



Detailed explanations concerning the rights of shareholders in accordance with Sections 122 para. 2, 126 para. 1, 127 and 131 para. 1 of the German Stock Corporation Act (AktG)

Motion to add points to the agenda in accordance with Section 122 para. 2 AktG

In accordance with Section 122 para. 2 AktG, shareholders whose combined investments account for at least one-twentieth of share capital, or the pro-rata amount of € 500,000.00, may motion for points to be placed on the agenda and disclosed, stating the grounds for their proposal in writing. As the pro-rata amount of € 500,000.00 is lower than one-twentieth of the company's share capital in the case of GESCO AG, shareholders may motion to add points to the agenda once their investment reaches the pro-rata amount of € 500,000.00. This amount corresponds to 500,000 of the company's no-par shares with a pro-rata stake in share capital of € 1.00 each. Applicants must prove that they have been in uninterrupted possession of this minimum amount for a period of at least 90 days at the time the company receives the application and will continue to be in possession of the minimum amount until a decision is made regarding their application. Certain shareholding periods of third parties are deducted according to Section 70 AktG.

Each new motion must be substantiated with a reason or proposal according to Section 122 para. 2 sentence 2 AktG.

According to Section 126 of the German Civil Code (BGB), any such motion to add points to the agenda shall be addressed to the Executive Board and must reach the company in writing, including all legally required statements and documentary evidence, no later than 30 days prior to the Annual General Meeting – in other words, by 24:00 CEST on 30 July 2018, at the latest – at the following address:

GESCO AG
- Vorstand -
Johannisberg 7
42103 Wuppertal
Germany

If not already included with the invitation to the Annual General Meeting, motions to add points to the agenda which have to be publicly disclosed are published in the electronic Federal Gazette (Bundesanzeiger) as soon as they have been received as well as submitted for publication to those media which can be assumed to distribute the information throughout the entire European Union. In addition, they – like any eligible motion to add points to the agenda – can be accessed on the company website at <http://www.gesco.de/en/annual-meeting>.

Counter motions and proposals for election in accordance with Sections 126 para. 1 and 127 AktG

Counter motions

In accordance with Section 126 para. 1 AktG, shareholders of the company may file so-called counter motions against a resolution proposed by the Executive Board and Supervisory Board on a certain point on the agenda. Such counter motions must state the name of the applicant and be directed exclusively to the following address:

GESCO AG
Investor Relations
Johannisberg 7
42103 Wuppertal
Germany
Fax: +49 (0)202 2482049
E-mail: info@gesco.de

Counter motions must reach the company at the above address at least 14 days prior to the Annual General Meeting – in other words, no later than 24:00 CEST on 15 August 2018. Counter motions sent to any other address and/or received after this date will be disregarded. Eligible counter motions that are received on time are published on the company website at <http://www.gesco.de/en/annual-meeting>, stating the name of the applicant, the reason for the application and any statements made by management.

Counter motions do not have to be made public if they are not substantiated with a reason. In accordance with Section 126 para. 2 sentence 1 AktG, counter motions and the reasons for them likewise do not have to be published if

- the Executive Board would be committing a criminal offence in doing so (Section 126 para. 2 sentence 1 no. 1 AktG),
- the counter motion would lead to a resolution of the Annual General Meeting that is in breach of the law or Articles of Association (Section 126 para. 2 sentence 1 no. 2 AktG),
- the reason contains obviously incorrect or misleading information or it includes derogatory remarks (Section 126 para. 2 sentence 1 no. 3 AktG),
- a counter motion based on the same facts has already been communicated to a previous Annual General Meeting in accordance with Section 125 AktG (Section 126 para. 2 sentence 1 no. 4 AktG),
- the same counter motion with essentially identical grounds has already been communicated to at least two Annual General Meetings in accordance with Section 125 AktG in the past five years and less than one twentieth of share capital voted in favour of it (Section 126 para. 2 sentence 1 no. 5 AktG),
- the shareholder announces that he or she has no intention of attending the Annual General Meeting in person or appointing a representative (Section 126 para. 2 sentence 1 no. 6 AktG), or
- the shareholder or his or her representative did not propose a counter motion that he or she had communicated to two Annual General Meetings in the last two years (Section 126 para. 2 sentence 1 no. 7 AktG).

In accordance with Section 126 para. 2 sentence 2 AktG, the reason for a countermotion does not have to be published if it exceeds 5,000 characters.

In accordance with Section 126 para. 3 AktG, the Executive Board is also entitled to combine countermotions and the reasons for them if several shareholders submit countermotions on the same issue regarding a resolution.

Section 126 AktG does not infringe the right to propose countermotions on points on the agenda at the Annual General Meeting. Section 126 AktG merely stipulates under which conditions the company must publish countermotions submitted by shareholders prior to the Annual General Meeting. Finally, it should be pointed out that countermotions within the meaning of Section 126 AktG will only be put to vote at the Annual General Meeting if they are actually proposed during the Annual General Meeting.

Proposals for election

The above information on countermotions pursuant to Section 126 para. 1 AktG correspondingly applies to proposals for the election of Supervisory Board members or auditors at the Annual General Meeting. Unlike countermotions however, proposals for election do not have to be substantiated. Except in the cases stated in Section 126 para. 2 AktG, proposals for election do not have to be published if they do not include the information required under Sections 124 para. 3 sentence 4 and 125 para. 1 sentence 5 AktG. In accordance with Section 124 para. 3 sentence 4 AktG, an eligible proposal for the election of a natural person must include his or her name, profession and place of residence; in the case of the proposal of a company, the proposal must state its name and headquarters. In accordance with Section 125 para. 1 sentence 5 AktG, a proposal for the election of Supervisory Board members must also contain information on their positions on other statutory supervisory boards. Information on the proposed person's positions on comparable German and foreign supervisory bodies of commercial enterprises, on the other hand, should, but does not have to, be included.

A vote is held on proposals for the election of Supervisory Board members pursuant to Section 127 AktG if such is requested during the Annual General Meeting. In accordance with Section 137 AktG, this vote takes place prior to the proposal of the Supervisory Board if shareholders whose combined share equates to one-tenth of represented share capital request it.

Shareholders' right to information in accordance with Section 131 para. 1 AktG

In accordance with Section 131 para. 1 AktG, every shareholder is entitled to request information from the Executive Board on company issues and the company's legal and business relationships with affiliated companies, as well as the Group's position and that of companies included in the consolidated financial statements at the Annual General Meeting, if such information is necessary to make an informed decision on one or more points on the agenda.

In accordance with Section 16 para. 2 of GESCO AG's Articles of Association, the leader of the Annual General Meeting may impose appropriate limits on speaking times, question times and the total duration of speeches and questions in general or for individual speakers.

In accordance with Section 131 para. 3 AktG, the Executive Board may refuse to provide information if

- this would cause the company or one of its affiliated companies to incur a serious disadvantage according to prudent commercial judgement (Section 131 para. 3 sentence 1 no. 1 AktG),
- it pertains to the valuation of taxes or the amount of individual taxes (Section 131 para. 3 sentence 1 no. 2 AktG),
- it discloses the difference between the value at which items have been recognised in the annual balance sheet and the higher value of these items, unless the Annual General Meeting approves the annual financial statements (Section 131 para. 3 sentence 1 no. 3 AktG),
- it relates to accounting and valuation methods and the disclosures regarding these methods in the notes to the annual financial statements are sufficient to give a true and fair view of the assets, financial position and earnings of the Group within the meaning of Section 264 para. 2 of the German Commercial Code (HGB), unless the Annual General Meeting approves the annual financial statements (Section 131 para. 3 sentence 1 no. 4 AktG),
- the Executive Board would be committing a criminal offence in doing so (Section 131 para. 3 sentence 1 no. 5 AktG), and
- it has been continuously accessible on the company website for a period of at least seven days prior to the beginning of and during the Annual General Meeting (Section 131 para. 3 sentence 1 no. 7 AktG).

In accordance with Section 131 para. 4 sentence 1 AktG, if a shareholder has received information outside the Annual General Meeting due to his or her status as a shareholder, all other shareholders have the right to request the same information at the Annual General Meeting, even if it is not necessary for making an informed decision about the points on the agenda. In accordance with Section 131 para. 3 sentence 1 nos. 1 to 4 AktG, the Executive Board may not refuse to issue information in such cases.

In accordance with Section 131 para. 5 AktG, if a shareholder is denied information, he or she may request to have his or her question and the reason for the refusal to issue information to be included in the memorandum of the Annual General Meeting.