

INVITATION
GENERAL MEETING 2021
PNE AG

SUSTAINABLY GOOD

PNE
pure new energy

Information pursuant to Section 125 (2) German Stock Corporation Act (AktG) in conjunction with Section 125 (5) AktG, Article 4 (1) and Table 3 of the Annex to Implementing Regulation (EU) 2018/1212

Type of Information	Description
A. Specification of the message	
1. Unique identifier of the event	Convocation of the Annual General Meeting on May 19, 2021 Format pursuant to Implementing Regulation (EU) 2018/1212: PNEoHV20210519
2. Type of message	Convocation of the Annual General Meeting Format pursuant to Implementing Regulation (EU) 2018/1212: NEWM
B. Specification of the issuer	
1. ISIN	DE000A0JBPG2
2. Name of issuer	PNE AG
C. Specification of the meeting	
1. Date of the General Meeting	May 19, 2021 Format pursuant to Implementing Regulation (EU) 2018/1212: 20210519
2. Time of the General Meeting	10:00 hours (CEST) Format pursuant to Implementing Regulation (EU) 2018/1212: 8:00 UTC

Type of Information	Description
3. Type of General Meeting	Annual General Meeting as a virtual event without the physical presence of shareholders or their proxies Format pursuant to Implementing Regulation (EU) 2018/1212: GMET
4. Location of the General Meeting	Location of the General Meeting as defined by the German Stock Corporation Act: Peter-Henlein-Str. 2-4, 27472 Cuxhaven. URL to the GM online-service as virtual venue: https://ir.pne-ag.com/hv
5. Record Date	The shareholding entered in the stock register on the day of the General Meeting is the decisive criterion for exercising participation and voting rights. For organisational reasons, applications for changes to the stock register that are received by the company after May 12, 2021, midnight (CEST)/22:00 UTC will not be registered in the share register up to and including the day of the General Meeting (registration stop). The technical record date is therefore May 12, 2021, midnight (CEST). Format pursuant to Implementing Regulation (EU) 2018/1212: 20210512
6. Uniform Resource Locator (URL)	https://ir.pne-ag.com/hv

PNE AG

Cuxhaven

– WKN A0JBPG – / – ISIN DE 000 A0J BPG 2 –

Invitation to the Annual General Meeting

Dear shareholders,

We hereby invite you to

the virtual Annual General Meeting to be held without the shareholders or their proxies being physically present

which will take place on Wednesday, May 19, 2021 at 10:00 hours (CEST). For shareholders of PNE AG, the virtual General Meeting will be broadcast live on the Internet. The shareholders will exercise their voting rights exclusively by postal vote or by issuing powers of attorney to the Company-appointed proxies (*Stimmrechtsvertreter*). The venue of the General Meeting within the meaning of the German Stock Corporation Act (*Aktiengesetz*) is Peter-Henlein-Str. 2-4, 27472 Cuxhaven, Germany.

Agenda

1. **Presentation of the adopted annual financial statements of PNE AG as of December 31, 2020, the approved consolidated financial statements as of December 31, 2020, the combined management report for PNE AG and the Group as well as the Supervisory Board's report for the fiscal year 2020**

The Supervisory Board has approved the annual financial statements and the consolidated financial statements, each as prepared by the Board of Management; therefore, the annual financial statements are deemed adopted pursuant to Section 172 sentence 1 of the German Stock Corporation Act. A resolution by the General Meeting is therefore not required. The above-referenced documents will be explained in more detail in the General Meeting.

2. **Resolution on the appropriation of the retained profit for the fiscal year 2020**

The Board of Management and the Supervisory Board propose that the retained profit for the fiscal year 2020 disclosed in the adopted annual financial statements of PNE AG and amounting to EUR 153,027,989.70 be appropriated as follows:

Distribution of a dividend of EUR 0.04 for each no-par value share entitled to dividend;

with 76,336,531 no-par value shares entitled to dividend,

this results in EUR 3,053,461.24

Balance to be carried forward EUR 149,974,528.46

Retained profit EUR 153,027,989.70

In the amounts stated for the distribution of profit and the profit carried forward, the number of no-par value shares entitled to dividend for the past fiscal year (76,336,531) at the time the proposal for the appropriation of profits is made by the Board of Management and the Supervisory Board has been taken into account. In the event that the number of the no-par value shares entitled to dividend for the past fiscal year changes until the General Meeting, an adjusted resolution proposal that provides for an unchanged dividend of EUR 0.04 for each no-par value share entitled to dividend and for profit carried forward that is adjusted accordingly will be put to the vote in the General Meeting.

In accordance with Section 58 (4) sentence 2 of the German Stock Corporation Act, the dividend entitlement falls due for payment and will be paid on the third business day following the date of the resolution of the General Meeting, i.e., on May 25, 2021.

3. Resolution on the ratification of the actions of the members of the Board of Management for the fiscal year 2020

The Board of Management and the Supervisory Board propose that the actions of each of the following members of the Board of Management, who were in office in the fiscal year 2020, be ratified for their respective term of office:

- a) Markus Lesser

- b) Jörg Klowat

A separate vote is intended to be held on the ratification of the actions of the individual members of the Board of Management (ratification of the actions of each individual member).

4. Resolution on the ratification of the actions of the members of the Supervisory Board for the fiscal year 2020

The Board of Management and the Supervisory Board propose that the actions of each of the following members of the Supervisory Board, who were in office in the fiscal year 2020, be ratified for their respective term of office during the fiscal year 2020:

- a) Per Hornung Pedersen
- b) Dr. Jens Kruse
- c) Marcel Egger
- d) Andreas Rohardt
- e) Florian Schuhbauer
- f) Dr. Susanna Zapreva
- g) Christoph Oppenauer
- h) Alberto Donzelli

A separate vote is intended to be held on the ratification of the actions of the individual members of the Supervisory Board (ratification of the actions of each individual member).

5. Appointment of the auditor for the annual financial statements and the consolidated financial statements for the fiscal year 2021

Based on the recommendation of the Audit Committee, the Supervisory Board proposes that the auditing company Deloitte GmbH Wirtschaftsprüfungsgesellschaft, based in Hamburg, be appointed as auditor and group auditor for the fiscal year 2021.

The Audit Committee stated that its recommendation has not been improperly influenced by third parties and that no clause restricting the choice as regards the appointment of a particular statutory auditor or audit firm within the meaning of Article 16 (6) of Regulation (EU) No 537/2014 of April 16, 2014 ("EU Audit Regulation") has been imposed upon it.

6. Appointment of the auditor for the audit review of interim financial statements and reports for the fiscal year 2021 and the first quarter of the fiscal year 2022

Based on the recommendation of the Audit Committee, the Supervisory Board proposes that the auditing company Deloitte GmbH Wirtschaftsprüfungsgesellschaft, based in Hamburg, be appointed as auditor for any audit review of interim (condensed) financial statements and interim management reports for the fiscal year 2021 and the first quarter of the fiscal year 2022.

The Audit Committee stated that its recommendation has not been improperly influenced by third parties and that no clause restricting the choice as regards the appointment of a particular statutory auditor or audit firm within the meaning of Article 16 (6) of Regulation (EU) No 537/2014 of April 16, 2014 ("EU Audit Regulation") has been imposed upon it.

7. Election of three Supervisory Board members

The term of office of the acting members of the Supervisory Board Per Hornung Pedersen, Alberto Donzelli and Dr. Susanna Zapreva ends at the end of the General Meeting held on May 19, 2021. As a consequence, new members of the Supervisory Board are to be elected.

In accordance with Sections 96 (1), 101 (1) sentence 1 of the German Stock Corporation Act as well as § 8 (1) sentence 1 and (2) of the Articles of Association, as amended, the Supervisory Board of PNE AG consists of six members who are elected by the General Meeting. In accordance with § 8 (2) sentence 1 of the Articles of Association, the members of the Supervisory Board are elected for the period until the end of the Annual General Meeting which resolves on the ratification of the actions for the fourth fiscal year after the beginning of the term of the Supervisory Board member. The fiscal year in which the term of office commenced is not included in this calculation. The Articles of Association do not provide for the possibility to determine shorter terms of office.

Based on the recommendations of the Nomination Committee, the Supervisory Board proposes to elect the following persons as members of the Supervisory Board, in each case with effect from the end of the General Meeting on May 19, 2021 until the end of the Annual General Meeting which resolves on the ratification of the actions of the members of the Supervisory Board for the fiscal year 2025:

- a) Per Hornung Pedersen, independent business consultant in the field of renewable energies, resident in Hamburg, Germany.
- b) Alberto Donzelli, Executive Director/Managing Director at Morgan Stanley Infrastructure Partners, resident in London, United Kingdom.
- c) Dr. Susanna Zapreva, CEO of enercity AG, resident in Hanover, Germany.

Memberships of the candidates proposed for election in other legally required supervisory boards and in comparable domestic and foreign controlling bodies of commercial enterprises (Section 125 (1) sentence 5 of the German Stock Corporation Act):

Per Hornung Pedersen

Memberships in other legally required supervisory boards:

- none

Memberships in comparable German and foreign controlling bodies of commercial enterprises:

- Board of Directors, Sea Tower AS, Oslo, Norway (not listed)
- Board of Directors, Suzlon Energy Ltd., Mumbai, India (listed)
- Board of Directors, Swire Energy Services Ltd., London, United Kingdom (not listed)

Alberto Donzelli

Memberships in other legally required supervisory boards:

- none

Memberships in comparable German and foreign controlling bodies of commercial enterprises:

- Board of Directors, Ital Gas Storage S.p.A., Milan, Italy (not listed)

- Board of Directors, Seven Seas Water Corporation, Tampa, Florida, USA (not listed)
- Board of Directors, AUC Group LLC (formerly Bluefin Water Solutions LLC), Delaware, USA
- Board of Directors, Marlin Water Solutions Company, Delaware, USA
- Board of Directors, Tarpon Water Solutions LTD, British Virgin Islands, USA
- Board of Directors, Yellowfin Water Solutions Company, Delaware, USA

Dr. Susanna Zapreva

Memberships in other legally required supervisory boards:

- enercity Netz GmbH, Hanover, Germany (group company of enercity AG)

Memberships on similar German and foreign controlling bodies of commercial enterprises:

- Supervisory Board, Stadtwerke Garbsen GmbH, Garbsen, Germany
- Supervisory Board, Stadtwerke Wunstorf GmbH & Co. KG, Wunstorf, Germany
- Shareholders' Committee, Thüga Holding GmbH & Co. KGaA, Munich, Germany

Per Hornung Pedersen declared that – in the event of his re-election to the Supervisory Board – he was willing to run again for the position of the Chairman of the Supervisory Board.

Information pursuant to recommendation C.13 of the German Corporate Governance Code (*Deutscher Corporate Governance Kodex*) regarding the personal and business relationships of the candidates with the enterprise, the governing bodies of the Company and any shareholders with a material interest in the Company:

- The Supervisory Board informs that Alberto Donzelli has been proposed for election as a member of the Supervisory Board at the recommendation of Photon Management GmbH. Photon Management GmbH holds a stake of approximately 40% in PNE AG and is thus the largest single shareholder of PNE AG. Mr. Donzelli is an employee of Morgan Stanley Infrastructure Partners. Photon Management GmbH belongs to Morgan Stanley Infrastructure Partners' investment platform.
- In all other regards, there are no personal or business relationships between the proposed candidates and PNE AG, its group companies or the executive bodies of PNE AG or a shareholder holding a material stake in the Company which, in the opinion of the Supervisory Board, an objectively judging shareholder would consider decisive for their election decision.

The Supervisory Board's election proposals take into account the target defined by the Supervisory Board for the proportion of women on the Supervisory Board and the Company's increasing international activities, potential conflicts of interest, industry and management experience and diversity, as well as the requirements set out in the Articles of Association and Rules of Procedures.

The Supervisory Board has satisfied itself that the proposed candidates will be able to devote the time expected to be necessary for exercising their mandate.

Reference is made to the CVs and overviews of the main functions performed by the proposed candidates besides the Supervisory Board mandate set out in the section entitled "CVs and overviews of the main functions performed by the proposed candidates for the Supervisory Board besides the Supervisory Board mandate (agenda item 7)" below.

Each Supervisory Board member is intended to be elected individually in a separate election.

8. Resolution on the approval of the remuneration system for the members of the Board of Management

Pursuant to Section 120a (1) of the German Stock Corporation Act in the version applicable pursuant to the German Act Implementing the Second Shareholder Rights Directive (*Gesetz zur Umsetzung der zweiten Aktionärsrechterichtlinie*) of December 12, 2019, the general meeting of a listed company must resolve at least once every four years on the approval of the remuneration system for the members of the board of management adopted by the supervisory board in accordance with the requirements of Section 87a of the German Stock Corporation Act. In accordance with the transitional provisions of the German Act Implementing the Second Shareholder Rights Directive, the Supervisory Board's first resolution on the remuneration system for the members of the Board of Management and the General Meeting's first resolution on its approval must be adopted by the end of the first Annual General Meeting that takes place after December 31, 2020.

On March 3, 2021, the Supervisory Board resolved on a remuneration system for the members of the Board of Management taking into consideration the requirements of Section 87a (1) of the German Stock Corporation Act. This remuneration system, which is described in the section entitled "Description of the remuneration system for the members of the Board of Management (agenda item 8)" below, will be presented to the Annual General Meeting for approval.

If the remuneration system is approved by resolution of the General Meeting, the resolution and the remuneration system will be published without undue delay on the Company's website and will be kept available to the public on that website free of charge for as long as the remuneration system is in effect, but for no less than ten years. If the General Meeting does not approve the remuneration system, the Supervisory Board must present a revised remuneration system for adoption by resolution at the next Annual General Meeting at the latest.

The Supervisory Board proposes – based on the recommendation of the Personnel Committee – that the remuneration system for the members of the Board of Management as adopted by the Supervisory Board on March 3, 2021, be approved.

9. Resolution on the confirmation of the Supervisory Board remuneration

The German Act Implementing the Second Shareholder Rights Directive also resulted in an adaptation of Section 113 (3) of the German Stock Corporation Act. In accordance with Section 113 (3) sentences 1 and 2 of the German Stock Corporation Act, the general meeting of a listed company must resolve on the approval of the remuneration of the members of the supervisory board at least once every four years; a resolution confirming the remuneration is permissible in this regard. The first resolution on the remuneration of the members of the Supervisory Board must be adopted by the end of the first Annual General Meeting that takes place after December 31, 2020.

The remuneration of the members of PNE AG's Supervisory Board is stipulated in § 11 of the Articles of Association. The text of § 11 of the Articles of Association and the information pursuant to Sections 113 (3) sentence 3, 87a (1) sentence 2 of the German Stock Corporation Act are set out in the section entitled "Description of the remuneration of the Supervisory Board members (agenda item 9)" below. In the Board of Management's and the Supervisory Board's opinion, the remuneration of the members of the Supervisory Board stipulated in § 11 of the Articles of Association is still reasonable and, in particular, in reasonable proportion to the tasks of the Supervisory Board members and the situation of the Company.

If the remuneration of the Supervisory Board members is approved by resolution of the General Meeting, the resolution and the remuneration will be published without undue delay on the Company's website and will be kept available to the public on that website free of charge for as long as the remuneration system is in effect, but for no less than ten years. If the General Meeting does not approve the remuneration system, a revised remuneration system for the Supervisory Board members must be presented for adoption by resolution at the next Annual General Meeting at the latest.

The Board of Management and Supervisory Board propose that the remuneration of PNE AG's Supervisory Board members, as stipulated in § 11 of the Articles of Association and described in the convening notice, be confirmed.

* * *

CVs and overviews of the main functions performed by the proposed candidates for the Supervisory Board besides the Supervisory Board mandate (agenda item 7)

Per Hornung Pedersen, resident in Hamburg

born in Copenhagen, Denmark, in 1953 (nationality: Danish)

since 2011 Independent business consultant in the field of renewable energies

2011 – 2013 Interim CEO, Pelamis Wave Power Ltd.

2007 – 2011 CEO, REpower Systems AG

2004 – 2007 Chairman of the Board of Directors, Suzlon Energy A/S

2000 – 2004 CFO, NEG Micon A/S

1997 – 2000 CFO, Bosch Telecom Danmark A/S

1991 – 1997 CFO, NEG Micon A/S

1982 – 1991 Group CFO, Rasmussen & Schiøtz A/S

1975 – 1982 Auditor, Arthur Andersen

Main functions besides the supervisory board mandate:

- Member of the Board of Directors, Sea Tower AS, Oslo, Norway (not listed)
- Member of the Board of Directors, Suzlon Energy Ltd., Mumbai, India (listed)
- Member of the Board of Directors, Swire Energy Services Ltd., London, United Kingdom (not listed)
- Senior Advisor, McKinsey & Company, Inc., Hamburg, Germany
- Senior Advisor, MCF Corporate Finance GmbH, Hamburg, Germany
- Senior Advisor, Atrium Partners A/S, Copenhagen, Denmark

Please see the details on memberships in other legally required supervisory boards and in comparable domestic and foreign controlling bodies of commercial enterprises under agenda item 7 of the Invitation to the General Meeting.

Alberto Donzelli, resident in London, United Kingdom

born in Milan, Italy, in 1975 (nationality: Italian)

since 2009	Executive Director/Managing Director, Morgan Stanley Infrastructure Partners, London, United Kingdom
2007 – 2009	Vice President, UBS, Power & Utilities Group, London, United Kingdom
2003 – 2006	Associate, Credit Suisse, Power & Utilities Group, London, United Kingdom
1999 – 2002	Analyst, Dresdner Kleinwort Wasserstein, Power & Utilities Group, London, United Kingdom
1994 – 1995	Graduated in Business Administration, Bocconi University, Milan, Italy
1989 – 1994	Matiruta' Classica (secondary school graduation certificate), Liceo Classico G. Pascoli, Gallarate, Italy

Main functions besides the supervisory board mandate:

- Asset Management Officer for Infrastructure Investments, Morgan Stanley Infrastructure Partners, London, United Kingdom
- Member of the Board of Directors, Ital Gas Storage S.p.A., Milan, Italy (not listed)
- Member of the Board of Directors, Seven Seas Water Corporation, Tampa, Florida, USA (not listed)

Please see the details on memberships in other legally required supervisory boards and in comparable domestic and foreign controlling bodies of commercial enterprises under agenda item 7 of the Invitation to the General Meeting.

Dr. Susanna Zapreva, resident in Hanover, Germany

born in Vienna, Austria, in 1973 (nationality: Austrian)

- 2016 – present CEO of enercity AG
- 2013 – 2013 Managing Director, Fernwärme Wien
- 2012 – 2016 Member of the Executive Board, Austrian Energy Agency
- 2011 – 2016 Member of the Board of Directors, Austrian Electrotechnical Association (Österreichischer Verband der Elektrotechniker, OVE)
- 2010 – 2016 Managing Director, WIEN ENERGIE GmbH
- 2009 – 2011 Managing Director, WIENSTROM GmbH; responsible for the production, distribution services and telecommunications
- 2002 – 2012 Business Administration Studies (degree: diploma) at the Vienna University of Economics and Business (Wirtschaftsuniversität Wien)
- 2001 – 2009 Holder of a general power of attorney (Prokuristin) of WIENSTROM GmbH; various executive functions
- 1997 – 2001 Self-employed consultant
- 1997 – 2001 University assistant at the institute for electrical systems at the Technical University of Vienna (TU Wien, Institut für Elektrische Anlagen)

- 1997 – 2000 Doctoral program: technical sciences at the Technical University of Vienna (TU Wien)
- 1992 – 1997 Studies in electrical engineering (degree: diploma) at the Technical University of Vienna (TU Wien)

Main functions besides the supervisory board mandate:

- CEO, enercity AG, Hanover, Germany (not listed)
- Member of the Supervisory Board, Stadtwerke Garbsen GmbH, Garbsen, Germany
- Member of the Supervisory Board, Stadtwerke Wunstorf GmbH & Co. KG, Wunstorf, Germany
- Member of the Supervisory Board, enercity Netz GmbH, Hanover, Germany
- Member of the Shareholders' Committee, Thüga Holding GmbH & Co. KGaA, Munich, Germany

Please see the details on memberships in other legally required supervisory boards and in comparable domestic and foreign controlling bodies of commercial enterprises under agenda item 7 of the Invitation to the General Meeting.

Description of the remuneration system for the members of the Board of Management (agenda item 8)

Bases, target definition and composition

The remuneration system for the Board of Management of PNE AG adopted by the Supervisory Board is to reasonably remunerate the Company's members of the Board of Management based on their scope of activities and responsibilities and to directly take into consideration the performance of each individual member of the Board of Management as well as the performance of the Company. In this context, the remuneration aims at setting incentives for a sustainable increase in the enterprise value and success-oriented business management and supporting the implementation of the corporate goals. The remuneration system for the members of the Board of Management thereby makes a substantive contribution to promoting PNE AG's business strategy. With this strategy the Company intends to become a sustainably successful, listed "Clean Energy Solutions Provider" and to cover, and provide services to, the entire renewable energy value chain and the processing of electricity at an international level.

In order to do so, the amount of the remuneration is based on various parameters, among other things, the size of PNE AG and of the PNE Group as a whole, the economic environment, the complexity of the activity of the Board of Management and the situation of the Company and of its subsidiaries as well as to the performance of the entire Board of Management and the experience and performance of each individual member of the Board of Management. In order to take these factors adequately into consideration, the remuneration policy is reviewed by the Supervisory Board on an ongoing basis.

The Board of Management's remuneration is composed as follows:

- a fixed remuneration, i.e., a fixed remuneration for the full year, that is paid in twelve equal instalments at the end of each month,

- a performance-based remuneration, i.e., compensation components, the payment of which depends on previously defined targets being achieved and the target achievement level, and which is divided into
 - o a performance-based remuneration with short-term targets, i.e., variable remuneration components that are linked to annual targets, and
 - o a performance-based remuneration with long-term targets for which the target achievement level is conclusively determined only after a period of three years, and
- remuneration in kind and fringe benefits, in particular an adequate level of D&O liability insurance and premiums for health/care/accident insurance, a company car and a mobile phone; these fringe benefits are granted to the individual members of the Board of Management regardless of performance targets and supplement the other remuneration components.

The points of reference for the performance-based remuneration components are the Group EBITDA, the price of the PNE share and individual personal targets of the individual Board of Management members, which are determined each year. The specific targets defined for each individual member of the Board of Management are stipulated in target agreements between the Company, represented by the chairperson of the Supervisory Board, and the respective Board of Management member, based on resolutions of the entire Supervisory Board. If the maximum remuneration level is reached, the ratio of performance-based remuneration and fixed remuneration (excluding fringe benefits) will be 1/3 fixed remuneration to 2/3 variable remuneration. The division of the individual components may vary slightly, in particular taking into consideration the fringe benefits granted.

In percentage terms, upon full target achievement, the composition of the individual components is as follows, taking the currently granted fringe benefits as a basis:

Relative shares of the remuneration components in the annual maximum remuneration	
Fixed remuneration	approx. 33%
Short-term performance-based remuneration	approx. 19%
Long-term performance-based remuneration	approx. 45%
Fringe benefits	approx. 3%
Maximum remuneration	100%

When determining the composition of the maximum remuneration stated above and the total target remuneration, the following material factors were taken into consideration in particular:

- With a view to the tasks and areas of responsibility of the members of the Board of Management, the fixed remuneration has a material function. It is therefore intended that the ratio between the fixed remuneration and the variable remuneration is approximately 1/3:2/3 even if the maximum remuneration level is reached, not taking into consideration the fringe benefits.
- Due to the duration of the project development periods and the long-term business focus of PNE AG alone, the long-term incentives are to clearly outweigh the short-term performance-based remuneration components of the performance-based remuneration of the members of the Board of Management. This also serves the purpose of promoting an overall sustainable increase in the enterprise value. In order to account for both the operating business of the Company and the Company's medium- to long-term development in the capital market and to set, in parallel, incentives for both factors, long-term targets are established with regard to

both the Group EBITDA and the price of the PNE share in this context. The relevant period of time was set to be three fiscal years.

- With regard to the variable remuneration, however, not only parameters regarding the Company's overall development are chosen but, with regard to the short-term variable remuneration, individual personal targets are agreed with each member of the Board of Management as well. These targets are determined annually on a personalized and activity-specific basis. Thereby, individual achievements of each individual member of the Board of Management and, for example, projects are taken into consideration. In this way, incentives can also be set for short-term corporate goals that are relevant in individual business divisions.
- In addition to the fixed remuneration in a narrower sense and the variable remuneration components, the members of the Board of Management also receive fringe benefits. These benefits only account for a comparatively small share in the total remuneration, which share – e.g., as a result of changing insurance conditions or new company cars – is also subject to fluctuations that are independent of the success of the individual member of the Board of Management or the Company's overall development.
- In relation to the responsibilities, the amounts to be set differ for the individual members of the Board of Management in that the Chief Executive Officer receives remuneration which is higher than that of other members of the Board of Management.

When determining the remuneration of the Board of Management, the Supervisory Board also obtains information regarding the workforce and the remuneration of the individual hierarchy levels, however, up to now, without directly linking the employees' remuneration to the remuneration system for the members of the Board of Management. In this context, it must be pointed out that corresponding comparative values will be published with the remuneration report within the meaning of Section 162 of the German Stock Corporation Act also in the future. Moreover, it must be taken into consideration that the individual remuneration components and the determination of the remuneration for each hierarchy level differ reasonably between the individual employees of PNE AG and the PNE Group. Similar differentiating characteristics also exist between the remuneration of the members of the Board of Management and the remuneration of the employees.

Methods for determining whether the targets were achieved

Generally, the remuneration system of PNE AG's Board of Management provides for three manners of defining targets:

- With regard to the personal targets, specific and individual targets that relate to the respective activity are defined for each individual member of the Board of Management for the next following year. These targets may relate, for example, to a project that is to be implemented. In this case, only full target achievement is possible. After the end of the relevant fiscal year, it is reviewed whether the specifically agreed target has been achieved.
- With regard to the EBTIDA figures, a fixed target or, where applicable, a target corridor is to be defined. On the one side, this relates to the short-term remuneration component with annual targets and, on the other side, the long-term remuneration component with three-year targets. If the relevant target or, where applicable, target corridor is achieved exactly as agreed, the member of the Board of Management is to receive 100% of the set amount (full target achievement). If, at the end of the defined period, the relevant target achievement level is less than 75%, the member of the Board of Management will not receive any corresponding variable remuneration for that target. In the case of a target achievement level of between 75% and 100%, the member of the Board of Management is to receive a *pro rata* amount, starting from 75% as the basis. In the case of a target achievement level of between 100% and 125%, the member of the Board of Management receives, in addition to the agreed total target remuneration, a bonus payment of up to 50%, provided that this value is to be applied in the case of a target achievement level of 125% or more and increases in a linear manner between 100% and 125%.
- The targets related to the long-term stock exchange price are defined based on the annual weighted average share price. In this context, an annual added value of the shares is to be determined for the assessment period taking into consideration dividends, while also taking into consideration corporate actions. For these targets, too, a target corridor is defined. If, at the end of the time period, the average value of this target corridor is reached, the relevant member of the Board of Management is granted 100% of the total target remuneration. Where the value reached is below the corridor, the member of the Board of Management is not entitled to receive this remuneration component. Where the value reached is within the corridor but

below 100%, the member of the Board of Management receives a *pro rata* amount. In the case of a target achievement level of more than 100%, the member of the Board of Management receives a bonus payment which, at the upper end of the corridor, will be 50% of the total target remuneration and increases in a linear manner starting from 100%. In the event that the target achievement level increases to a level beyond the agreed corridor, a special payment capped at 150% with regard to the target weighted average share price is additionally agreed.

Maximum remuneration

The Supervisory Board deliberately provides for a maximum amount or maximum remuneration for the remuneration granted to the members of the Board of Management. At PNE AG, this maximum amount/remuneration relates to each individual member of the Board of Management. The relevant maximum amount applies to the maximum remuneration granted within one year (including provisions), i.e., not the remuneration actually received in one year. The remuneration granted for one year may then be paid in different periods. This may result in the actual payment amount in a given year exceeding the maximum remuneration determined for that year due to payments made for past periods. Similarly, repayments to the Company may occur.

The maximum total remuneration to be granted to a member of the Board of Management depends on the individual remuneration components and is deliberately included by PNE AG as a fixed amount in the service contracts of the members of the Board of Management with regard to the fixed remuneration and the performance-based remuneration components. According thereto, the existing maximum remuneration for each year must not exceed the gross amount of EUR 1,076,700.00 with regard to Mr. Lesser and the gross amount of EUR 945,750.00 with regard to Mr. Klowat, in each case, for the fixed remuneration components and the short-term and long-term performance-based remuneration components. Due to the changes that, in part, depend on external, non-performance-based factors, the Supervisory Board did not directly consider the fringe benefits in the contracts. However, with a view to the statutory maximum remuneration, a cap has been provided for here as well. According thereto, the remuneration in kind and fringe benefits must not exceed an annual maximum amount of EUR 50,000 for each member of the Board of Management. This results in an overall maximum remuneration, taking into consideration all remuneration components, of EUR 1,126,700.00 with regard to Mr. Lesser and EUR 995,750.00 with regard to Mr. Klowat.

Postponement periods and possible clawback

The remuneration system of PNE AG provides that payment for the corresponding remuneration component is arranged for, in principle, already after the first year of a multi-year assessment period ended provided that the relevant member of the Board of Management does not request in writing that such payment be made only after the target achievement has been conclusively determined. Adjustments may be made in the second and third year. These adjustments are made by way of an additional payment if it is expected that the target achievement level will be higher or by way of a repayment by the member of the Board of Management if it seems unlikely that the relevant target will be achieved. The additional payment may also be omitted if so requested in writing by the respective member of the Board of Management. Eventually, in the year after the end of the assessment period, the final amount is calculated. To the extent that, at the end of the assessment period for a long-term target, it is determined that the target achievement level is below 75% and that there is thus no entitlement or that the partial amount already paid exceeds the entitlement determined at the end of the assessment period, a final repayment entitlement exists for a long-term target. Moreover, instead of a repayment, the Company may also set off the amount to be repaid against an entitlement of the member of the Board of Management to receive payment of a performance-based remuneration component.

The remuneration system of PNE AG and the remuneration agreements concluded with the members of the Board of Management also provide for the possibility to make adjustments in the following cases:

- There is a unilateral right of the Supervisory Board to make adjustments within the meaning of Section 87 (2) of the German Stock Corporation Act in the event that the development of the key performance indicators aimed for as part of the long-term planning is unfavorable, based on which the Supervisory Board may adjust the variable compensation concept downward in the best interests of the Company.
- In addition, the parameters applicable to short-term or long-term targets may be adjusted where extraordinary circumstances occur, to the extent that it would be unreasonable for the Board of Management to maintain these parameters, in particular, due to the development.

Share-based remuneration

The members of the Board of Management will not be remunerated in the form of shares or share options. The development of the Company's share price is, however, taken into consideration as part of the targets of the long-term performance-based remuneration (see above). Thereby, the importance of the Company's medium- and long-term price development is accounted for without the Company granting shares or share options and having to take into consideration certain holding periods, etc.

The Supervisory Board expressly recommends to the members of the Supervisory Board, however, to acquire shares of PNE AG if the long-term target of "weighted average share price" is achieved, but requests not to engage in any hedging.

Remuneration-related legal transactions and their termination

The remuneration system for the members of the Board of Management is implemented by agreeing on corresponding arrangements with each of the members of the Board of Management in their respective service contracts, plus the target agreements and the determination of the relevant target achievement by the Supervisory Board. The term of the respective remuneration arrangements in the service contracts generally corresponds to the term of the contracts or, where applicable, the term of office.

The term of the contract with Mr. Lesser expires on December 31, 2023.

The term of the contract with Mr. Klowat expires on March 31, 2024.

However, during the relevant periods of time, the remuneration arrangements may be amended by mutual agreement where necessary, e.g., due to changes in legislation. Moreover, the special provisions mentioned above apply in the event that adjustments become necessary as a result of extraordinary circumstances or in a case set forth in Section 87 (2) of the German Stock Corporation Act, as the case may be. In addition, the service contracts may be terminated for good cause (*aus wichtigem Grund*). Currently, the contracts do not include any provisions on retirement benefits (*Ruhegehalt*) and/or early retirement (*Vorruhestand*).

In order to terminate Board of Management mandates, special provisions are to apply under the remuneration system in certain cases:

- Where the term of the contract ends during the year because the member is not reappointed, the performance-based remuneration for the respective fiscal year is granted on a *pro rata temporis* basis. In this context, an assumption is to be made between the Supervisory Board and the respective member of the Board of Management as to which target achievement levels, if any, are likely to be reached by the end of the relevant assessment periods. For the year in which a member leaves the Company, the estimated target achievement level of that Board of Management member is decisive. For the following year, generally the Board of Management's estimate is decisive (unless manifestly diverging), with a target achievement of at least 50% being assumed. For the following year, a 100% target achievement level is to be assumed, unless clearly diverging. Payment/Repayment is made upon the Board of Management member leaving the Company. No adjustments will be made subsequently.
- Where the appointment is revoked without the Company terminating the service contract for good cause, the member of the Board of Management is entitled to receive a one-time severance payment instead of the generally agreed remuneration entitlements under the contract. The severance payment has a severance cap of twice the amount of the total remuneration actually received by the member of the Board of Management in the last full fiscal year – including the bonus payments made in that fiscal year for previous fiscal years – plus the provisions or liabilities made for the long-term bonus components. If, at the time of the revocation, the remaining term of the contract is less than two years, the severance cap is reduced on a *pro rata temporis* basis.
- In the event of a change of control, the members of the Board of Management have a special right of termination in accordance with their service contracts, which they can exercise during the two months following the occurrence of the change of control, with a notice period of 14 days. A change of control event occurs, if a third party notifies the Company in accordance with Section 33 of the German Securities Trading Act (*Wertpapierhandelsgesetz*) (Section 21 of the previous version of the German Securities Trading Act) that its holding has reached or exceeded 50% of the voting rights of the Company. If the special right of termination is exercised, the member of the Board of Management is entitled to the agreed fixed salary for the remainder of the contractually agreed term, which is to be paid out in one amount without any discounts. In addition, the respective member of the Board of Management is entitled to a special bonus of 100% of the bonus payments to be expected until the originally agreed end

of the contract, which is limited by a severance cap in the amount of 150% of the severance payment cap agreed for the revocation of the appointment without the service contract being terminated.

- To the extent that a member of the Board of Management leaves the Company and such member's service contract is terminated without notice for good cause, any entitlement to payment of a performance-based variable remuneration will be forfeited without replacement, provided that they are not already due and payable at the time the termination becomes effective.

Procedure to determine the remuneration system and the individual remuneration

The remuneration system for the members of the Board of Management is determined by the Supervisory Board upon proposal by the Personnel Committee.

Likewise, the structure and the level of the remuneration of the individual member of the Board of Management is determined by the Supervisory Board – upon proposal by the Personnel Committee of the Supervisory Board – by the remuneration system and by the individual contracts with the members of the Board of Management and by the target agreements.

The Supervisory Board regularly reviews the remuneration system and the individual contractual agreements. If the Supervisory Board identifies – from its perspective – a corresponding need, it will retain the services of remuneration consultants or legal advisers in this respect. When determining the current remuneration level of the Board of Management, the Supervisory Board obtained corresponding external expertise and, *inter alia*, put together a peer group of 15 listed companies (TecDax, ÖkoDax) in order to determine the remuneration level. To the extent that data is required, e.g., with regard to the economic development of the Company or for the purpose of making a comparison with the remuneration of the employees, the Supervisory Board has the Board of Management prepare and provide the corresponding information.

To the extent that conflicts of interest occur, they must be disclosed in accordance with the general rules for the Board of Management and the Supervisory Board. Currently, no conflicts of interest are identifiable with regard to the determination of the remuneration system and the service contracts of the individual members of the Board of Management and the target agreements. The Supervisory Board's general supervisory duties include to verify potential risks and to react to any conflicts that may occur.

Description of the remuneration of the Supervisory Board members (agenda item 9)

The members of the Supervisory Board receive fixed annual remuneration in the amount of EUR 60,000. In compliance with the recommendation in G.17 of the German Corporate Governance Code, the remuneration of the chairperson of the Supervisory Board and of the chairperson and the members of committees will be increased in order to take appropriate account of the greater time commitment. The chairperson of the Supervisory Board will receive remuneration in the amount of EUR 120,000. The deputy chairperson of the Supervisory Board will receive EUR 90,000. Furthermore, each member of the Audit Committee receives EUR 15,000 in addition to the fixed annual remuneration; the chairperson of the Audit Committee receives an additional amount of EUR 30,000. The chairpersons of other Supervisory Board committees receive additional remuneration of EUR 20,000. The remuneration is payable after the end of the General Meeting which resolves on the ratification of the actions of the Supervisory Board members for the preceding fiscal year.

In addition to the above, the members of the Supervisory Board and the members of a Supervisory Board committee will be paid attendance fees of EUR 1,000 for each Supervisory Board meeting and committee meeting that they attend. If a committee meeting is held on the same day as a Supervisory Board meeting, no additional attendance fees are granted for attending such a committee meeting. The Supervisory Board members are included in a directors and officers (D&O) liability insurance. The D&O insurance premiums are paid by the Company. The Company reimburses all members of the Supervisory Board for any expenses incurred in the exercise of their office as well as for any value added tax imposed on their remuneration and on the reimbursement of expenses. No other agreements on remuneration have been concluded between the Company and the members of the Supervisory Board in addition to the provisions of the Articles of Association. No use has been made of the option provided for in § 11 (8) of PNE AG's Articles of Association according to which the General Meeting is entitled to adopt a remuneration deviating from § 11 of the Articles of Association.

The members of the Supervisory Board are elected for the period until the end of the General Meeting which resolves on the ratification of the Supervisory Board members' actions for the fourth fiscal year after the beginning of their term of office. The fiscal year in which the term of office begins is not counted for this purpose. Supervisory Board members may be removed from office subject to the applicable legal provisions and may resign prior to the end of their term of office without good cause by giving four weeks' written notice. There will be no further remuneration in the event that a Supervisory Board member leaves the Company and no determination with regard to any remuneration for the time after the term of office. Supervisory Board members who are members of the Supervisory Board for only a portion of a fiscal year

receive one twelfth of the remuneration for each commenced month of their term of office. This applies *mutatis mutandis* to the chairperson or the deputy chairperson of the Supervisory Board or the chairperson in a committee of the Supervisory Board.

The structure of the remuneration system applicable to Supervisory Board members, which provides for fixed remuneration only, serves to strengthen the independence of the Supervisory Board and deliberately deviates from the structure of the remuneration system applicable to the members of the Board of Management, which mostly consists of variable components and is geared to the growth strategy pursued by PNE AG. The fixed remuneration promotes an objective and neutral performance of the Supervisory Board's advisory and supervisory function, including independent personnel and remuneration decisions in dealings with the Board of Management. By reasonably remunerating the Supervisory Board members for carefully and conscientiously supervising the management, the remuneration contributes to promoting the business strategy and the long-term development of the Company.

The Supervisory Board conducts regular reviews as to whether the remuneration paid to its members is reasonable in light of their responsibilities and of the Company's situation. For this purpose, the Supervisory Board has the option of performing a horizontal market comparison and/or a vertical comparison with the remuneration paid to the Company's employees and of consulting an external independent expert. Due to the special characteristics of the Supervisory Board's work, a vertical comparison with the remuneration paid to the Company's employees is not usually used for purposes of reviewing the remuneration paid to the members of the Supervisory Board. Depending on the results of the comparative analysis and the evaluation of these results by the Supervisory Board, the Supervisory Board, acting jointly with the Board of Management, may present a proposal to the General Meeting on changes to the remuneration paid to the members of the Supervisory Board. The General Meeting resolves on the remuneration of the Supervisory Board members (including the underlying remuneration system) at least every four years. The relevant resolution may also confirm the existing remuneration. If the General Meeting does not approve the proposed remuneration system, the Supervisory Board must present a revised remuneration system at the next Annual General Meeting at the latest.

The methods used to establish, implement and review the remuneration system are in compliance with the rules on handling conflicts of interest as set out in the Rules of Procedure for the Supervisory Board and the rules generally applicable to the Board of Management and the Supervisory Board. To the extent that external remuneration experts are involved, it is made sure that they are independent and confirm their independence.

The remuneration paid to the Supervisory Board members is governed by § 11 of the Company's Articles of Association, which reads as follows:

§ 11

Remuneration

1. The members of the Supervisory Board receive fixed annual remuneration. The remuneration for each individual member amounts to EUR 60,000. The chairperson of the Supervisory Board receives two times and the deputy chairperson one and a half times the remuneration specified in sentence 1 above.
2. Each member of the Audit Committee receives EUR 15,000 in addition to the fixed annual remuneration; the chairperson of the Audit Committee receives an additional amount of EUR 30,000. The chairpersons of other Supervisory Board committees receive an additional remuneration of EUR 20,000.
3. The remuneration is payable after the end of the General Meeting which resolves on the ratification of the actions of the Supervisory Board members for the preceding fiscal year.
4. Supervisory Board members who are members of the Supervisory Board for only a portion of a fiscal year receive one twelfth of the remuneration for each commenced month of their term of office. This applies *mutatis mutandis* to the chairperson or the deputy chairperson of the Supervisory Board or the chairperson of a committee of the Supervisory Board.
5. The Company reimburses the members of the Supervisory Board for any expenses incurred in the performance of their office as well as for any value added tax imposed on their remuneration and the reimbursement of expenses.
6. In addition to the remuneration referred to in paras. 1 and 2 above, the Supervisory Board members receive attendance fees of EUR 1,000 for each meeting of the Supervisory Board and of Supervisory Board committees. If a committee meeting is held on the same day as a Supervisory Board meeting, no additional attendance fees are granted for attending such a committee meeting.
7. The Company bears the cost of directors and officers liability insurance for the members of the Supervisory Board.
8. The General Meeting is entitled to resolve a remuneration deviating from this § 11.

* * *

Additional information regarding the convening of the General Meeting

On the basis of Section 1 of the German Act Concerning Measures Under the Law of Companies, Cooperative Societies, Associations, Foundations and Commonhold Property to Combat the Effects of the COVID-19 Pandemic (*Gesetz über Maßnahmen im Gesellschafts-, Genossenschafts-, Vereins-, Stiftungs- und Wohnungseigentumsrecht zur Bekämpfung der Auswirkungen der COVID-19-Pandemie*) of March 27, 2020 Article 2 of the German Act to Mitigate the Consequences of the COVID-19 Pandemic under Civil, Insolvency and Criminal Procedure Law (*Gesetz zur Abmilderung der Folgen der COVID-19-Pandemie im Zivil-, Insolvenz- und Strafverfahrensrecht*) of March 27, 2020, Federal Gazette I 2020, p. 569, amended by Article 11 of the German Act to Further Accelerate the Discharge of Residual Debt Proceedings and to Adjust Pandemic-Related Provisions Under the Law of Companies, Cooperative Societies, Associations, Foundations and Under Tenancy Law (*Gesetz zur weiteren Verkürzung des Restschuldbefreiungsverfahrens und zur Anpassung pandemiebedingter Vorschriften im Gesellschafts-, Genossenschafts-, Vereins- und Stiftungsrecht sowie im Miet- und Pachtrecht*) of December 22, 2020, Federal Gazette I 2020, p. 3328, "German COVID-19 Act"), PNE AG's Board of Management, with the approval of the Supervisory Board, has decided to hold a virtual General Meeting without the shareholders or their proxies being physically present.

For shareholders of PNE AG, the entire General Meeting will be broadcast live on the Internet on May 19, 2021, from 10:00 hours (CEST) at

<https://ir.pne-ag.com/hv>

in the GM Portal.

Shareholders will receive access to the Internet-based GM Portal by entering an individual access code, which will be sent to them together with the registration documents. The option for shareholders to participate in the General Meeting without being present at the venue and without a proxy in accordance with Section 118 (1) sentence 2 of the German Stock Corporation Act and to exercise all or some of their rights in whole or in part by means of electronic communication is not available; in particular, the live broadcast does not permit participation in the General Meeting within the meaning of Section 118 (1) sentence 2 of the German Stock Corporation Act.

Shareholders or their proxies have the opportunity to exercise their voting rights by postal vote (also in electronic form) or by authorizing the Company-appointed proxies as specified below.

Questions from the shareholders must be received no later than one day prior to the meeting, i.e., no later than on May 17, 2021, 24:00 hours (CEST), as specified below in the section entitled "Shareholders' right to ask questions pursuant to Section 1 (2) sentence 1 no. 3 sentence 2 of the German COVID-19 Act, Section 131 (1) of the German Stock Corporation Act".

Total number of shares and voting rights at the time of the convening of the General Meeting

At the time of the convening of the General Meeting, the share capital of the Company totaling EUR 76,603,334.00 is divided into 76,603,334 no-par value registered shares that entitle their holders to attend and vote at the General Meeting; each of the issued shares carries one vote. The Company is not entitled, however, to exercise any voting rights resulting from treasury shares. At the time when notice of the General Meeting is published in the Federal Gazette, the Company holds 266,803 treasury shares. The total number of exercisable voting rights consequently amounts to 76,336,531.

Exercise of voting rights

All shareholders that are registered in the Company's share register on the day of the General Meeting and that have registered to attend the General Meeting in such a way that their registration has reached the Company at the address below no later than on Wednesday, May 12, 2021, 24:00 hours (CEST) are entitled to exercise their voting right.

Any shareholders registered in the share register may send their registration to the following address in writing or in text form (Section 126b of the German Civil Code (*Bürgerliches Gesetzbuch*)):

PNE AG
c/o Link Market Services GmbH
Landshuter Allee 10
80637 Munich
Germany

The registration may also be transmitted to the Company by email to namensaktien@linkmarketservices.de or electronically using the Internet-based GM Portal on the Company website at <https://ir.pne-ag.com/hv> before the above-mentioned deadline has expired.

Shareholders wishing to register via the Internet-based GM Portal need the individual access code that is sent to them together with the registration documents. Shareholders may use the Internet-based GM Portal not only to register but also to grant power of attorney and give instructions to the Company's proxies who are bound by instructions, for casting postal votes in electronic form, for submitting questions to the Board of Management, for the video and audio transmission of the General Meeting and for the option to lodge an objection to a resolution of the General Meeting. For further information, please also refer to the registration documents that have been sent to you, or visit the above-mentioned website.

Shareholders may freely dispose of their shares even after registering. The right to vote is based on the shareholding evidenced by entry in the Company's share register as at the date of the General Meeting. This number will correspond to the number of shares at the end of the registration deadline because any orders to amend the share register that are given between May 13, 2021, 00:00 hours (CEST) and May 19, 2021 (inclusive) will be processed and considered only after the day of the General Meeting. Thus, May 12, 2021, 24:00 hours (CEST), is the technical record date as regards the voting rights to be exercised on the day of the General Meeting.

Powers of attorney/proxies exercising a voting right

a) Granting power of attorney to a third party

Shareholders may have their right to vote exercised by a proxy, e.g., the custodian bank, a consultant on share voting rights, a shareholders' association or another person of their choice. This also requires timely registration according to the above-mentioned conditions. Shareholders receive a proxy form together with the registration documents. Shareholders may also use a proxy form which will be made available on the Internet at <https://ir.pne-ag.com/hv>.

If no power of attorney pursuant to Section 135 of the German Stock Corporation Act is granted, the granting and revocation of the power of attorney, as well as the proof to the Company that the power of attorney has been granted, must have text form (Section 126b of the German Civil Code). The power of attorney may be granted or revoked by declaration made to the Company or the proxy; in the latter case, proof of the power of attorney to the Company will additionally be required.

Proof that the power of attorney has been granted must be received by the Company for organizational reasons at the following address on or before Tuesday, May 18, 2021, 18:00 hours (CEST), by post, or electronically by email:

PNE AG

c/o Link Market Services GmbH

Landshuter Allee 10

80637 Munich

Germany

Email: namensaktien@linkmarketservices.de

The same applies should a shareholder wish to revoke a power of attorney to the Company. For organizational reasons, the revocation notice must also be communicated to the Company by the deadline mentioned above.

If a power of attorney is granted in accordance with Section 135 of the German Stock Corporation Act (granting of power of attorney to intermediaries, consultants on share voting rights, shareholders' associations or professional agents), there is no text form requirement. However, the power of attorney must be verifiably recorded by the proxy. It must also be complete and may only contain declarations associated with the exercise of voting rights. Therefore, this generally requires compliance with special rules details on which must be obtained from the relevant intended proxy.

Proxies cannot physically be present at the General Meeting. They may only exercise the voting rights of shareholders they represent by postal vote or by granting (sub-)authorization to the Company's proxies.

The use of the GM Portal by the proxy requires that the proxy receives the access data to the GM Portal.

b) Granting power of attorney to the Company's proxies who are bound by instructions

In addition, we give our shareholders the opportunity to grant power of attorney to the Company-appointed proxies bound by instructions. This also requires timely registration according to the above-mentioned conditions. The power of attorney for the proxies may be granted in text form and must always include instructions on how the voting right should be exercised. The power of attorney is invalid if it does not include instructions. The Company-appointed proxies are under the obligation to vote according to instructions. In order to grant power of attorney and to issue instructions to the Company-appointed proxies, shareholders may use the form that is part of the registration documents.

The proxies appointed by the Company will not accept any instructions for submitting questions, for declaring objections or for submitting motions.

The powers of attorney and instructions for the Company's proxies may be transmitted to the Company's address set out under a) above before the General Meeting in order to prove that the power

of attorney has actually been granted and to grant or revoke the power of attorney. In this case, the Company must receive the power of attorney and the instructions by Tuesday, May 18, 2021, 18:00 hours (CEST) for organizational reasons. The same applies should a shareholder wish to revoke a power of attorney or the instructions. For organizational reasons, the revocation notice must also be communicated to the Company by the deadline mentioned above.

In order to grant power of attorney to the Company-appointed proxies, shareholders may also grant power of attorney and issue instructions electronically, i.e., via the Internet-based GM Portal on the Company website at

<https://ir.pne-ag.com/hv>.

Shareholders may use the Internet-based GM Portal to issue or revoke powers of attorney and instructions to the Company's proxies, or to change any instructions, also during the General Meeting until the time voting starts.

c) **General information**

For further details and information on granting powers of attorney and issuing instructions, please refer to the registration form and the accompanying notes sent to the shareholders. Information can also be found on the Company website at **<https://ir.pne-ag.com/hv>**.

The Company would like to ask its shareholders to use the forms for granting power of attorney (proxy forms) provided in order to facilitate processing. Please note that a power of attorney may also be granted effectively in other ways provided the statutory form and other statutory conditions are met. A power of attorney may be granted even after registration or after the end of the registration period described above, and – in the case of authorization of the Company's proxies via the Internet-based GM Portal – even until the time voting starts during the General Meeting, and may be revoked for the future at any time provided the form requirements are observed.

If differing declarations are received via different channels and it is not possible to identify which one was made last, they will be taken into account in the following order of precedence: (1) by Internet, (2) by email, and (3) on paper.

If a shareholder grants powers of attorney to more than one person, the Company may reject one or several of these persons.

Procedure for casting votes by postal vote

Shareholders may cast their votes by postal vote in text form or electronically via the Internet-based GM Portal. Only those shareholders who registered for the General Meeting in due time will be entitled to exercise voting rights by postal vote. For the postal vote in text form, the shareholders may use the form that is part of the registration documents. Shareholders may also use the form available on the Internet at <https://ir.pne-ag.com/hv>. Any votes cast by postal vote in text form must be received at the address specified below by Tuesday, May 18, 2021, 18:00 hours (CEST):

PNE AG

c/o Link Market Services GmbH

Landshuter Allee 10

80637 Munich

Germany

> [Additional information on the convening and general meeting](#)

The same applies should a shareholder wish to revoke the postal votes. Moreover, the Company offers an Internet-based GM Portal for electronic postal votes on its website at:

<https://ir.pne-ag.com/hv>

The Internet-based GM Portal will be available to the shareholders for the casting of postal votes and any changes or the revocation thereof also during the General Meeting until the time voting starts. For further details on postal votes, please refer to the registration form sent to the shareholders. Corresponding information is also available on the Internet at the above-mentioned address.

If differing declarations are received via different channels and it is not possible to identify which one was made last, they will be taken into account in the following order of precedence: (1) by Internet and (2) on paper.

Shareholder Rights

Right to add items to the agenda pursuant to Section 122 (2) of the German Stock Corporation Act

Shareholders whose shares in aggregate amount to one-twentieth of the share capital or represent a *pro rata* amount of EUR 500,000.00 (corresponding to 500,000 shares) may request that items be put on the agenda and published. Each new item must be accompanied by an explanation or a resolution proposal. The request must be addressed to the Board of Management in writing and must be received by the Company at the following address no later than Sunday, April 18, 2021, 24:00 hours (CEST):

PNE AG

– Board of Management –

Peter-Henlein-Straße 2-4

27472 Cuxhaven

The request for addition will be taken into account only if the applicants demonstrate that they had been holders of the above-mentioned minimum shareholding for no less than 90 days prior to the receipt of the request and that they will hold the minimum shareholding until (and including) the date on which a decision on the request for addition has been made by the Board of Management. This may be demonstrated by documentation of registration in the share register. Section 121 (7) of the German Stock Corporation Act must be applied *mutatis mutandis* to the calculation of the period. Section 70 of the German Stock Corporation Act must be observed when calculating the minimum holding period.

Additions to the agenda which are to be published and which have not already been published together with the convening notice will be published without undue delay following the receipt of the request in the same manner as the convening notice.

Motions duly received by Sunday, April 18, 2021, 24:00 hours (CEST) relating to items added or to be added to the agenda in accordance with Section 122 (2) of the German Stock Corporation Act will be treated at the General Meeting as if they had been submitted during the General Meeting.

Shareholder countermotions and election proposals pursuant to Sections 126 (1), 127 of the German Stock Corporation Act, Section 1 (2) sentence 3 of the German COVID-19 Act

Any countermotions to a proposal made by the Board of Management and/or the Supervisory Board and any election proposals by a shareholder must be addressed exclusively to the following address:

PNE AG

– General Meeting –

Peter-Henlein-Straße 2-4

27472 Cuxhaven

Email: info@pne-ag.com

Countermotions and election proposals sent to a different address will not be considered.

Any countermotions and election proposals by shareholders that need to be made available and that are received at the above-mentioned address at least 14 days before the General Meeting takes place, i.e., no later than by Tuesday, May 4, 2021, 24:00 hours (CEST), will be published on the Internet at **<https://ir.pne-ag.com/hv>**. Statements by the management, if any, will also be published on the above-mentioned website.

Counterproposals without a statement of reasons need not be made available. Moreover, a countermotion need not be made available if one of the exclusion criteria pursuant to Section 126 (2) sentence 1 of the German Stock Corporation Act is met. Moreover, the statement of reasons need not be made available if it exceeds a total of 5,000 characters.

No grounds need be provided for election proposals made by shareholders pursuant to Section 127 of the German Stock Corporation Act. Election proposals are made available only if they include the name, profession exercised and place of residence of the nominee and, in the case of an election of Supervisory Board members, information on their membership in other legally required supervisory boards. Pursuant to Section 127 sentence 1 of the German Stock Corporation Act in conjunction with Section 126 (2) of the German Stock Corporation Act, there are additional grounds based on which election proposals do not have to be made available online. In all other respects, the requirements and rules for disclosure of motions apply *mutatis mutandis*.

Motions and election proposals by shareholders that are to be made available in accordance with Section 126 or Section 127 of the German Stock Corporation Act will be deemed to have been submitted at the General Meeting if the shareholder submitting the motion or election proposal is duly entitled to do so and has registered for the General Meeting.

Shareholders' right to ask questions pursuant to Section 1 (2) sentence 1 no. 3 sentence 2 of the German COVID-19 Act, Section 131 (1) of the German Stock Corporation Act

With the approval of the Supervisory Board, the Board of Management of PNE AG has decided that questions from shareholders registered for the General Meeting can be addressed to the Board of Management via the Internet-based GM Portal at <https://ir.pne-ag.com/hv>. Questions of the shareholders must be submitted no later than one day prior to the meeting, i.e., no later than on Monday, May 17, 2021, 24:00 hours (CEST), using that portal. No questions may be asked during the General Meeting.

The Board of Management must provide information about the affairs of the Company in response to questions that have been submitted on time to the extent that the information is necessary for proper evaluation of the agenda item. The duty of the Board of Management to provide information also extends to the legal and business relations of the Company with any affiliated company as well as the situation of the Group and of the companies included in the consolidated financial statements because the General Meeting will also be presented with the consolidated financial statements and the consolidated management report under agenda item 1. The Board of Management will decide at its due and absolute discretion how to answer questions. In particular, it may summarize questions and answers. The Board of Management may refrain from answering individual questions for the reasons set forth in Section 131 (3) of the German Stock Corporation Act.

Explanatory notes

Further explanations on the rights of shareholders are set out on the Internet at <https://ir.pne-ag.com/hv>.

Objections to be recorded in the minutes

Shareholders that have exercised their voting rights may use the Internet-based GM Portal at <https://ir.pne-ag.com/hv> to lodge objections to resolutions of the General Meeting to be recorded in the minutes. The objection may be declared via the Internet-based GM Portal from the beginning of the General Meeting until the end of the General Meeting. Any other form of transmission is excluded.

Availability of the speech of the Board of Management

It is intended to provide the shareholders with the opportunity to respond to the speech by the Board of Management by way of asking questions. Therefore, a preliminary manuscript with the essential statements of the speech of the Board of Management will be made available on May 16, 2021, on PNE AG's website at <https://ir.pne-ag.com/hv>. The speech held during the General Meeting may deviate from this preliminary manuscript, in particular where this is necessary due to current developments. The speech actually held will be decisive.

Confirmation of the counting of the votes pursuant to Section 129 (5) of the German Stock Corporation Act

Shareholders that have participated in the voting can request confirmation from the Company within one month after the date of the General Meeting about whether and how their vote was counted. In order to request the issuance of the confirmation of the counting of the votes via the Internet-based GM Portal at <https://ir.pne-ag.com/hv>, the shareholders need the individual access code that was sent to them together with the registration documents.

Information and documents on the General Meeting, list of participants and data protection

The documents required to be made available concerning the agenda items are available to the shareholders on the Internet at <https://ir.pne-ag.com/hv> from the time of convening the General Meeting. At the same address, the annual financial statements, the consolidated financial statements and the combined management and group management report of PNE AG and the Group (including the explanatory report by the Board of Management in relation to the information provided pursuant to Section 289a and Section 315a of the German Commercial Code (*Handelsgesetzbuch*)) as well as the report by the Supervisory Board for the fiscal year 2020 are available from the time of convening the General Meeting. These documents will also be available for inspection during the virtual General Meeting.

The information and documents mentioned under Section 124a of the German Stock Corporation Act, in particular those relating to the attendance of the General Meeting, powers of attorney and instructions will also be accessible at

<https://ir.pne-ag.com/hv>.

After the General Meeting, the voting results will also be published on that website.

Shareholders' information on data protection can be found in the Annex to this invitation.

Cuxhaven, April 2021

PNE AG

Board of Management

Annex

Information on data protection for shareholders

In its function as the controller, PNE AG, Peter-Henlein-Straße 2-4, 27472 Cuxhaven, processes the shareholders' personal data as well as personal data of the shareholder representatives, if any (e.g., last name and first name, address, email address, number of shares, class of shares, type of ownership of the shares, access data for the registration confirmation, postal votes, proxies/instructions, and any questions submitted by the relevant shareholder) in accordance with applicable data protection laws. The shares in PNE AG are registered shares. The processing of personal data is a mandatory requirement for the proper preparation and conduct of the virtual General Meeting, for the exercise of voting rights, for tuning into and following the virtual General Meeting electronically, and for maintaining the share register. The legal basis for the processing is Article 6 (1) sentence 1 point (c) of the General Data Protection Regulation (GDPR) in conjunction with Sections 67e, 118 et seqq. of the German Stock Corporation Act and Section 1 of the German COVID-19 Act. In addition, to the extent that this is required to organize the virtual General Meeting, data may be processed on the basis of overriding legitimate interests (Article 6 (1) sentence 1 point (f) GDPR). To the extent that the shareholders do not themselves provide their personal data, PNE AG will generally obtain such data from the bank that the shareholders have entrusted with the safekeeping of their shares (so-called depository banks or last intermediaries). PNE AG will broadcast the virtual General Meeting for its shareholders on the Internet (Section 1 (2) sentence 1 of the German COVID-19 Act).

The service providers commissioned by PNE AG for the purpose of organizing the virtual General Meeting will process the shareholders' personal data exclusively as instructed by PNE AG and only to the extent this is necessary for the performance of the services commissioned. Each of the employees of PNE AG as well as all staff of commissioned service providers who have access to and/or process the personal data of the shareholders and/or the shareholder representatives are obliged to treat such data confidentially. Also, personal data of shareholders and/or shareholder representatives exercising their voting rights can be viewed by other shareholders and shareholder representatives subject to applicable laws (in particular via the list of participants (Section 129 of the German Stock Corporation Act)).

This also applies *mutatis mutandis* in the context of answering questions (if any) that shareholders and shareholder representatives have asked in advance (Section 1 (2) sentence 1 no. 3 and sentence 2 of the German COVID-19 Act). When questions are answered, the Company reserves the right to state the names of shareholders who submitted the relevant questions. Personal data of shareholders and/or shareholder representatives will also be published or made available to other shareholders and shareholder representatives in the event of motions for additions to the agenda, countermotions, election proposals or lodged objections, under certain conditions and subject to the statutory requirements.

PNE AG will erase the shareholders' personal data in accordance with the statutory provisions, specifically if the personal data are no longer required for the purposes for which they were initially collected or processed, the data are no longer required in connection with administrative or court proceedings, if any, and if no statutory record retention requirements apply.

Subject to the statutory requirements, the shareholders have the right to access their personal data that were processed and to require rectification or erasure of their personal data or the restriction of the processing. The shareholders also have the right to lodge a complaint with the supervisory authorities. If personal data are processed on the basis of Article 6 (1) sentence 1 point (f) GDPR, shareholders or shareholder representatives, as the case may be, also have a right of objection subject to the statutory requirements.

Shareholders may address their questions or comments on the processing of personal data to the data protection officer of PNE AG at:

Stefan Schlie

Peter-Henlein-Straße 2-4

27472 Cuxhaven

Email: datenschutz@pne-ag.com

Phone: +49 4721 718 179

Telefax: +49 47 21 718 373

PNE AG

Peter-Henlein-Straße 2-4
27472 Cuxhaven
Germany

pne-ag.com