

KOENIG & BAUER

# Articles of Association of Koenig & Bauer AG

Last revised: 3 July 2023



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## **I. General provisions**

### **1. Name and domicile**

1.1. The Company shall have the name

“Koenig & Bauer AG”.

1.2. The Company shall be domiciled in Würzburg.

### **2. Purpose of the Company**

2.1. The purpose of the Company is to manage a group of entities that particularly engage in manufacturing, selling and trading in machines and equipment, especially printing presses and general mechanical and plant engineering products used in the printing and media industry, as well as the provision of related consulting and other services.

2.2. The Company may engage in all business and to take all steps related to its purpose or which it deems to be directly or indirectly conducive to achieving this purpose and particularly to enter corporate, joint-venture or similar agreements. It may also operate in the business areas referred to in Article 2.1 itself.

2.3. The Company may establish branches and subsidiaries inside or outside Germany, incorporate, purchase or acquire shares in other entities inside or outside Germany, particularly those whose business purpose includes the aforementioned business areas either in part or in full. In this context, it may transfer or divest its business, in part or in full, to affiliated undertakings and may restrict itself to the management and administration of the holding company.

### **3. Notices**

The Company’s notices shall be published in “Bundesanzeiger”.

## **II. Share capital and shares**

### **4. Share capital**

The Company shall have share capital of **€42,964,435.80**.

## 5. Shares

- 5.1. The Company's share capital shall comprise 16,524,783 bearer shares.
- 5.2. Shareholders shall not be entitled to demand a certificate embodying the shares which they hold. Decisions on the issue of share certificates and all related details shall be the Management Board's responsibility.
- 5.3. The Management Board shall be authorised subject to the Supervisory Board's consent to increase the Company's share capital once or repeatedly by up to a maximum of €8,580,000 by issuing up to 3,300,000 new bearer shares on a cash or non-cash basis on or before 23 May 2026 (Authorised Capital 2022). The Management Board shall decide subject to the Supervisory Board's consent on the issue of the new shares and on the conditions of such share issue.

The new bearer shares shall be offered to shareholders for subscription.

However, the Management Board shall be authorised subject to the Supervisory Board's consent to exclude the shareholders' statutory subscription rights in the following cases:

- for fractional amounts;
- if the shares are issued on a cash basis and the issue price of the new shares is not significantly below the listed price of the Company's shares and the shares issued subject to the exclusion of subscription rights do not exceed a total of 10% of the share capital at the time the authorisation takes effect or is exercised. Shares that are issued or sold during the term of this authorisation on the basis of any other authorisation in direct or analogous application of Section 186 (3) Sentence 4 of the German Stock Corporation Act shall count towards this limit;
- if the shares are issued on a cash basis for an arithmetic share in the share capital of up to a total of €1,300,000 through the issue of up to 500,000 new shares, and the new shares are issued under a participation programme and/or as a share-based payment to members of the Management Board of the Company, to members of the management body of an affiliated company or to employees of the Company and its affiliated companies. If shares are to be granted to members of the Management Board of the Company, the

Supervisory Board of the Company shall decide on the allocation in accordance with the legal requirements governing responsibility for such allocation;

- if the shares are issued on a cash basis for the purpose of share awards and these shares are to be used for the purpose of acquiring other entities, shareholdings, other assets or rights to acquire other assets, including receivables held by the Company or its affiliated companies.

### **III. Governance of the Company**

#### **6. Governance bodies**

The Company shall have the following governance bodies: the Management Board, the Supervisory Board and the Annual General Meeting.

### **IV. Management Board**

#### **7. Composition, rules of procedure**

- 7.1. The Management Board shall consist of at least two members. The Supervisory Board shall determine the number of members of the Management Board and appoint the Chair of the Management Board. The Supervisory Board may also appoint a Deputy Chairman Management Board.
- 7.2. Appointees to the Management Board may be no older than 65 years as of the date of appointment, although an exception of up to 67 years is also possible.
- 7.3. The Supervisory Board shall adopt rules of procedure, which shall be duly approved by the Supervisory Board.

#### **8. Management, representation**

- 8.1. The Company shall be represented by two members of the Management Board or one member of the Management Board in conjunction with a holder of general signing powers ("Prokurist"). The Supervisory Board may authorise individual members of the Management Board to represent the Company alone.
- 8.2. The Management Board shall conduct the Company's business activities in

accordance with the law, the Articles of Association and the rules of procedure.

## **V. Supervisory Board**

### **9. Composition, term of office**

- 9.1. In accordance with Section 7 (1) Sentence 1 of the German Co-Determination Act, the Supervisory Board shall consist of twelve members.
- 9.2. The members of the Supervisory Board shall be elected for a maximum period expiring at the end of that Annual General Meeting at which a resolution is passed to ratify their actions for the fourth financial year after the commencement of their term of office, not including the financial year in which their term of office begins.
- 9.3. Only persons who have not yet reached the age of 67 at the time they are elected may be nominated for election to the Supervisory Board.
- 9.4. An application by the Company for the appointment of a member of the Supervisory Board by a court of law shall be limited in time until the next Annual General Meeting.
- 9.5. Each member of the Supervisory Board may resign from office without good cause, subject to a notice period of at least two months, by written declaration served on the Chair of the Supervisory Board or on the Deputy Chair within the meaning of Section 27 of the German Co-Determination Act. A shorter notice period may be applied subject to mutual agreement.

### **10. Functions and powers**

- 10.1. The Supervisory Board shall hold all rights and perform all duties accruing to it under law, these Articles of Association or in any other way, including but not limited to rules of procedure.
- 10.2. The Supervisory Board may adopt resolutions amending only the wording of these Articles of Association. This shall particularly apply in connection with the utilisation of authorised capital.

### **11. Chair of the Supervisory Board, Deputies**

- 11.1. In accordance with the provisions of the German Stock Corporation Act and the German Co-Determination Act, the Supervisory Board shall elect the Chair, the Deputy Chair within the meaning of Section 27 of the German Co-Determination Act and a second Deputy Chair. The Chair shall be elected at a meeting following that Annual General Meeting at the end of which the term of office of the previous Chair of the Supervisory Board expires; no notice convening that meeting shall be necessary. The oldest member of the Supervisory Board representing the shareholders shall chair the meeting until the end of the election of the Chair of the Supervisory Board. The election shall apply for the term of office of the elected member of the Supervisory Board. If the Chair or any of his/her Deputies resign during his/her term of office, the Supervisory Board shall immediately elect a new Chair.
- 11.2. In the event of the absence of the Chairman of the Supervisory Board, the Deputy Chairman of the Supervisory Board shall hold the former's rights and duties under law and these Articles of Association, as provided for in the rules of procedure of the Supervisory Board and the Management Board. Sentence 1 shall apply to the second Deputy Chair if the first one is prevented from exercising his/her duties. This shall not prejudice Section 29 (2) Sentence 3 and Section 31 (4) Sentence 3 of the Co-Determination Act.
- 11.3. Declarations of intent by the Supervisory Board and its committees shall be made on behalf of the Supervisory Board by the Chair or, in the event of his/her absence, by the Deputy Chairs in the order referred to in Section V, Article 11.2, unless the Supervisory Board expressly entrusts another member of the Supervisory Board member with the representation of the Supervisory Board.

## **12. Internal organisation**

- 12.1. The Supervisory Board shall have a quorum if at least half of the members of which it is required to be composed vote on a resolution either in person or in writing. A member shall also be deemed to have voted notwithstanding the fact that he/she abstains from voting. In the event of a tie, the Chair of the Supervisory Board shall have the casting vote in accordance with Section 29 (2) and Section 31 (4) of the Co-Determination Act.
- 12.2. In all other respects, the Supervisory Board shall adopt its own rules of procedure within the framework of the law, the Articles of Association and the duties assigned to it.

### 13. Remuneration of the Supervisory Board

13.1. Each member of the Supervisory Board shall receive fixed annual remuneration of €45,000.

13.2. The Chair of the Supervisory Board shall receive fixed remuneration of €120,000 and his/her Deputies €80,000.

13.3. In consideration of their activities on the Supervisory Board committees,

the Chair of the Audit Committee shall receive €22,500 and each other member €15,000,

the Chair of the Strategy Committee shall receive €20,000 and each other member €13,000,

the Chair of the Personnel Committee shall receive €10,000 and each other member €8,000.

The members of the other committees shall not receive any separate remuneration.

Activities on the committees of the Supervisory Board shall be remunerated only once. If a member sits on several committees, he or she shall receive the amount for the committee with the highest remuneration.

13.4. The remuneration of the Supervisory Board shall be paid at the end of each year. If any members of the Supervisory Board leave the Supervisory Board in the course of a given year, they shall receive time-proportionate remuneration rounded up to the nearest whole month. If a member of a committee leaves the committee, he/she shall also receive the remuneration provided for in accordance with his/her function on the committee on a time-proportionate basis and rounded up to the nearest whole month. Time-proportionate remuneration for committee activities shall be paid only if the committee in question has met in the corresponding period to perform its duties.

13.5. The members of the Supervisory Board shall be reimbursed for reasonable travel and other expenses incurred in the performance of their duties. Furthermore, each member present at the meeting shall receive an attendance fee of €250; no attendance fee shall be paid for meetings of the committees. In addition to personal attendance, meetings may also be attended by means of video conference, telephone or other means of communication.

- 13.6. The Company shall reimburse each member of the Supervisory Board for the value added tax payable by such member in connection with his/her activities as a member of the Supervisory Board on the remuneration received and the reimbursement of expenses. In the interests of the Company, it shall provide the members of the Supervisory Board with insurance cover to an extent that is appropriate for the performance of the Supervisory Board's duties.

## **VI. Annual General Meeting**

### **14. Venue, eligibility to attend, voting rights**

- 14.1. The Annual General Meeting shall be held at the Company's registered offices.
- 14.2. Only those shareholders who register for this purpose prior to the Annual General Meeting and provide the Company with evidence of their right to attend and to vote at the Annual General Meeting shall be entitled to attend the Annual General Meeting and to exercise their voting rights.
- 14.3. The registration form and proof of eligibility shall be sent to the Company at the address provided for this purpose in the notice convening the Annual General Meeting at least six days before the Annual General Meeting, not including the day of the meeting and the day on which the Annual General Meeting is convened.
- 14.4. Written evidence of share ownership issued by the last intermediary in accordance with Section 67c (3) of the German Stock Corporation Act shall be sufficient as proof of eligibility to attend the Annual General Meeting in accordance with Section VI Article 14.2. The reference date for such written evidence shall be the beginning of the 21st day prior to the Annual General Meeting.
- 14.5. Voting rights may be exercised by proxy. Proxies, notice of revocation of proxies and proof of authorisation shall be served on the Company in text form. Details on how to grant and cancel proxy rights and how to notify the Company of these shall be set out in the notice convening the Annual General Meeting, which may also provide for expedencies. This shall not prejudice Section 135 of the German Stock Corporation Act. If the shareholder authorises more than one person to represent him/her, the Company can reject one or more of them.



- 14.6. In case of doubt, the chair of the meeting shall decide on the right to participate in accordance with Section VI, Article 15.1 of these Articles of Association.
- 14.7. Each share shall grant one vote at the Annual General Meeting.
- 14.8. The Management Board shall be authorised to stipulate that shareholders may attend the Annual General Meeting without being physically present at the venue of the Annual General Meeting and without any proxy and to exercise all or individual shareholder rights either fully or partially by means of electronic communications (online). The Management Board shall be authorised to determine the scope and procedure for attending the Annual General Meeting and exercising shareholder rights in accordance with sentence 1. This shall be published in the notice convening the Annual General Meeting.
- 14.9. The Management Board shall be authorised to ensure that shareholders can cast their votes in writing or by means of electronic communication (postal vote) even without participating in the Annual General Meeting. The Management Board shall be authorised to stipulate the details of the procedure provided for in Sentence 1. This shall be published in the notice convening the Annual General Meeting.
- 14.10. Deleted.
- 14.11. The Management Board may determine that the Annual General Meeting is to be held without the physical presence of the shareholders or their proxyholders at the location of the Annual General Meeting (virtual Annual General Meeting). The Management Board's authorisation shall be valid for a period of two years after the entry of this provision of the Articles of Association in the Commercial Register.

## **15. Chair and resolutions**

- 15.1. The Annual General Meeting shall be presided over by the Chair of the Supervisory Board (chair of the meeting). If he/she is prevented from attending, his/her Deputy shall preside over the Annual General Meeting. If both are prevented from attending, a member elected from among the members of the Supervisory Board present shall preside over the Annual General Meeting.
- 15.2. The chair of the meeting shall determine the order in which the items of the agenda are to be considered as well as the type and method of voting. The chair of the meeting may determine the question and speaking time for the entire course of the

Annual General Meeting, for individual items of the agenda and for the individual questions and speeches at the beginning or during the course of the Annual General Meeting. He/she may order the conclusion of the debate as far as this is necessary for the proper conduct of the Annual General Meeting.

- 15.3. In the absence of any mandatory statutory provisions to the contrary, the shareholders shall pass their resolutions with a simple majority of the votes cast and, except where a majority of the capital in addition to the majority of votes is prescribed by law, a simple majority of the share capital represented at the Annual General Meeting.

## **VII. Financial year, annual financial statements and appropriation of profits**

### **16. Financial year**

The financial year shall be the calendar year.

### **17. Utilisation of net profit for the year**

If the Management Board and the Supervisory Board approve the annual financial statements for the year, they may also allocate all or any part of the net profit for the year to the Company's retained earnings until these equal one half of the share capital.

### **18. Profit participation**

In the event of any additional shares being issued, the dividend payable on new shares may be determined in a manner contrary to the provisions of Section 60 of the German Stock Corporation Act.