount. The remuneration is payable after the end of the financial year. Members of the Supervisory Board who have not belonged to the Supervisory Board for a full financial year receive remuneration in accordance with the duration of their membership of the Supervisory Board. Membership of committees is not remunerated separately."*

In the opinion of the Management Board and the Supervisory Board, the remuneration for the members of the Supervisory Board set forth in Section 13 of the Company's Articles of Association is still appropriate and shall remain unchanged. The previous remuneration regulation also takes into account, in particular, recommendation G.17 and suggestion G.18 DCGK.

Pursuant to Section 113 (3) of the German Stock Corporation Act (AktG), the Executive Board and the Supervisory Board propose that the remuneration arrangements for the Supervisory Board in Section 13 of the Company's Articles of Association be confirmed.

## **II Remuneration system for the members of the Management Board (Item 6 of the Agenda)**

### **1 Principles and objective of the Executive Board remuneration system**

The remuneration system for the Board of Management defines the framework conditions according to which the remuneration of the members of the Board of Management of ERWE Immobilien AG ("**ERWE**") is determined by the Supervisory Board of ERWE. Subject to approval by the Annual General Meeting, this remuneration system applies to all Management Board employment contracts which are extended or newly concluded.

The Supervisory Board has prepared the remuneration system in accordance with the provisions of the German Stock Corporation Act as amended by the Act Implementing the Second Shareholders' Rights Directive (ARUG II). The recommendations for the remuneration system for Executive Board members in Section G of the German Corporate Governance Code as amended on 16 December 2019 ("**GCGC**") were also taken into account.

In structuring the remuneration system for members of the Management Board, the Supervisory Board was guided by the following principles:

- Compliance with the provisions of stock corporation law and the principles of good corporate governance
- Focus on performance-related remuneration based on clear and unambiguous criteria
- Alignment of variable remuneration with ERWE's business strategy
- Promoting sustainable and long-term development of ERWE
- Consideration of market practice and remuneration levels within the Group, where appropriate

ERWE's business strategy is to build up a sustainable portfolio of highly attractive commercial properties in preferred inner-city locations in Germany. Preferred locations are promising inner-city locations in major German cities and in exclusively "A" locations in smaller cities and municipalities. Properties are acquired whose potential for value appreciation can be exploited sustainably through new usage concepts, resulting in a high-yield, value-retaining portfolio with significantly rising income.

### **2 Procedure for determining the specific total compensation and for reviewing the Executive Board compensation system**

#### **2.1 Determination of remuneration levels**

Pursuant to Section 87 (1) of the German Stock Corporation Act (AktG), the Supervisory Board determines the total remuneration for each individual member of the Executive Board. In the event that the Supervisory Board wishes to consult an external compensation expert for its deliberations, the latter's independence must be ensured.

The Supervisory Board determines a target total remuneration for the members of the Management Board. In doing so, it ensures that this is commensurate with the tasks and performance of the respective member of the Management Board as well as with the situation of the company and does not exceed the usual remuneration without special reasons. In addition, the Supervisory Board ensures that the target total remuneration is geared towards the long-term and sustainable development of the company and that the long-term variable remuneration components have a multi-year assessment basis.

The share of long-term variable remuneration exceeds the share of short-term variable remuneration. The performance criteria relevant for the variable short-term remuneration components are determined by the Supervisory Board for each member of the Board of Management, whereby it is primarily guided by strategic objectives in addition to operational objectives. In doing so, the Supervisory Board determines the extent to which targets are authoritative individually and for all members of the Executive Board collectively. Subsequent changes to the target values or the comparison parameters are excluded. After the end of the financial year, the Supervisory Board determines the amount of the remuneration components to be paid out individually for the financial year depending on the achievement of targets. In doing so, the Supervisory Board ensures that the reason for and the amount of the Executive Board remuneration are comprehensible.

The Supervisory Board regularly reviews the appropriateness of the total remuneration. In this context, the Supervisory Board reviews the appropriateness and customary nature of the remuneration, also taking into account the remuneration structure within ERWE, insofar as this is reasonable in view of the small number of employees, and decides on any need for adjustment.

## 2.2 Review of the Executive Board remuneration system and handling of conflicts of interest

The Supervisory Board regularly reviews the applicable remuneration system and adjusts it as necessary or appropriate. If there is a change in the remuneration system, it is again submitted to the Annual General Meeting for approval. In the case of a remuneration system that has remained constant over time, it shall be submitted to the General Meeting no later than four years after the last approval of the system. If the Annual General Meeting refuses to approve a remuneration system, the Supervisory Board will prepare and adopt a new, adjusted remuneration system and submit it to the Annual General Meeting for approval.

The regulations of the German Stock Corporation Act (AktG) and the German Corporate Governance Code (DCGK) on the treatment of conflicts of interest for the members of the Supervisory Board are observed both in the course of the establishment and implementation of the remuneration system and in its ongoing review. If conflicts of interest exist, the members of the Supervisory Board concerned disclose them to the Chairman of the Supervisory Board and abstain from voting on the relevant matters. In addition, the Chairman of the Supervisory Board reports to ERWE's Annual General Meeting on any conflicts of interest that have arisen and how they have been dealt with. If the conflicts of interest are material and not merely temporary, they lead to a termination of the Supervisory Board mandate.

## **3 Total compensation, compensation structure and other compensation-related aspects**

### 3.1 Total compensation

The total remuneration of the Management Board consists of the following fixed and variable remuneration components:

#### (a) Annual fixed salary, benefits in kind and other benefits

The members of the Management Board receive a fixed annual salary for their work, which is paid in twelve equal monthly instalments and is based on the tasks of the respective Management Board member. The fixed annual salary takes into account the individual role of the Executive Board member within the Executive Board, experience, area of responsibility and market conditions. In the event of temporary incapacity to work due to illness, accident or another reason for which the respective Executive Board member is not responsible, the fixed annual salary continues to be paid for a maximum period of six months.

In addition to the fixed annual salary, the Company grants all members of the Executive Board other benefits, some of which are considered non-cash benefits and are taxed accordingly. For example, members of the Executive Board are provided with a company car for business and private use within the framework of a predefined budget or,

alternatively, with a corresponding lump-sum payment. The Company grants Executive Board members subsidies for statutory or private social insurance, up to a maximum of 50% of the respective maximum amounts for statutory pension, health and long-term care insurance, and bears the costs of accident insurance in the event of death or disability. In addition, individual Executive Board members also receive reimbursements or lump-sum payments for home travel and accommodation at the Company's headquarters. Finally, members of the Board of Management are also provided with the communication tools they need at home free of charge.

(b) Short-term variable remuneration

In addition to the fixed annual salary, the members of the Executive Board receive short-term variable remuneration in the form of an annual bonus (so-called Short Term Incentives, "**STI**"). Payment of the STI depends on the achievement of targets set by the Supervisory Board for each fiscal year and for each Executive Board member within the first quarter of each fiscal year, the achievement of which is reviewed as part of the audit and approval of the annual financial statements. If targets are exceeded, the STI can be up to 200% of the agreed STI. In addition to non-financial performance criteria such as environmental, employee or social concerns, financial performance criteria in particular are taken into account as part of these targets. These can essentially be divided into quantitative and qualitative criteria as well as into joint criteria, i.e. criteria that apply to all members of the Executive Board, and individual criteria, i.e. criteria that only apply to individual members of the Executive Board. The quantitative joint criteria essentially correspond to the financial performance indicators that the company also formulates for itself, i.e. adjusted EBIT, net asset value (NAV) and the loan-to-value (LTV) ratio. Qualitative individual aspects can be, for example, the occupancy rate of the portfolio properties, the conclusion of significant acquisitions or the successful implementation of capital and financing measures.

Linking the STI to these targets, in particular the aforementioned financial performance criteria, ensures that the members of the Executive Board consistently align their actions with the Company's business strategy and focus on the goal of sustainably building up a portfolio of highly attractive commercial properties. The respective individual targets take into account the special expertise and distribution of responsibilities within the Executive Board.

(c) Long-term variable remuneration

In addition, the members of the Board of Management may participate in a participation programme of the company in the form of virtual shares (so-called long-term incentives, "**LTI**"). Virtual shares are not actual shares in the company, but imaginary shares in the company, the value of which is determined by the price of the ERWE share in the XETRA trading system of the Frankfurt Stock Exchange and ultimately only represents a payment claim by the members of the Board of Management. In this way, the LTI serves to enable the members of the Board of Management to participate in future increases in the company's enterprise value and to implement an incentive-oriented remuneration system which is aligned to the interests of the shareholders. Conversely, however, if the Company's performance is poor, the Executive Board members also receive less money.

The LTI is structured in such a way that each Executive Board member can be allocated up to 200,000 virtual shares per year free of charge. The Supervisory Board determines the exact maximum number of virtual shares that can be allocated under a participation agreement for each member of the Executive Board when the participation agreement is concluded, which generally comprises an allocation over the term of the employment contract, which is usually at least three years (so-called **vesting period**; the current participation agreements, which were concluded prior to the resolution on the remuneration system, provide for allocations over a period of 48 months and a maximum number of 800,000 virtual shares in this period). The relevant cost price per virtual share, i.e. the share price on the basis of which the share price increase until exercise is measured ("**entry price**"), is determined once when the participation agreement is concluded. As a rule, the

entry price shall correspond to the volume-weighted average price of the Company's share in XETRA trading on the Frankfurt Stock Exchange over the ninety days preceding the respective effective date of the participation agreement, unless a different entry price is specified in the individual participation agreement.

Each member of the Management Board must earn the virtual shares promised in the participation agreement over the vesting period or 12-month partial periods. Provided that the relevant allocation requirements are met, after the first 12 months of the vesting period, the Executive Board member is allocated a first tranche of the maximum total number of virtual shares that can be allocated to him over the vesting period (for example, in the case of a vesting period of 48 months, this would be 25%; in the case of 36 months, 33%), after 24 months a further tranche, and so on until the end of the entire vesting period. The Supervisory Board may determine the individual allocation steps and tranches differently in the individual participation agreement if there are weighty reasons for doing so in view of special circumstances of the individual case. However, the vesting period of at least 36 months and the so-called cliff of 12 months, i.e. the first allocation of virtual shares only after the expiry of 12 months, shall be maintained in any case.

The specific number of virtual shares to be allocated after the end of the respective 12-month subperiods and the entire vesting period is determined by the extent to which a share-based performance indicator defined by the Supervisory Board in the respective participation agreement with the Executive Board member has increased in a fiscal year (or a 12-month period deviating from the fiscal year) compared to the base value defined in the respective participation agreement for this period. The Supervisory Board sets corresponding growth targets for each fiscal year or 12-month period within the vesting period. The degree of target achievement determines the number of virtual shares to be allocated in each case.

The waiting period until all virtual shares promised in a participation agreement and allocated within the vesting period can be exercised is four years for each Executive Board member (even if the vesting period is shorter). No partial exercise is possible before that time. Thereafter, exercise is possible in each case within three weeks after publication of a financial report of the company (i.e. a three-month, half-year, nine-month report or annual financial statements) for all or part of the allocated virtual shares. The amount to be paid to the member of the Board of Management for each virtual share exercised corresponds to the volume-weighted average price of the ERWE share in XETRA trading on the Frankfurt Stock Exchange during the last 90 days prior to the exercise request, less the entry price. There is no payment obligation on the part of the member of the Board of Management.

The participation program contains so-called leaver provisions in the event of termination of the employment relationship. If the employment relationship ends, for example, due to the passage of time, termination by the company that is not based on the Board member's reprehensible conduct, or death or incapacity to work, the Board member, as a so-called *good leaver*, retains the virtual shares already allocated to him. If, on the other hand, the employment relationship ends due to a termination by the company that is based on the Board member's reprehensible conduct (so-called *bad leaver*), the virtual shares already allocated are forfeited without replacement.

The choice of the ERWE share price in the XETRA trading system of the Frankfurt Stock Exchange as the measure of value for the virtual shares and the definition of growth-oriented performance indicators as a condition for allocation ensure that the members of the Board of Management base their actions on the long-term value development and sustainable profitability of the company. It cannot be ruled out that the stock market price may also be temporarily influenced by factors that have no relation to the true enterprise value of the Company, such as changes in the overall economic environment or price speculation. In an efficient market such as the XETRA trading system, however, the stock exchange price is determined in the long term by the relevant company-related value factors and is therefore a good indicator of the long-term performance of the Company.

### 3.2 Compensation structure



The remuneration structure, i.e. the relative shares of the individual remuneration components in the target total remuneration, shall be designed in such a way that the variable remuneration components exceed the (partial) sum of the annual fixed salary, remuneration in kind and other benefits, and that the LTI exceeds the STI. This ensures that the target total remuneration is aligned with the sustainable and long-term development of the Company in accordance with the performance criteria set out in section 3.1(b) and the Company's share price.

The target total remuneration of the Executive Board members is defined as the sum of the fixed annual salary, remuneration in kind, other benefits, STI and LTI. The fixed annual salary represents around 40% of the target total remuneration. The STI accounts for around 25% and the LTI for around 28% of the target total remuneration. Remuneration in kind accounts for around 6% and other benefits for around 1% of the target total remuneration.

### 3.3 Maximum remuneration of the Management Board and vertical remuneration comparison

The maximum remuneration per Executive Board member for each fiscal year is €600,000. This maximum remuneration limits the payments of all remuneration components granted for a financial year (annual fixed salary, benefits in kind, other benefits, as well as STI and LTI), regardless of when they are paid out.

A vertical compensation comparison is currently not yet carried out. However, the Supervisory Board aims to include the remuneration of senior employees and executives in the remuneration of the Executive Board in the future. Participation in the LTI participation program is already possible for senior employees and executives.

### 3.4 Possibility for the company to reclaim variable remuneration components

Pursuant to Section 87 (2) of the German Stock Corporation Act, the Supervisory Board is entitled to reduce the remuneration to an appropriate level with effect for the future or to change the remuneration structure and the form of the individual remuneration components in order to ensure appropriate remuneration. In doing so, the situation of the company and its affiliated companies must be taken into account.

In addition to the relevant statutory regulations, according to which the Supervisory Board is obliged to minimise financial damage to the company in the event of conduct in breach of duty by members of the Board of Management and to claim damages from the members of the Board of Management in this respect, the following so-called clawback regulation exists for members of ERWE's Board of Management: the Supervisory Board has the option of partially reclaiming payments from the LTI from the members of the Board of Management if it transpires that the company has suffered damage as a result of a business transaction which is based on a breach of duty by the member of the Board of Management concerned. The claim for repayment expires at the end of the third year in which the Supervisory Board has resolved the claim for repayment.

## 4 Remuneration-related legal transactions

### 4.1 Contract periods, order durations

When appointing members of the Management Board and the duration of Management Board contracts, the Supervisory Board observes the provisions of Section 84 of the German Stock Corporation Act (AktG) and the German Corporate Governance Code. The initial appointment of Management Board members is for a maximum of three years; in the case of reappointments or an extension of the term of office, the maximum duration of five years is not exceeded. In deviation from recommendation B.5 of the GCGC, the Supervisory Board has not set an age limit for members of the Management Board, as the Supervisory Board is of the opinion that reaching an age limit does not allow conclusions to be drawn about the competence of a Management Board member.

### 4.2 Termination and notice periods as well as promises of compensation for dismissal

Neither party has the right to terminate the employment contracts for cause. This does not affect the right to terminate the employment contract for good cause pursuant to Section 626 (1) BGB.

Furthermore, in the event of a change of control, the members of the Management Board may terminate their employment contract and resign from office with three months' notice to the end of the month. In the event of termination of the employment contract due to a change of control, the Executive Board member is entitled to a severance payment of up to two years' salary.

#### 4.3 Main features of the pension and early retirement schemes

There are currently no special contractual pension or early retirement arrangements.

### III Further information on the convening and conduct of the Annual General Meeting

#### 1. holding of the general meeting as a virtual general meeting without the physical presence of the shareholders and their proxies; internet service

With the consent of the Supervisory Board of the Company, the Annual General Meeting will be held as a virtual Annual General Meeting without the physical presence of the shareholders and their proxies (with the exception of the proxies appointed by the Company) in accordance with section 1 para. 1 and para. 2 of the Act on Measures in Corporate, Cooperative, Association, Foundation and Condominium Law to Mitigate the Effects of the COVID 19 Pandemic (Art. 2 of the Act on Mitigating the Effects of the COVID 19 Pandemic in Civil, Insolvency and Criminal Procedure Law of 27 March 2020, Federal Law Gazette 2020 I No. 14, p. 569 et seq, last amended by Art. 11 of the Act on the Further Shortening of the Residual Debt Relief Proceedings and on the Adjustment of Pandemic-Related Provisions in the Law on Companies, Cooperatives, Associations and Foundations as well as in the Law on Tenancies and Patents of 22 December 2020, Federal Law Gazette I 2020, p. 3328, hereinafter also referred to as the "**COVID-19 Act**").

The entire Annual General Meeting to be held at the Company's offices will be published for this purpose on **25 May 2021 from 10:00 a.m. (CEST) on the** Company's website in the section "Investor Relations/Annual General Meetings" at the internet address

<http://www.erwe-ag.com/investor-relations/hauptversammlungen/>

broadcast live in picture and sound.

Only those shareholders who have duly registered as described below (see section 2 "Exercising shareholders' rights at the virtual Annual General Meeting") will be able to follow the video and audio transmission of the entire Annual General Meeting via the Company's Internet service. In addition, shareholders may exercise their voting rights in person or through duly authorized proxies by electronic absentee voting or by authorizing a proxy appointed by the Company, as well as ask questions and declare an objection to resolutions of the Annual General Meeting via the Company's Internet Service.

It is not possible to exercise shareholder rights beyond this in the virtual Annual General Meeting. In particular, shareholders and their proxies, with the exception of the proxies appointed by the Company and bound by instructions, are not permitted to participate on site. The transmission of the Annual General Meeting in picture and sound as well as the granting of the voting right and the possibility to ask questions and to object also do not entitle the shareholders and shareholder representatives to participate in the Annual General Meeting by way of electronic communication within the meaning of Section 118 (1) sentence 2 AktG (no electronic participation).

The Internet service is available on the Company's website in the section "Investor Relations/Annual General Meetings" at the Internet address

<http://www.erwe-ag.com/investor-relations/hauptversammlungen/>

will be accessible to duly registered shareholders and their proxies from **0:00 a.m. (CEST) on May 4, 2021**. In order to be able to use the Company's internet service, they must log in with the access code and password they receive with their AGM ticket for the Company's internet service. The various options for exercising shareholders' rights in relation to the virtual AGM will then appear on the user interface in the Company's Internet Service.

## 2. exercise of shareholders' rights in the virtual general meeting of shareholders

### ***Registration and receipt of the HV ticket for the Internet service***

Only those shareholders who have registered by **May 18, 2021, 24:00 hours (CEST)**, at the following address are entitled to exercise their shareholder rights at the Virtual General Meeting, in particular their voting rights.

**ERWE Real Estate AG  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 Munich  
Fax: +49 89 889690633  
Email: [anmeldung@better-orange.de](mailto:anmeldung@better-orange.de)**

have registered and provided the proof prepared by their ultimate intermediary pursuant to section 67c (3) AktG that they were shareholders of the Company on **4 May 2021, 0:00 hours (CEST)** (Record Date). The registration and the proof of shareholding must be in text form (Section 126b BGB) and must be in German or English. The date of receipt of the registration by the Company is decisive for compliance with the registration deadline.

After proper receipt of the registration and the special proof of share ownership by the Company, the shareholders will be sent - instead of the conventional admission tickets - AGM tickets for the Company's Internet service with personal access data (access code and password) for exercising the shareholder rights in relation to the virtual AGM.

### ***Significance of the record date***

The record date is the decisive date for the exercise of shareholder rights in relation to the virtual general meeting. In relation to the Company, only those shareholders who were shareholders of the Company on the Record Date and have provided proof thereof in due time shall be deemed shareholders for the purpose of exercising shareholder rights, in particular voting rights, with respect to the virtual General Meeting. Changes in the shareholding after this date are of no significance in this respect. Shareholders who have acquired their shares after the record date can therefore only exercise their shareholder rights with regard to the virtual General Meeting if they have been authorized to do so by the seller. Shareholders who have duly registered and provided proof are also entitled to exercise their shareholder rights in relation to the virtual general meeting if they sell the shares after the record date. The record date has no effect on the saleability of the shares and is not a relevant date for any dividend entitlement.

### ***Procedure for voting by electronic absentee ballot***

Shareholders may cast their votes by way of electronic absentee voting. Proper registration is required for this (see section 2 "Exercising shareholders' rights at the virtual Annual General Meeting"). Voting by electronic absentee ballot can be made on the Company's website in the section "Investor Relations/Annual General Meetings" at the Internet address

<http://www.erwe-ag.com/investor-relations/hauptversammlungen/>

take place. This is possible from **4 May 2021, 0:00 hours (CEST)** until the start of voting in the virtual Annual General Meeting. Until the start of voting, a vote cast using the absentee ballot form or via the internet service of the Company can also be changed or revoked.

If no explicit or unequivocal vote is cast on an agenda item during the electronic postal vote, this will be counted as an abstention for this agenda item. If an individual vote is held on an agenda item without this having been communicated in advance of the Annual General Meeting, a vote cast on this agenda item as a whole shall also be deemed to be a corresponding vote for each item of the individual vote.

### ***Procedure for voting by proxy***

Shareholders may also have their shareholder rights exercised in relation to the virtual general meeting by a proxy, e.g. an intermediary, a shareholders' association or another person of their choice. If the shareholder authorizes more than one person, the Company may reject one or more of them.

The granting of the power of attorney, its revocation and the proof of authorization vis-à-vis the Company must be made in text form (Section 126b BGB) or must be submitted using the input mask on the Company's website in the section "Investor Relations/Annual General Meetings" at the Internet address

<http://www.erwe-ag.com/investor-relations/hauptversammlungen/>

be made by proxy. Intermediaries within the meaning of Section 67a (4) AktG, shareholders' associations, proxy advisors or other persons within the meaning of Section 135 (8) AktG may, to the extent that they are themselves authorized, provide for deviating regulations, which must be enquired about with them in each case. However, pursuant to section 135 (7) AktG, a violation of these and certain other requirements set forth in section 135 AktG for the authorization of an intermediary within the meaning of section 67a (4) AktG, a shareholders' association, a voting rights advisor or another person within the meaning of section 135 (8) AktG does not impair the effectiveness of the vote.

Proxies may also not participate in the Annual General Meeting either physically or by way of electronic communication within the meaning of Section 118 (1) sentence 2 AktG. They may only exercise the voting right for shareholders represented by them by way of postal vote or by granting (sub)power of attorney to the proxies appointed by the Company who are bound by instructions.

A form for granting a proxy is printed on the AGM ticket for the Company's Internet service, which will be sent to shareholders after they have registered in due form and time as described above. The form for granting a proxy is also available on the Company's website in the section "Investor Relations/Annual General Meetings" at the Internet address

<http://www.erwe-ag.com/investor-relations/hauptversammlungen/>

ready for download.

The authorization may be declared vis-à-vis the proxy or declared or proven vis-à-vis the Company. The granting of the proxy, its revocation and the proof of a proxy granted to an authorized representative or its revocation vis-à-vis the Company must be received by the Company in one of the following ways for organizational reasons no later than the end of **24 May 2021, 24:00 hours (CEST)**:

**ERWE Real Estate AG  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 Munich  
Fax: +49 89 889690655  
Email: [erwe@better-orange.de](mailto:erwe@better-orange.de)**

The granting and revocation of the proxy can also be made using the input mask on the Company's website in the "Investor Relations/Annual General Meetings" section at the Internet address

<http://www.erwe-ag.com/investor-relations/hauptversammlungen/>

until the start of voting in the virtual Annual General Meeting. Until the start of voting, it is also possible to revoke or amend a proxy previously sent in text form (Section 126b BGB) or issued via the Internet service.

The exercise of shareholder rights in the virtual Annual General Meeting via the Company's Internet service by the proxy requires that the proxy receives his or her own password from the shareholder. The use of the access data by the proxy is also deemed to be proof of authorization; further proof of authorization to the Company in text form is not required.

Even in the case of granting a proxy, registration and proof of share ownership are required in due form and time in accordance with the above provisions. This does not preclude - subject to the aforementioned deadline for granting a proxy - the granting of proxies after registration and proof of share ownership.

### ***Representation by proxies appointed by the Company***

We offer our shareholders the option of being represented by proxies appointed by the Company who exercise the voting right exclusively in accordance with the instructions of the respective shareholder. In addition to the power of attorney, these company-nominated proxies must also be given instructions on how to exercise voting rights. They do not exercise the voting right at their own discretion, but exclusively on the basis of the instructions issued by the shareholder. If no explicit instructions have been issued, or if the instructions are contradictory or unclear, the proxies appointed by the Company will abstain from voting on the relevant resolution items; this also always applies to unforeseen motions. If an individual vote is to be held on an agenda item without this having been communicated in advance of the Annual General Meeting, an instruction on this agenda item as a whole shall also be deemed to be a corresponding instruction for each item on the individual vote. Please note that the proxies appointed by the Company will not accept instructions to speak, ask questions or propose motions or make statements for the record, either in advance of the Annual General Meeting or during the Annual General Meeting, and - with the exception of exercising voting rights - will not exercise any other shareholder rights.

The power of attorney to the proxies appointed by the Company, as well as the issuance of instructions, must be in text form (Section 126b of the German Civil Code (BGB)) or must be submitted using the input mask on the Company's website in the section "Investor Relations/Annual General Meetings" under the Internet address

<http://www.erwe-ag.com/investor-relations/hauptversammlungen/>

to be made in writing. The same applies to the amendment or revocation of the proxy or the instructions. The proxy and instruction form for the Company's proxies with the corresponding explanations is printed on the AGM ticket for the Company's Internet service, which is sent to shareholders after they have registered in due form and time as described above. These documents are also available on the Company's website in the section "Investor Relations/Annual General Meetings" at the Internet address

<http://www.erwe-ag.com/investor-relations/hauptversammlungen/>

ready for download.

The granting of proxy to the proxies appointed by the Company, the issuing of instructions and their revocation must be transmitted to the Company by one of the following means for organisational reasons no later than **24 May 2021, 24:00 hours (CEST)**:

**ERWE Real Estate AG**  
**c/o Better Orange IR & HV AG**  
**Haidelweg 48**  
**81241 Munich**  
**Fax: +49 89 889690655**  
**Email: [erwe@better-orange.de](mailto:erwe@better-orange.de)**

The granting of the power of attorney for the exercise of voting rights together with instructions to the proxies appointed by the Company and its revocation are also possible using the input mask

on the Company's website in the section "Investor Relations/Annual General Meetings" at the Internet address

<http://www.erwe-ag.com/investor-relations/hauptversammlungen/>

until the start of voting in the virtual Annual General Meeting. For this purpose, the Company's Internet Service provides the button "Issue power of attorney and instructions to the proxies". Until this point in time, it is also possible to revoke or amend a power of attorney with instructions to the proxies of the Company previously sent in text form (Section 126b BGB) or issued via the Internet service of the Company.

If proxies appointed by the Company and bound by instructions are authorized, they must in any case be given instructions on how to exercise the voting right. Without these instructions, the proxy is invalid. Even if proxies appointed by the Company are authorized, registration and proof of share ownership must be provided in due form and time in accordance with the above provisions.

***Shareholders' right to ask questions pursuant to section 1 para. 2 sentence 1 no. 3, sentence 2 COVID-19 Act; no shareholders' right to information pursuant to section 131 AktG***

Duly registered shareholders have the right to ask questions by way of electronic communication (Section 1 (2) sentence 1 no. 3 of the COVID 19 Act).

For organizational reasons, questions must be submitted no later than **May 23, 2021, 24:00 hours (CEST)** via the input mask provided beforehand on the Company's website in the section "Investor Relations/Annual General Meetings" at the Internet address

<http://www.erwe-ag.com/investor-relations/hauptversammlungen/>

to be submitted. Questions submitted by other means or later will be disregarded.

In deviation from Section 131 AktG, the Management Board shall decide at its own dutiful discretion how to answer the questions. In doing so, the Management Board may summarize answers. Only questions in German will be considered. The Management Board also reserves the right to answer questions in advance on the Company's website. Any queries regarding the information provided by the Management Board are excluded.

In addition, shareholders have neither the right to information pursuant to Section 131 AktG nor the right to speak or ask questions in and during the virtual Annual General Meeting.

***Declaration of objections to resolutions of the Annual General Meeting pursuant to § 1 para. 2 sentence 1 no. 4 COVID-19 Act***

From the beginning of the virtual Annual General Meeting until its end, shareholders who have duly registered can use the Company's Internet service in deviation from section 245 no. 1 of the German Stock Corporation Act (AktG), waiving the requirement to appear at the Annual General Meeting, on the Company's website in the section "Investor Relations/Annual General Meetings" at the Internet address

<http://www.erwe-ag.com/investor-relations/hauptversammlungen/>

declare their objection to resolutions of the Annual General Meeting in writing if they exercise or have exercised their voting rights in accordance with the above provisions. The "Objection to Resolutions of the Annual General Meeting" button is provided for this purpose in the Company's Internet Service.

**3. shareholders' rights pursuant to sections 122 (2), 126 (1) and 127 of the AktG**

### ***call for amendments***

Shareholders who together account for one-twentieth of the Company's share capital or the pro rata amount of EUR 500,000 may request the Company to place items on the agenda and publish them in accordance with section 122 (2) of the AktG. request must be received by the Company in writing by **24:00 (CEST) on 24 April 2021** at the latest. Please address a corresponding request to:

**ERWE Real Estate AG  
Herriot Street 1  
60528 Frankfurt am Main**

Applicants must prove that they have held the shares for at least 90 days prior to the date of receipt of the request and that they will hold the shares until the Management Board has decided on the request. Section 70 AktG applies to the calculation of the shareholding period.

Additions to the agenda that are to be announced will be published in the Federal Gazette immediately after receipt of the request and forwarded for publication to those media that can be expected to disseminate the information throughout the European Union. They will also be published on the Company's website (<http://www.erwe-ag.com> in the section "Investor Relations/Annual General Meetings").

Any admissible motion for a resolution submitted with the duly made request for a supplement shall be treated in the virtual general meeting as if it had been submitted again in the general meeting if the shareholder submitting the motion has duly registered for the virtual general meeting.

### ***Counter motions and election proposals***

Pursuant to Sections 126, 127 of the German Stock Corporation Act (AktG), shareholders may submit counter motions to the proposals of the Executive Board and/or the Supervisory Board and make nominations for election. This also applies to proposals for the election of Supervisory Board members. Counter motions, including any statement of grounds, as well as election proposals by shareholders are to be sent exclusively to the following address:

**ERWE Real Estate AG  
Herriot Street 1  
60528 Frankfurt am Main**

Proper counter motions and election proposals received by the Company by **May 10, 2021, 24:00 hours (CEST)** will be published on the Company's website in the section "Investor Relations/Annual General Meetings" at the internet address

<http://www.erwe-ag.com/investor-relations/hauptversammlungen/>

including the name of the shareholder, any statement of reasons and any statement of the Company's management.

Motions or election proposals by shareholders which are to be made accessible pursuant to Sections 126, 127 AktG in conjunction with. Section 1 (2) sentence 2 of the Covid 19 Act shall be deemed to have been made at the Annual General Meeting if the shareholder making the motion or submitting the election proposal is duly authorized and registered for the Annual General Meeting.

#### **4. further information and notices in relation to the virtual general meeting**

***Documents for shareholders and publication on the website pursuant to section 124a AktG***



This invitation to the Annual General Meeting, the documents and motions of shareholders to be made available as well as further information, in particular on exercising voting rights and issuing proxies and instructions, are also available on the Company's website in the section "Investor Relations/Annual General Meetings" at the Internet address

<http://www.erwe-ag.com/investor-relations/hauptversammlungen/>

available on the website. The established voting results are also published there.

***Total number of shares and voting rights***

At the time the Annual General Meeting is convened, the Company's share capital is divided into 16,562,922 no-par value shares. Each share grants one vote. At the time the Annual General Meeting is convened, the Company does not hold any treasury shares, so that the total number of shares with participation and voting rights is 16,562,922.

***Notes on data protection***

If you register for the Annual General Meeting or grant a proxy, we collect personal data about you and/or your proxy. This is done to enable shareholders to exercise their rights at the virtual Annual General Meeting.

ERWE Immobilien AG processes your data as the responsible party in compliance with the provisions of the EU General Data Protection Regulation (DSGVO) and all other applicable laws. Details on the handling of your personal data and your rights under the DSGVO can be found on the Company's website in the "Investor Relations/Annual General Meetings" section at the Internet address <http://www.erwe-ag.com/investor-relations/hauptversammlungen/>.

Frankfurt am Main, April 2021

ERWE Real Estate AG  
The Board of Directors