

Invitation

to the Annual General Meeting on June 23, 2022
(virtual Annual General Meeting)



The Group at a glance

IFRS in EUR million	2018	2019	2020 **	2021	Change 2020/2021
Total Group revenues	1,686.1	1,594.7	1,453.6	1,537.6	5.8%
of which Germany	467.1	518.7	416.9	463.2	11.1%
International	1,219.0	1,076.0	1,036.7	1,074.4	3.6%
International in %	72.3	67.5	71.3	69.9	n/a
of which Construction	767.6	628.8	644.7	682.4	5.9%
Equipment	723.1	713.7	610.7	681.5	11.6%
Resources	261.5	314.8	293.1	272.5	-7.0%
Other/Consolidation	-66.1	-62.6	-94.9	-98.8	n/a
Consolidated revenues	1,616.9	1,537.7	1,401.3	1,472.4	5.1%
Sales revenues	1,589.1	1,470.9	1,343.2	1,433.1	6.7%
Order intake	1,721.9	1,608.7	1,588.5	1,739.5	9.5%
Order backlog	1,013.6	1,027.6	1,162.5	1,364.4	17.4%
EBITDA	198.6	134.3	165.2	153.5	-7.1%
EBITDA margin in % (of sales revenues)	12.5	9.1	12.3	10.7	n/a
EBIT	100.1	33.7	55.5	36.0	-35.1%
EBIT margin in % (of sales revenues)	6.3	2.3	4.1	2.5	n/a
Earnings after tax	24.1	-36.6	-8.2	4.0	n/a
Capital investment in property, plant and equipment	103.4	145.8	133.4	179.7	34.7%
Equity	431.8	386.9	365.5	481.1	31.6%
Equity ratio in %	26.5	23.8	23.7	29.3	n/a
Total assets	1,632.3	1,628.5	1,544.0	1,639.5	6.2%
Earnings per share	1.32	-2.17	-0.48	-0.02	n/a
Distribution	1.71	0.00	0.00	0.00 *	n/a
Dividend per share in EUR	0.10	0.00	0.00	0.00 *	n/a
Return on equity after tax in %	5.8	-8.5	-2.1	1.09	n/a
Employees (reporting date)	12,931	12,701	11,027	11,966	8.5%
of which Germany	4,203	4,234	4,061	4,001	-1.5%
International	8,728	8,467	6,966	7,965	14.3%

* Proposed; subject to the consent of the Annual General Meeting to be held on June 23, 2022

** Previous year adjusted; see p. 100 of the 2021 Annual Report

BAUER Aktiengesellschaft, Schrobenhausen
- ISIN DE 0005168108 - WKN 516810 -

Unique identifier for the event: BAUEROHV2022

We invite the shareholders of our company to attend the

Annual General Meeting of BAUER Aktiengesellschaft

that will be held on

Thursday, June 23, 2022 at 10:00 a.m. (CEST).

On the basis of Article 1 of the Act concerning measures under the law of companies, cooperative societies, associations, foundations and commonhold property to combat the effects of the COVID-19 pandemic ("**COVID-19 Act**"), the General Meeting will be held **without the physical presence of the shareholders and their representatives** (except for the proxies appointed by the company) at the company headquarters of BAUER Aktiengesellschaft, BAUER-Straße 1, 86529 Schrobenhausen, Germany and will be broadcast on an online portal ("**General Meeting Portal**"), at the internet address www.bauer.de/agm, using video and audio. More detailed information in this regard can be found in this invitation under the instructions and terms for participation.

I. Agenda

1. **Submission of the adopted annual financial statements of BAUER Aktiengesellschaft, the approved consolidated financial statements, the combined management report of BAUER Aktiengesellschaft and the Group, the report of the Supervisory Board, all for the 2021 financial year, as well as the explanatory report of the Executive Board concerning the statements pursuant to sections 289a and 315a of the German Commercial Code (HGB)**

The annual financial statements were adopted by the Supervisory Board and the consolidated financial statements were approved on April 5, 2022. Therefore, no resolution is required from the General Meeting for this agenda item pursuant to section 172 et seq. of the German Stock Corporation Act (AktG).

The adopted annual financial statements of BAUER Aktiengesellschaft as of December 31, 2021 show an accumulated loss. Therefore, the agenda of this year's General Meeting contains no items requiring a resolution of the General Meeting concerning the distribution of retained earnings.

2. **Resolution regarding formal approval of Executive Board members for the 2021 financial year**

The Executive Board and Supervisory Board propose that a resolution is passed to formally approve the actions of the members of the Executive Board holding office in the 2021 financial year for that period.

3. **Resolution regarding formal approval of Supervisory Board members for the 2021 financial year**

The Executive Board and Supervisory Board propose that a resolution is passed to formally approve the actions of the members of the Supervisory Board holding office in the 2021 financial year for that period.

4. **Election of the auditor and Group auditor for the 2022 financial year**

At the recommendation of the Audit Committee, the Supervisory Board proposes the election of PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, as auditor and Group auditor for the 2022 financial year.

5. **Resolution regarding approval of the remuneration report**

In accordance with section 162 of the AktG, for the first time, a remuneration report must be prepared by the Executive Board and Supervisory Board for the financial year starting after December 31, 2020 and submitted to the General Meeting for approval in accordance with section 120a (4) of the AktG.

The remuneration report for the 2021 financial year and the report concerning the audit by the auditor is included after the agenda in section II "Remuneration report" and accessible starting from the convocation of the General Meeting at the internet address www.bauer.de/agm.

The Executive Board and Supervisory Board propose to approve the remuneration report for the 2021 financial year.

6. **Resolution on the amendment of section 13 of the Articles of Association (Remuneration of the Supervisory Board)**

For members of the Supervisory Board, apart from the reimbursement of their cash expenses and any value-added tax incurred for their activities on the Supervisory Board, the current regulation in the Articles of Association concerning the remuneration of the Supervisory Board provides for a fixed remuneration amounting to EUR 25,000, payable in the month of December of the financial year. The chairperson receives twice that amount, and the deputy chairperson 1.5 times this remuneration.

The basic remuneration of EUR 25,000 increases by 10% for each membership in a committee of the Supervisory Board, whereby membership on the Mediation Committee is not taken into account. This requires that the respective committee has met at least once during the financial year. Insofar as a member of the committee attended more than two meetings or telephone conferences of a committee of the Supervisory Board in the financial year, the respective member additionally receives an attendance fee of EUR 500 per meeting or telephone conference.

The current valid Articles of Association with the full regulation concerning remuneration of the Supervisory Board in section 13 is accessible online at the internet address www.bauer.de/agm and will also be accessible during the General Meeting.

The Supervisory Board remuneration was last adjusted in 2018. In order to take into account the increased requirements for activities on the Supervisory Board as well as the developments in Supervisory Board remunerations and to continue securing qualified candidates for the Supervisory Board, the remuneration for activity on the Supervisory Board and its committees will be increased by 10%. In principle, this increase will enter into force with effect from July 1, 2022.

The Executive Board and Supervisory Board propose the following resolution:

- a) Section 13 of the Articles of Association is revised as follows:

“Section 13 Remuneration of the Supervisory Board

1. Each member of the Supervisory Board receives a fixed remuneration in the amount of EUR 27,500 per financial year.
2. The chairperson receives twice the amount, and the deputy chairperson 1.5 times the remuneration according to no. 1.
3. For each membership in a committee of the Supervisory Board, each member receives an additional fee of 10% of the remuneration according to no. 1. This requires that the respective committee has met at least once during the financial year (meeting or video/telephone conference). Membership in the Mediation Committee is excluded from this remuneration regulation in accordance with section 27 (3) of the German Employee Co-Determination Act (MitbestG). Insofar as a member of the committee attended more than two meetings or video/telephone conferences of a committee of the Supervisory Board in the financial year, the respective member additionally receives an attendance fee of EUR 550 per meeting or telephone conference.
4. Changes to the Supervisory Board and/or its committees are taken into account when determining remuneration, with the exception of the attendance fee, in proportion to the time in office and rounded up or down to full months based on the standard commercial rule.
5. The remuneration is to be paid in December of the respective financial year.
6. The company reimburses members of the Supervisory Board for expenses incurred while performing their duties including any value added tax applied to the remuneration and reimbursement of expenses.

The company may take out a liability insurance policy on behalf of the Supervisory Board member which covers the legal liability obligation arising from the activities on the Supervisory Board.”

- b) With the amendment of section 13 of the Articles of Association taking effect, the Supervisory Board remuneration for the period from January 1, 2022 to June 30, 2022 is determined based on the currently valid provision in the Articles of Association and from July 1, 2022 to December 31, 2022 it is determined according to the provision proposed under letter a), whereby the fixed annual remuneration and the additional 10% fee are each reduced in proportion to the time period, and for the attendance fee, the provision proposed under letter a) is applied to the entire 2022 calendar year. Starting from January 1, 2023, remuneration of the Supervisory Board is determined based on the provision proposed under letter a).

II. Remuneration report (Agenda item 5)

In the following remuneration report in accordance with section 162 of the AktG, the remuneration granted and owed by the company and companies within the Group to the present and former members of the Executive Board and Supervisory Board of BAUER Aktiengesellschaft is explained.

According to the wording of the law, a report must be issued concerning the remuneration granted and owed. As a remuneration cannot be granted and owed at the same time, it is indicated below if the remuneration is either granted or owed. The obligation of disclosure in the remuneration report is determined by the earlier of the two points in time. According to the legislative material for the revised section 162 of the AktG, the precise time of receipt should not be regulated, which means that in the following report a remuneration pursuant to section 162 (1) of the AktG is considered to be “granted” and in principle is stated in the remuneration report for the financial year in which the activity underlying the remuneration was performed and thus earned.

1. Overview of the 2021 remuneration year

1.1. Remuneration of the Executive Board

The Supervisory Board of BAUER AG sets the remuneration for the members of the Executive Board in line with the remuneration system submitted to the General Meeting for approval in each case. Based on the preliminary work carried out by its Presidial and Personnel Committee, the Supervisory Board resolved in December 2020 to introduce an updated remuneration system for members of the Executive Board on the basis of the new legal requirements and the accordingly amended recommendations of the German Corporate Governance Code with effect from January 1, 2021.

At the proposal of the Supervisory Board and at the recommendation of the Presidial and Personnel Committee, the General Meeting of the company approved the submitted revised remuneration system for the Executive Board on June 24, 2021.

The Supervisory Board has agreed, for the three currently serving members of the Executive Board, to apply the revised remuneration system for the 2021 financial year. As the appointment of Executive Board member Hartmut Beutler expired with effect from the end of December 31, 2021 due to his retirement and the number of Executive Board members thus reduced from four to three at the end of the year under review, his remuneration was not converted to the new remuneration system, but instead within the framework of the preceding remuneration system it was possible to proceed according to the new remuneration system with

the exception of the LTI share, which means that the new remuneration system was applied accordingly for the remaining remuneration components and an LTI share was omitted for Mr. Beutler. In addition, a slight deviation was made from the range for the share of variable target remuneration in the total target remuneration.

The Supervisory Board determines the remuneration of the Executive Board members based on the remuneration system approved by the General Meeting. The Presidial and Personnel Committee of the company's Supervisory Board prepares the resolution of the Supervisory Board concerning the definition of the remuneration. Any adjustments to the fixed components are decided on an annual basis. Variable remuneration is set by the Supervisory Board after the end of the financial year depending on the target achievement. Accordingly, the Supervisory Board set the variable remuneration for the Executive Board for the reference year of 2021 based on the target achievement determined in April 2022.

1.2. Remuneration of the Supervisory Board

The General Meeting must pass a resolution regarding approval of the remuneration system for members of the Supervisory Board at least once every four years, whereby a resolution confirming the remuneration is permissible. Remuneration for members of the company's Supervisory Board is regulated in section 13 of the company's Articles of Association and was last revised by resolution of the General Meeting on June 28, 2018.

Pursuant to section 13 of the Articles of Association, members of the Supervisory Board are entitled to fixed remuneration plus an attendance fee and remuneration for expenses. The amount of the fixed remuneration paid to members of the Supervisory Board is set based on the respective position of each member within the Supervisory Board and membership in its committees. At the proposal of the Executive Board and Supervisory Board, the Annual General Meeting on June 24, 2021 confirmed the remuneration for members of the Supervisory Board as set out in section 13 ("Remuneration for the Supervisory Board") of the company's Articles of Association.

2. Remuneration of the members of the Executive Board

2.1. Composition of total remuneration

The total remuneration paid to members of the Executive Board consists fundamentally of the following components:

Remuneration component	Share of total target remuneration
Fixed basic salary	55% - 70%
Variable remuneration components	30% - 45%

The variable remuneration is broken down as follows:

	Share of variable target remuneration
Short-term incentive ("STI")	49,90%
Long-term cash incentive ("LTI Cash")	25,05%
Long-term share-based incentive ("LTI Shares")	25,05%

The Supervisory Board determines a total target remuneration in advance for the financial year in question (“reference year”) for each member of the Executive Board. This is derived from the basic salary and the variable remuneration components that will be granted for the remuneration year in the event of full target achievement. Within the existing ranges, the Supervisory Board determines the proportion of fixed basic salary to variable remuneration components at its due discretion and may consider differentiations due to specific roles, market circumstances, the experience of Executive Board members and the area of responsibility within the Executive Board.

The target value for each variable remuneration component is determined from the shares in the total target remuneration presented above. These are referred to as “**Target STI**”, “**Target LTI Cash**” and “**Target LTI Shares**.” The share of the target amount of LTI Cash and LTI shares in the total target remuneration exceeds that of the STI. This ensures that the variable remuneration that results from achieving long-term oriented targets exceeds the share of short-term oriented targets, and the remuneration structure is thus oriented overall toward sustainable and long-term development.

At the start of the year under review, the following target remunerations were determined for the members of the Executive Board for the year under review:

in EUR	Michael Stomberg Chairman	Florian Bauer	Hartmut Beutler	Peter Hingott
Basic salary	465,000	220,000	318,600	300,000
Target STI	174,650	59,880	59,880	74,850
Target LTI Cash	87,675	30,060	60,120	37,575
Target LTI Shares	87,675	30,060	n/a	37,575
Total target remuneration	815,000	340,000	438,600	450,000

There are also the additional benefits described in no. 2.2. below. In addition, the Supervisory Board set the performance criteria for each member of the Executive Board with reference to the performance-related variable remuneration components for the 2021 financial year, unless these already result directly from the applicable remuneration system.

The fixed (not performance-related) basic remuneration of the Executive Board ensures that member of the Executive Board can orient their activities based on the well-understood interests of the company and the duties of reasonable commercial diligence without depending solely on short-term performance targets. On the other hand, appropriately weighted variable remuneration components that depend on key figures and criteria for the Group and company provide an effective incentive for contributing to the company’s success. The long-term variable remuneration elements and multi-year assessment periods ensure that there are no misdirected incentives for short-term maximization of profits or for taking on inappropriate risks, thereby achieving a sustainable remuneration effect. The share-based long-term remuneration components lead to a synchronization of interests between the shareholders and member of the Executive Board in increasing the company’s long-term value. The company’s remuneration system and the financial and non-financial performance criteria of the variable remuneration components thus contribute to promotion of the business strategy and the long-term development of the company.

2.2. Composition of fixed remuneration

The annual basic salary comprises twelve monthly salaries to be granted in the financial year. Decisions regarding adjustments to the basic salary are made for the month in which any collectively agreed wage

increases in the construction sector become effective, taking into account the company's economic situation and the responsibility and services of the Executive Board member.

Additional benefits include the use of a company car for business and private use as well as a grant for pension, health and long-term care insurance amounting to half of the highest statutory rate under the German pension insurance scheme as well as for health and long-term care insurance amounting to the notional employer's share for the Executive Board member's legal health insurance obligation. The Executive Board member will also be reimbursed for necessary and appropriate costs and expenses incurred while exercising their duties in accordance with the applicable guidelines of the company. Benefits in the event of incapacity to work were not granted in the previous year under review.

2.3. Retirement benefits

Within the framework of the legal regulations, members of the Executive Board have the option of receiving a company pension through a direct pension plan with a deferred compensation option from the basic salary. In addition, there are no individual pension commitments for newly appointed Executive Board members.

For the Executive Board members Hartmut Beutler and Florian Bauer, the occupational pension scheme applicable for the Group was still agreed. The baseline salary defined for calculating retirement benefits is significantly lower in all contracts than the basic salary of the Executive Board member in question and is adjusted with each modification of the basic salary in an approximate percentage ratio. The pension commitment is paid out as a life-time pension either if the retirement age is reached or in case of long-term invalidity. In each case, the prerequisite for this is the termination of the Executive Board contract. The amount of the subsequent pension payment is defined by length of employment in years and thus grows gradually over the duration of employment.

The amounts disbursed or reserved as well as the present values of the pension commitments for the Executive Board members active at the end of the financial year are as follows:

in EUR thousand	Florian Bauer		Hartmut Beutler	
	2020	2021	2020	2021
Pension-related expenses in accordance with the HGB	17	23	33	2
Pension-related expenses in accordance with IFRS	32	29	42	2
Present value of obligation in accordance with the HGB	162	240	1,257	1,456
Present value of obligation in accordance with the IFRS	305	301	1,597	1,581

2.4. Composition of variable remuneration

The variable remuneration components include assessment periods for specific years as well as multi-year periods in order to guarantee the long-term viability of the variable remuneration:

Variable remuneration component	Assessment period	Share of variable
STI	single year	49.90%
LTI Bar	multi-year (4 years)	25.05%
LTI Aktien	multi-year (4 years)	25.05%

Contrary to the recommendation of the German Corporate Governance Code, no provisions are made for predominantly investing the distributed variable net remuneration components in shares or granting them on the basis of shares, or that the Executive Board will only be able to access the complete long-term variable remuneration after a period of four years. Instead, share-based remuneration only makes up roughly a quarter of the variable target remuneration, and only the share-based portion of the variable remuneration is subject to a four-year holding period. Considering the remuneration system for the Executive Board of BAUER Aktiengesellschaft as a whole, this is deemed to be a more appropriate regulation than the recommendation in the Code.

At the start of the reference year, the Supervisory Board specifies performance targets for STI and LTI Cash using financial and non-financial performance criteria at the Group, company, function or individual level (“performance targets”). In this process, the Supervisory Board decides regarding the distribution between individual targets and overall Executive Board targets. The performance targets at the individual level primarily include strategic targets as well as operative targets and also consider social and ecological aspects.

The level of achievement for performance targets is determined using the specific target values stipulated by the Supervisory Board for the respective financial year, between zero and the relevant maximum value, whereby the ranges between the target values are generally determined on a straight-line basis.

2.4.1. Short Term Incentive (STI)

The target STI is 49.90% of the variable target remuneration stipulated by the Supervisory Board for the respective member of the Executive Board. The specific payment amount of the “STI” depends on achievement of the performance targets for the financial year.

The following performance targets are currently authoritative for assessing the STI:

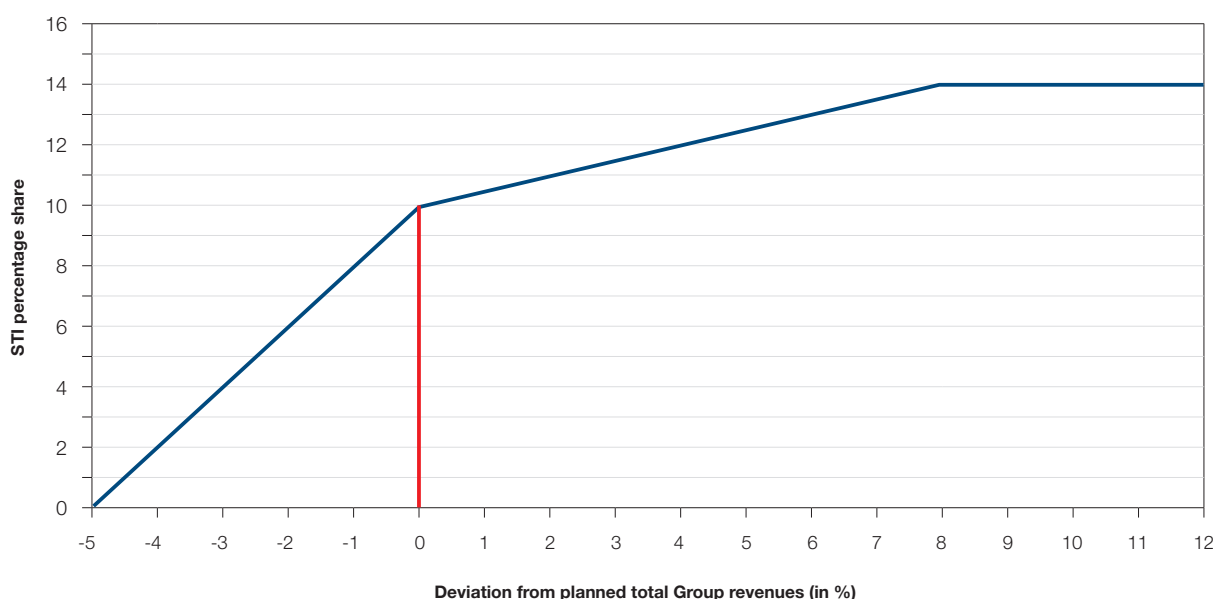
Performance target	Share of target STI (percentage)	Maximum share of target STI (percentage)
Total Group revenues	10	14
Group earnings after taxes	60	100
Individual targets	30	40

The **total Group revenues** are an overall target for all Executive Board members. If the total Group revenues match the planned total Group revenues for the reference year (according to a resolution of the Supervisory Board), the full 10 percentage points of the target STI are achieved. For every 2% above the planned total Group revenues, the target STI is increased by 1 percentage point, up to a maximum increase of 14 percent to the target STI. If the planned revenues are not achieved, 4 percentage points are deducted from the target STI for each 2% below the planned total Group revenues.

For Executive Board members who, in addition to their activities on the Executive Board, also occupy a management position at the parent company of a group division under BAUER Aktiengesellschaft by way of third-party appointment, the following deviating regulation applies: The share of total Group revenues in the target STI is reduced to 5 percentage points. Accordingly, the maximum value of target achievement when exceeding the planned revenues is 7 percentage points of the target STI. The now available share of 5 percentage points in the target STI (maximum 7 percentage points) is calculated according to the same rules based on the planned group division revenues of the relevant group division parent company.

In the year under review, there was no appointment of an Executive Board director for a subgroup parent company.

The planned total Group revenues was determined at the start of the year under review with an amount of EUR 1,652.4 million. Interim values are determined on a linear basis, which means that the following graphical representation results in target achievement with regard to the planned total Group revenues:



In the year under review, total Group revenues of EUR 1,537.6 million EUR were achieved, which resulted in an STI percentage of 0% with regard to the total Group revenues.

The **Group earnings after taxes** are an overall target for all Executive Board members. The Group earnings after taxes are adjusted for extraordinary positive or negative influences if taking them into account would be inequitable for the company or the Executive Board member according to the due discretion of the Presidial and Personnel Committee (e.g. in case of the purchase or sale of companies or parts of companies or special factors affecting profit and loss that are not due to operational business activities and were not already taken into account in the planning). If the Group earnings after taxes match the planned Group earnings after taxes for the reference year (according to a resolution of the Supervisory Board), the full 60 percentage points of the target STI are achieved. Results above or below the planned Group earnings lead to a percentage increase or deduction from the target STI. The relevant results above or below the planned earnings and the allocated percentage increases or deductions are reviewed by the Supervisory Board for each financial year and adjusted taking into account the development of Group earnings.

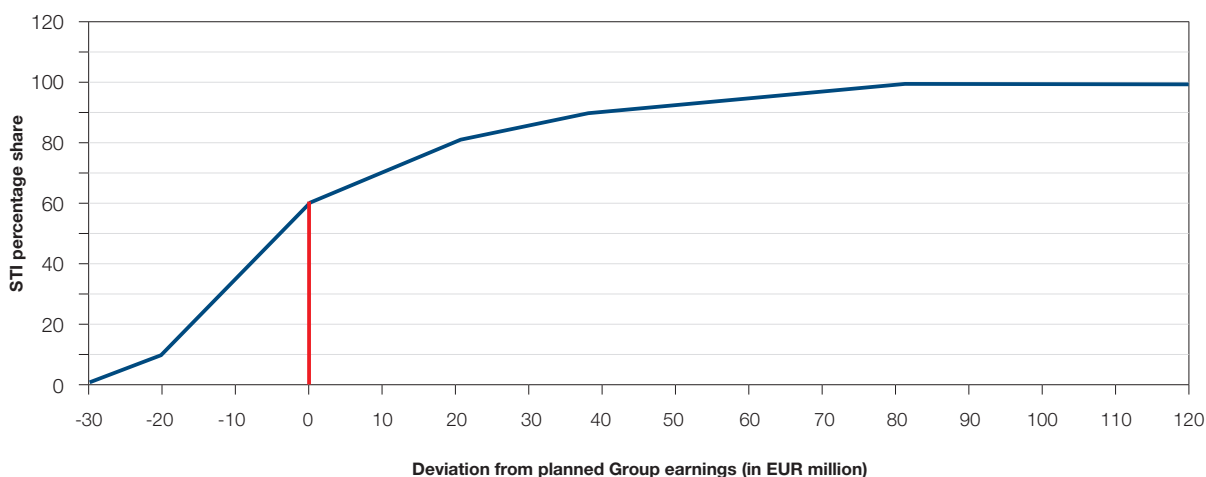
For Executive Board members who, in addition to their activities on the Executive Board, also occupy a management position at the parent company of a group division under BAUER Aktiengesellschaft by way of third-party appointment, the Supervisory Board may also proportionally apply the percentage of the Group earnings after taxes in the target STI to the corresponding group division earnings. In the year under review, there was no appointment of an Executive Board director for a subgroup parent company.

The relevant results above or below the planned earnings and the allocated percentage increases or deductions were reviewed by the Supervisory Board for the year under review, adjusted taking into account

the development of Group earnings and set out according to the following table for all Executive Board members with planned Group earnings of EUR 25 million:

Results above/below the planned group earnings after taxes	Share of target STI (percentage)
Planned Group earnings less EUR 30 million or less	0%
Planned Group earnings less EUR 20 million	10%
Planned Group earnings achieved	60%
Planned Group earnings plus EUR 20 million	80%
Planned Group earnings plus EUR 40 million	90%
Planned Group earnings plus EUR 80 million or more	Maximum 100%

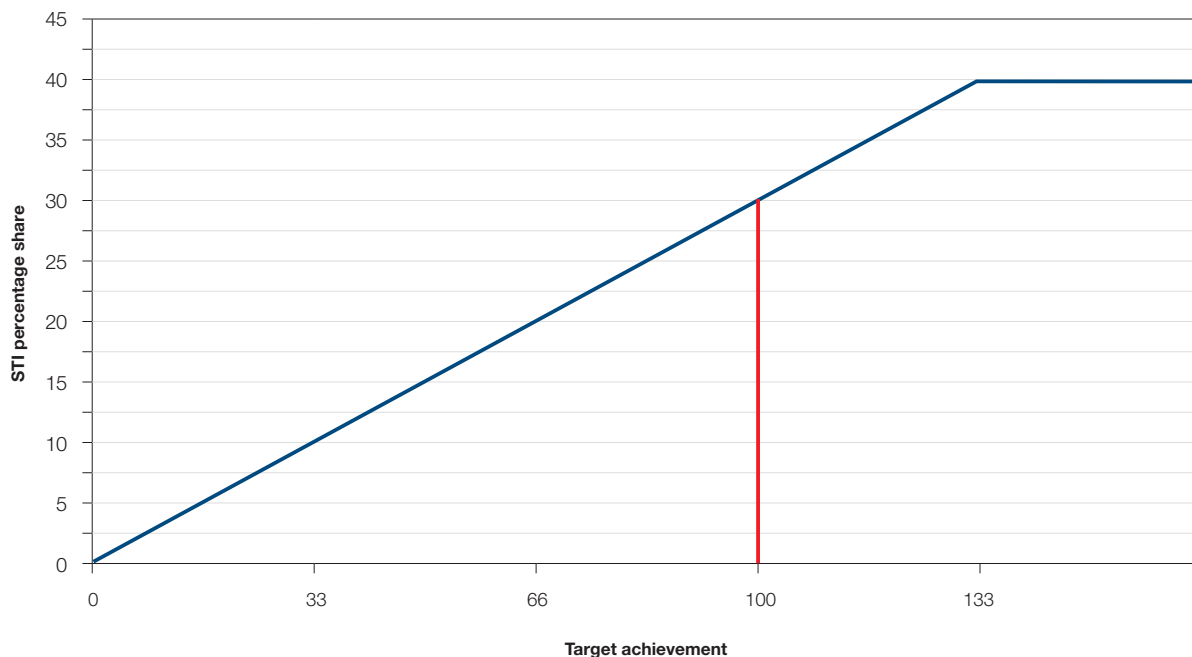
Interim values are determined on a linear basis, which results in the following graphical representation of target achievement with regard to the planned Group earnings:



In the year under review, Group earnings of EUR 4.0 million EUR were achieved, which resulted in an STI percentage of 9%.

The **individual targets** for the reference year are set by the Presidial and Personnel Committee at the start of the reference year after a preliminary discussion between the Chairperson of the Supervisory Board and the respective Executive Board member. The individual targets should also include social and ecological targets. The 30 percentage points of the target STI allocated to individual targets are distributed in such a way that the target value of 30 percentage points can generally be achieved, and in exceptional cases in-

volving particularly good performance and achievement of all individual targets, a maximum of 40 percentage points of the target STI can be earned, as can be seen from the following graphical representation:

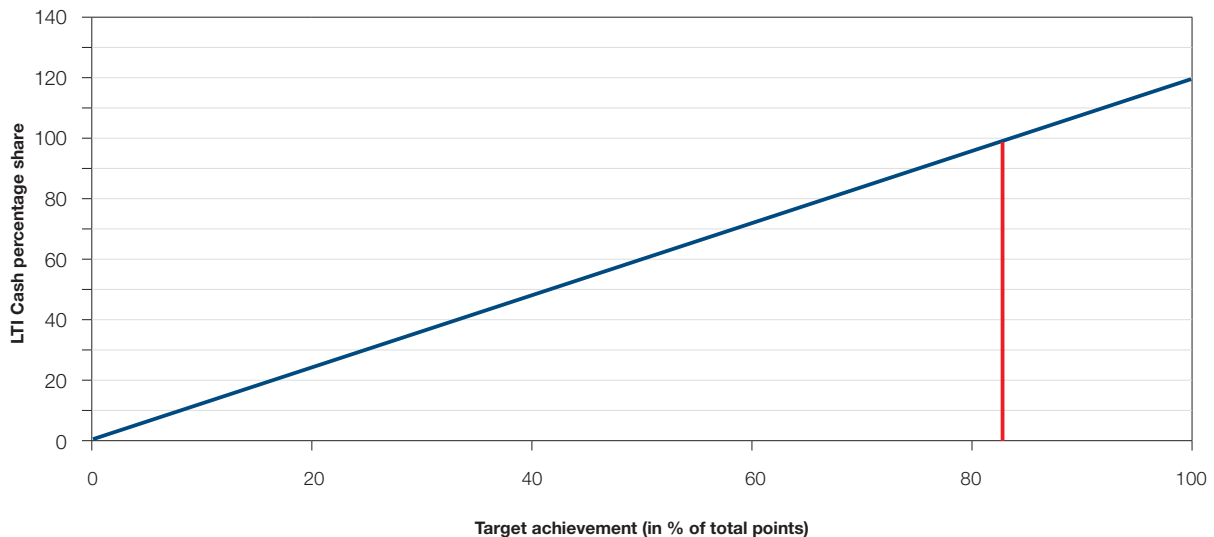


The individual targets were achieved by the Executive Boards in the range between 24% and 28%.

2.4.2. Long Term Incentive Cash (LTI Cash)

The performance targets for the LTI Cash and its weighting are set by the Presidial and Personnel Committee at the start of the reference year after a preliminary discussion between the Chairperson of the Supervisory Board and the respective Executive Board member, using a criteria assessment matrix. The performance criteria should encompass the areas of market, employees, company culture, finance, earnings performance, balance sheet, organization, processes, strategy, IT, accounting and stakeholders, and must be adjusted for the respective Executive Board member insofar as individual targets are concerned. The performance criteria should also take into account ecological and social considerations. In principle, the criteria assessment matrix should be maintained, however the Supervisory Board can adjust the matrix for each reference year at its due discretion.

The specific payment amount of the target LTI Cash is determined by the sustainable achievement of the performance targets over a retrospective assessment period of four years that includes the reference year and the three previous financial years. For this purpose, the target achievement value is assessed for each performance target with points from -2 to +4 and multiplied by the weighting factor set by the Presidial and Personnel Committee. The number of points achievable if all individual criteria receive the maximum assessment of +4 corresponds to 120% of the target LTI Cash. The individual target achievement for the LTI Cash is determined proportionally using the straight-line method based on the actual number of points achieved as follows.



The individual targets were achieved by the Executive Boards in the range between 67% and 68%.

2.4.3. Long Term Incentive Shares (LTI Shares)

The specific amount to be invested in the form of company shares ("investment amount") is obtained by multiplying the target LTI Shares by a percentage achievement factor defined as the average between the percentage target achievement of the STI (up to a maximum of 154%) and the LTI Cash (up to a maximum of 120%) for the reference year. For the 2021 year under review, the following values result for the Executive Board members for whom the revised remuneration system was agreed:

in %	Michael Stomberg Chairman	Florian Bauer	Peter Hingott
Average STI + LTI Cash	58	57	59

Payment of the net amount is made after approval of the annual financial statements, along with the salary for May at the start of June. Each member of the Executive Board has committed to investing the net amounts paid to them for the investment amount under LTI Shares in the form of company shares and shall issue an irrevocable purchase order to the company and the custodian bank selected by the company, which will be executed for all Executive Board members immediately after receipt of the net amount at the uniform average market price. In addition, fractional amounts will be paid out in cash. The shares booked to the custodial account are subject to a holding period of four years starting with the end of the reference year; the shares may not be disposed of during this period. After the holding period has elapsed, the Executive Board member is entitled to dispose of the shares in accordance with the legal regulations, in particular the prohibition on insider trading, and the corresponding applicable guidelines of the company.

2.5. Remuneration granted and owed to the acting members of the Executive Board for the year under review

The basic salary is paid out in the reference year divided into twelve monthly salaries. The STI, LTI Cash and LTI Shares are paid out in cash in the following financial year after the audited annual financial statements for the year under review have been prepared and the Supervisory Board has passed a resolution on the definition of the variable remuneration. Thus the fixed remuneration is generally paid out in the year

under review and the variable remuneration components are considered to be earned in the year under review, but are paid out in the following year; therefore, in line with section 162 (1) of the AktG they are assigned to the remuneration granted and owed in the 2021 financial year.

For the 2021 year under review, the members of the Executive Board who are active in the financial year receive the following remuneration from BAUER AG:

		Michael Stomberg CEO since November 1, 2018		Florian Bauer Member of the Executive Board since January 1, 2018		Hartmut Beutler Member of the Executive Board since January 1, 2001		Peter Hingott Member of the Executive Board since October 1, 2016	
2021									
		in EUR thousand	in %	in EUR thousand	in %	in EUR thousand	in %	in EUR thousand	in %
Fixed remuneration	Basic salary	465	69	220	70	319	76	300	72
	Additional benefits	33	5	32	10	29	7	36	9
Total		498	73	252	81	347	83	336	81
Variable remuneration	STI	59	9	20	6	21	5	28	7
	LTI Cash	71	10	24	8	49	12	30	7
	LTI Shares	50	7	17	5	n/a	n/a	22	5
Total		181	27	61	19	70	17	80	19
Other	Special remuneration	0	0	0	0	0	0	0	0
Total remuneration		679	100	313	100	417	100	416	100

The members of the Executive Board do not receive any additional remuneration from the associated companies of the BAUER Group for their activities on the Executive Board. In addition, no benefits were promised or granted by a third party in the financial year to a member of the Executive Board with respect to their activities as a member of the Executive Board.

At the end of December 31, 2021, Executive Board member Hartmut Beutler ended his activity as a member of the Executive Board. In this context, no separate benefits were promised and granted to him in the course of the last financial year.

The performance criteria agreed with each member of the Executive Board based on the prescribed remuneration system for the Executive Board was applied as follows for the year under review.

		Michael Stomberg CEO		Florian Bauer		Hartmut Beutler		Peter Hingott			
Share of target amount 2021		Target		maximum		achieved					
		in %	in EUR thousand	in %	in EUR thousand	in %	in EUR thousand	in %	in EUR thousand		
STI (49.90%)		100	154	59	34	20	33	21	35	28	37
LTI (51%)	LTI Cash (25.05%)	100	120	71	81	24	80	49	81	30	81
	LTI Shares (25.05%)	100	137	50	58	17	51	n/a	n/a	22	59
Total STI + LTI weighted:		100	141	180	52	61	51	70	58	80	54

Each member of the Executive Board is obligated to invest the net amounts paid to them for the investment amount under LTI Shares in the form of company shares. As the investment has not yet been made at the time of preparing the report, the anticipated quantity of the investment volumes in shares of the company is estimated as follows based on the non-volume weighted average of the closing price per company share on Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange for the five trading days prior to April 1, 2022:

LTI Shares 2021	Michael Stomberg CEO	Florian Bauer	Peter Hingott
Net amount EUR thousand	26	9	12
No-nominal-value bearer share (estimated)	2,889	969	1,347

2.6. Remuneration granted and owed to the former members of the Executive Board for the year under review

The following table contains the remuneration components granted and owed in the financial year gone by, within the meaning of section 162 of the AktG, to former members of the Executive Board who ended their activity within the past ten financial years, including the relative share in each case:

	Prof. Thomas Bauer Member of the Executive Board until October 31, 2018		Heinz Kaltenecker Member of the Executive Board until December 31, 2016	
	2021		2021	
	in EUR thousand	in %	in EUR thousand	in %
Receipt of retirement benefits	168	100	67	100
Total	168	100	67	100

As an acting member of the Supervisory Board, in the year under review Prof. Thomas Bauer also received the Supervisory Board remuneration described in no. 3.2. below.

2.7. Appropriateness of the remuneration of the Executive Board

Horizontal comparison

In assessing the appropriateness of the remuneration paid to the Executive Board member, the variable remuneration is set and compared in proportion to the fixed basic salary. Furthermore, the fixed and variable portions as well as the overall remuneration paid are compared to the normal levels of remuneration received by Executive Board members of other stock market quoted companies and other companies operating in the same sector, or companies similar in other ways, in Germany, which were published in the previous financial year. For the year under review, the following companies were used for comparison: Hochtief AG, Klöckner & Co. SE, GEA Group AG, Bilfinger SE, Kuka AG, Heidelberger Druckmaschinen AG, DMG Mori Seiki AG, Deutz AG, König & Bauer AG, Vossloh AG.

In this regard, the remuneration received by the Executive Board members should be reasonably proportionate to the Executive Board salaries at comparable companies, taking into account any special benefits granted or other circumstances at the due discretion of the Supervisory Board.

Vertical comparison

The annual salaries and variable remuneration components to be granted to Executive Board members for the past financial year are compared in total with the annual salaries and the variable remuneration components to be granted to the top managing directors of the group division parent companies, including their development over time. Due to their role, the annual salary of the CEO should be approximately 1.33 times higher than the next highest annual salary among the managing directors/other members of the Executive Board.

The remuneration and employment conditions for employees of the BAUER Group are taken into account when determining the remuneration system, by comparing the total remuneration (the total of the respective Executive Board member's basic salary and target remuneration components) with an average gross annual income of an FTE employee at BAUER AG, including their development over time, and assessing their appropriateness.

2.8. Maximum remuneration

The total remuneration paid to members of the Executive Board is limited to an individual maximum amount. The maximum remuneration comprises the fixed basic salary plus the maximum amount of variable remuneration for the member of the Executive Board in question. There are also the additional benefits as well as any special benefits granted. The maximum amount of the variable remuneration is 141% of the variable target remuneration and results from the total of the maximum amounts for the individual variable remuneration components. Based on this basis for calculation, a maximum remuneration is formed that stipulates a maximum of EUR 1.25 million for the CEO and EUR 700 thousand for the ordinary members of the Executive Board. The maximum remuneration was not exceeded in the year under review and is therefore complied with.

The STI is limited to a maximum amount of 154% of the target STI in any case. The LTI Cash is limited to a maximum amount of 120% of the target LTI Cash in any case. The investment amount under LTI Shares is thus limited to a maximum amount of 137% of the target LTI Shares in any case.

The aforementioned maximum thresholds were complied with in the year under review.

2.9. Benefits upon termination of the contract

In the event of a termination of the employment relationship, the following applies for remuneration components that have not yet been paid:

- If the relationship ends due to a termination declared by the company with good cause for which the Executive Board member is responsible, the entitlement to all remuneration components that have not yet been paid shall lapse with effect from the date of termination, without substitution. In this regard, no entitlement is established for the Executive Board member.
- In all other cases of termination (e.g. expiration of a Executive Board contract, entry into retirement, death of the Executive Board member), all remuneration components that have not yet been paid shall remain unchanged, and the Executive Board member (or their heirs) can establish a claim to this remuneration in accordance with the remuneration system. Performance targets that could only meaningfully be applied in the event of a continuing employment of the Executive Board member are no longer taken into account.

If the respective Executive Board contract of Mr. **Peter Hingott** or Mr. **Michael Stomberg** should end early through cancellation of the appointment by the company (due to withdrawal of confidence by the General Meeting or in the event of incapacity to work) or through termination for good cause on the part of the Executive Board, the Executive Board member will receive a gross settlement, subject to the following sentences, amounting to 150% of the annual basic salary. In the event of a mutual severance agreement, the gross settlement is set for 50% of the annual basic salary. However, the settlement may not exceed an amount that remunerates the remaining term of the Executive Board contract. The claim to such a settlement lapses, or the already granted settlement must be paid back, if the company effectively declares extraordinary termination of the Executive Board contract for good cause pursuant to section 626 of the BGB or if it emerges within the following six months after the end of this employment contract that there was good cause for extraordinary termination and the company demands repayment in writing. In the event of incapacity to work, the part of the Executive Board remuneration that was paid out on a monthly basis for the period more than six months after the start of the incapacity to work will be set off against the settlement.

If the respective Executive Board contract of Mr. Peter Hingott or Mr. Michael Stomberg is not extended at least twice after expiry of the time limit, with an interval of at least three years in each case, because the company refuses the extension under conditions that are largely at least equally favorable for the Executive Board member, the Executive Board member receives a gross transitional payment amounting to 100% of the annual basic salary, payable in twelve equal monthly installments after deduction of taxes and social security contributions at the end of each month starting with the first month after expiry of the time limit for the Executive Board contract. Earned income or substitute income obtained within a period of twelve months after the term of appointment has expired will be offset. A transitional payment will not be paid in the event of a premature termination of the Executive Board contract. The claim to such a transitional payment lapses, or the already granted transitional payment must be paid back, if the company effectively declares extraordinary termination of the Executive Board contract for good cause or if it emerges within the twelve months following the end of this employment contract that there was good cause for extraordinary termination and the company demands repayment of the transitional payment in writing.

If the contractual relationship with Executive Board member Mr. **Florian Bauer** ends through termination by BAUER AG or the Executive Board contract is not extended by the company once after the end of the contract on December 31, 2022 by a period of at least 2 years, the Executive Board member will receive a settlement amounting to one year's basic salary. The same applies if the contractual relationship was declared by the Executive Board member against the company for (justified) good cause. If the contractual relationship is terminated by the company for justified good cause or the Executive Board member refuses an extension of the Executive Board contract by at least two years under conditions that are at least equally favorable for the Executive Board member, the Executive Board member will not receive any settlement. The Executive Board member also receives the settlement regulated above in the event of cancellation of the appointment by the company due to incapacity to work. However, the part of the Executive Board remuneration that was paid out on a monthly basis for the period more than six months after the start of the incapacity to work will be set off against the settlement.

With Executive Board member Mr. **Hartmut Beutler** it was agreed that he would receive a settlement amounting to a maximum of EUR 250,000 if the contractual relationship ended through termination by the company before expiry of the time limit on December 31, 2021. If the remuneration calculated notionally based on the annual basic salary of the Executive Board contract for the remaining term from the end of the contract to the expiry of the time limit for the Executive Board contract were smaller, a settlement claim

would only exist in this amount. The same would apply if termination of the contractual relationship were declared by the Executive Board member against BAUER AG for justified good cause. If the contractual relationship were terminated by the company for justified good cause, the Executive Board member would not receive any settlement. The contractual relationship with Mr. Beutler ended regularly due to his entry into retirement at the end of December 31, 2021, which means that no settlement payments were made.

A post-contractual non-competition agreement is currently not agreed in the Executive Board employment contracts.

2.10. Reclaiming variable remuneration components

The company reserves the right vis-à-vis members of the Executive Board to reduce variable remuneration components in whole or in part in accordance with section 87 (2) of the AktG if the company's situation deteriorates after determination of the remuneration to such an extent that it would be inequitable for the company to continue granting these benefits.

In addition, shares under the item of LTI Shares that are still subject to the holding period must be transferred to the company in the event of a clawback. "Clawback events" include the following:

- A deterioration of the company's position such that payment of the investment amount or the shares acquired for this purpose to the Executive Board would be inequitable for the company in accordance with section 87 (2) of the AktG;
- Effective termination of the employment contract declared by the company with good cause for which the Executive Board member is responsible within the meaning of section 626 (1) BGB;
- Breach of the obligation to invest in shares and compliance with holding periods in accordance with no. 8; and/or
- If variable remuneration components that are tied to the achievement of specific targets were calculated incorrectly based on incorrect data and wrongly paid out, the company is entitled to reclaim the differential amount between the recalculated value of the variable remuneration and the payment that was made.

The obligation to transfer shares under LTI Shares can only be asserted until the end of the respective holding period. Any other more extensive claims of the company that exist (particularly compensation claims) remain unaffected.

The option of reclaiming variable remuneration components was not used in the year under review as there was no occasion to do so.

2.11. Third-party benefits

The members of the Executive Board are required to limit the extent to which they take on Supervisory Board mandates and other administrative or voluntary functions outside of the company. Without the consent of the Supervisory Board, the members of the Executive Board may not carry out any trade or any dealings in the sector in which the company operates on their own or a third-party's account. Further, they may not, without the consent of the Supervisory Board, become an Executive Board member, managing director or personally liable shareholder of any other trading company.

In the past financial year, no benefits were promised or granted to a member of the Executive Board by a third party with respect to their activities as a member of the Executive Board.

No member of the Executive Board was granted remuneration for the performance of Supervisory Board mandates within the BAUER Group in the past financial year. The same applies for the performance of external Supervisory Board mandates in connection with activity on the Executive Board and in the interest of BAUER AG.

BAUER AG provides D&O group insurance cover with respect to liability for economic loss to the members of executive bodies of BAUER AG and of all affiliates in Germany and abroad in which a majority share is held. For members of the Executive Board, the minimum excess stipulated by law of 10% of the loss up to at least an amount representing one and a half times the fixed annual remuneration of the Executive Board member concerned was agreed in the D&O insurance policy in the year under review and an accident insurance was concluded. No benefits were paid out of this to the benefit of the Executive Board members in the year under review.

3. Remuneration of Supervisory Board members

3.1. Basis of the remuneration system for the Supervisory Board

The remuneration system for the Supervisory Board is regulated in detail in section 13 of the company's Articles of Association. Accordingly, each member of the Supervisory Board receives a fixed remuneration in the amount of EUR 25,000 per financial year. The chairperson receives twice that amount, and the deputy chairperson 1.5 times this remuneration. This follows the recommendation of the German Corporate Governance Code to take the higher time commitment of the Chairperson and the Deputy Chairperson of the Supervisory Board into account accordingly for the remuneration.

For each membership in a committee of the Supervisory Board, each member receives an additional fee of 10% calculated from the basic remuneration of EUR 25,000. This requires that the respective committee has met at least once during the financial year (meeting or telephone conference). Membership in the Mediation Committee is excluded from this remuneration regulation in accordance with section 27 (3) of the German Employee Co-Determination Act (MitbestG). Insofar as a member of the committee attended more than two meetings or telephone conferences of a committee of the Supervisory Board in the financial year, the respective member additionally receives an attendance fee of EUR 500 per meeting or telephone conference.

Changes to the Supervisory Board and/or its committees are taken into account when determining remuneration, with the exception of the attendance fee, in proportion to the time in office and rounded up or down to full months based on the standard commercial rule. The remuneration is to be paid in December of the respective financial year.

The company also reimburses members of the Supervisory Board for expenses incurred while performing their duties including any value added tax applied to the remuneration and reimbursement of expenses. The company may take out a liability insurance policy on behalf of the Supervisory Board member which covers the legal liability obligation arising from the activities on the Supervisory Board. BAUER AG provides D&O group insurance cover with respect to liability for economic loss to the members of executive bodies of BAUER AG and of all affiliates in Germany and abroad in which a majority share is held.

The fixed remuneration, the remuneration of additional committee activities, attendance fees and the waiver of a separate performance-related Supervisory Board remuneration, are particularly intended to support the independence of the Supervisory Board members as well. The appropriate performance of the Supervisory Board's monitoring and advisory activity is intended to support the long-term development of the company.

3.2. Remuneration granted and owed to the Supervisory Board members for the year under review

The Supervisory Board of BAUER AG comprised 12 members in the year under review. In June of the year under review, the Supervisory Board elections were held, which resulted in a change to the composition of the Supervisory Board upon conclusion of the Annual General Meeting on June 24, 2021.

	Fixed remuneration		Committee		Attendance fee		Remuneration from Group mandates		Total remuneration	
	in EUR	in %	in EUR	in %	in EUR	in %	in EUR	in %	in EUR	in %
Current members of the Supervisory Board										
Thomas Bauer	50,000	91	5,000	9	0	0	0	0	55,000	100
Rainer Burg	25,000	100	0	0	0	0	0	0	25,000	100
Sabine Doblinger **	12,500	100	0	0	0	0	0	0	12,500	100
Petra Ehrenfried **	12,500	100	0	0	0	0	0	0	12,500	100
Maria Engfer-Kersten	25,000	88	2,500	9	1,000	4	0	0	28,500	100
Robert Feiger	37,500	100	0	0	0	0	0	0	37,500	100
Reinhard Irrenhauser	25,000	82	2,500	8	0	0	3,000	10	30,500	100
Klaus Pöllath **	12,500	91	1,250	9	0	0	0	0	13,750	100
Wolfgang Rauscher **	12,500	100	0	0	0	0	0	0	12,500	100
Elisabeth Teschemacher	25,000	91	2,500	9	0	0	0	0	27,500	100
Andrea Teutenberg	25,000	86	2,500	9	1,500	5	0	0	29,000	100
Gerardus N.G. Wirken	25,000	86	2,500	9	1,500	5	0	0	29,000	100
Former members of the Supervisory Board										
Regina Andel *	12,500	100	0	0	0	0	0	0	12,500	100
Johannes Bauer *	12,500	91	1,250	9	0	0	0	0	13,750	100
Manfred Nußbaumer *	12,500	91	1,250	9	0	0	0	0	13,750	100
Stefan Reindl *	12,500	100	0	0	0	0	0	0	12,500	100
Total	337,500		21,250		4,000		3,000		365,750	

* Member of the Supervisory Board until June 24, 2021 ** Member of the Supervisory Board from June 24, 2021ab 24. Juni 2021

No provisions are made in the company's Articles of Association for reclaiming variable remuneration components and there was no occasion to do so, which means that in the year under review no option was used of reclaiming variable remuneration components.

4. Comparative representation of the development in remuneration and income

The following comparative representation depicts the annual change in the remuneration granted and owed to the current and former members of the Executive Board and Supervisory Board, the income development of the company and the remuneration of employees based on full-time equivalents (FTE), whereby the average wages and salaries of all employees of the BAUER AG in the respective financial year are applied for the latter.

	Remuneration		Change 2021 compared with 2020	
	2020	2021	in %	in EUR
	in EUR			
Acting members of the Executive Board				
Michael Stomberg	646,734	678,667	5	31,933
Florian Bauer	275,827	312,811	13	36,984
Hartmut Beutler	404,119	416,802	3	12,683
Peter Hingott	374,456	416,137	11	41,681
Former members of the Executive Board				
Thomas Bauer	167,820	167,820	0	0
Heinz Kaltenecker	65,452	67,156	3	1,704
Current members of the Supervisory Board				
Thomas Bauer	55,000	55,000	0	0
Rainer Burg	25,000	25,000	0	0
Sabine Doblinger *	n/a	12,500	n/a	n/a
Petra Ehrenfried *	n/a	12,500	n/a	n/a
Maria Engfer-Kersten	29,000	28,500	-2	-500
Robert Feiger	37,500	37,500	0	0
Reinhard Irrenhauser	30,500	30,500	0	0
Klaus Pöllath *	n/a	13,750	n/a	n/a
Wolfgang Rauscher *	n/a	12,500	n/a	n/a
Elisabeth Teschemacher	27,500	27,500	0	0
Andrea Teutenberg	29,000	29,000	0	0
Gerardus N.G. Wirken	29,000	29,000	0	0
Former members of the Supervisory Board				
Regina Andel **	25,000	12,500	-50	-12,500
Johannes Bauer **	27,500	13,750	-50	-13,750
Manfred Nußbaumer **	27,500	13,750	-50	-13,750
Stefan Reindl **	25,000	12,500	-50	-12,500
Employee				
Ø remuneration FTE	61,516	62,816	2	1,300
Income development				
Group earnings after taxes (in EUR thousand)	-8,222	3,991	n/a	12,213
Earnings after tax BAUER AG (in EUR thousand)	-14	31	n/a	45

* Member of the Supervisory Board from June 24, 2021 ** Member of the Supervisory Board until June 24, 2021 ab 24. Juni 2021

Schrobenhausen, Germany, April 5, 2022

BAUER Aktiengesellschaft

The Executive Board

The Supervisory Board

Report of the independent auditor on the formal audit of the remuneration report pursuant to § 162 Abs. 3 AktG

To BAUER Aktiengesellschaft, Schrobenhausen

Opinion

We have formally audited the remuneration report of the BAUER Aktiengesellschaft, Schrobenhausen, for the financial year from January 1 to December 31, 2021, to determine whether the disclosures pursuant to section 162 (1) and (2) of the AktG have been made in the remuneration report. In accordance with section 162 (3) of the AktG, we have not audited the content of the remuneration report.

In our opinion, the information required by section 162 (1) and (2) of the AktG has been disclosed in all material respects in the accompanying remuneration report. Our opinion does not cover the content of the remuneration report.

Basis for the opinion

We conducted our formal audit of the remuneration report in accordance with section 162 (3) of the AktG and IDW [Institut der Wirtschaftsprüfer: Institute of Public Auditors in Germany] Auditing Standard: The formal audit of the remuneration report in accordance with section 162 (3) of the AktG (IDW AuS 870). Our responsibility under that provision and that standard is further described in the "Auditor's Responsibilities" section of our auditor's report. As an audit firm, we have complied with the requirements of the IDW Quality Assurance Standard: Requirements to quality control for audit firms [IDW Qualitätssicherungsstandard - IDW QS 1]. We have complied with the professional duties pursuant to the Professional Code for German Public Auditors and German Chartered Auditors [Berufssatzung für Wirtschaftsprüfer und vereidigte Buchprüfer - BS WP/vBP], including the requirements for independence.

Responsibility of the Management Board and the Supervisory Board

The management board and the supervisory board are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of section 162 of the AktG. They are also responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our objective is to obtain reasonable assurance about whether the information required by section 162 (1) and (2) of the AktG has been disclosed in all material respects in the remuneration report and to express an opinion thereon in an auditor's report.

We planned and performed our audit to determine, through comparison of the disclosures made in the remuneration report with the disclosures required by section 162 (1) and (2) of the AktG, the formal completeness of the remuneration report. In accordance with section 162 (3) of the AktG, we have not audited the accuracy of the disclosures, the completeness of the content of the individual disclosures, or the appropriate presentation of the remuneration report.

Stuttgart, May 6, 2022

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Jürgen Schwehr
German Public Auditor

ppa. Christian Derosa
German Public Auditor

III. Information pursuant to Table 3 Block E nos. 3, 4 and 5 of the Commission Implementing Regulation (EU) 2018/1212

The documents to be communicated concerning Agenda Items 1 and 5 can be accessed on the company's website at www.bauer.de/agm.

Additional information is provided to shareholders there concerning participation in the General Meeting, the agenda and the deadlines for exercising other shareholder rights.

Votes cast concerning Agenda Items 2 to 4 and 6 are binding. Votes cast concerning Agenda Item 5 serve as recommendations. With respect to Agenda Items 2 to 6, the shareholders can vote "Yes," "No" or abstain from voting.

IV. More details concerning convocation

Share capital and voting rights

As of the date on which this General Meeting is convened, the company's share capital is EUR 111,186,566.76 divided into 26,091,781 no-nominal-value bearer shares (no-par-value shares) with an equal number of voting rights. On the date of convening, the company holds no treasury shares.

Virtual General Meeting without the physical presence of the shareholders and their representatives

On the basis of the COVID-19 Act, the Annual General Meeting on June 23, 2022 will be held as a virtual General Meeting without the physical presence of the shareholders and their representatives. For this reason, the shareholders and their representatives (except for the proxies appointed by the company) cannot physically attend the General Meeting.

Nevertheless, registered shareholders and their representatives can follow the entire General Meeting on a video and audio broadcast at the internet address www.bauer.de/agm and connect to the General Meeting via the company's online portal (General Meeting Portal) accessible at the same web address, particularly in order to exercise their voting rights. Instead of the usual admission card, properly registered shareholders will be sent a voting rights card with additional information about exercising their rights. Among other details, the voting rights card contains the access code that allows the shareholders to use the General Meeting Portal.

Internet-based online General Meeting Portal and shareholder hotline

Starting June 2, 2022, the company will maintain an internet-based online portal (General Meeting Portal) at the internet address www.bauer.de/agm. In this portal, properly registered shareholders (and their representatives where relevant) can perform actions such as exercising their voting rights, appointing proxies, submitting questions or lodging objections to be recorded in the minutes. In order to use the General Meeting Portal, you have to log in using the access code that you receive with your voting rights card. The various options for exercising your rights will then appear in the user interface of the General Meeting Portal in the form of buttons and menus. Shareholders will receive further details about the General Meeting Portal and the conditions for registration and use along with the voting rights card or online at www.bauer.de/agm. Please also observe the technical instructions at the end of this invitation announcement.

For questions about the virtual General Meeting and use of the General Meeting Portal, you can contact our shareholder hotline by calling the number +49 89 21027 220 (Monday to Friday, 9:00 a.m. – 5:00 p.m.).

Requirements for participation in the virtual General Meeting and exercising voting rights

Pursuant to section 16 (1) and (2) of the company's Articles of Association, only those shareholders who have registered in text form with the registration office designated below and demonstrated their entitlement are allowed to participate in the virtual General Meeting and to exercise their voting rights. To participate in the General Meeting and to exercise voting rights, a certificate of share ownership drawn up in text form pursuant to section 67c (3) of the AktG is required. This evidence must include a reference to the start of the 21st day before the meeting, i.e. June 2, 2022 at 00:00 hours (CEST) (record date – stipulated pursuant to Commission Implementing Regulation (EU) 2018/1212: June 1, 2022). Registration and evidence of share ownership must be received at the following address in German or English by **June 16, 2022, 24:00 hours (CEST)** at the latest:

BAUER Aktiengesellschaft
 c/o Link Market Services GmbH
 Landshuter Allee 10
 80637 Munich, Germany
 Email: inhaberaktien@linkmarketservices.de

In case of doubts concerning the accuracy or authenticity of the evidence, the company is entitled to request suitable additional evidence. If this evidence is not provided or is not given in proper form, the company may decline the shareholder.

After receipt of registration and the evidence of their share ownership at the designated address, the shareholders will be sent voting rights cards in order to exercise their rights with respect to the General Meeting, including access data for the General Meeting Portal for electronic connection to the General Meeting.

Significance of the record date

The record date is the decisive date for the scope and ability to exercise participation rights and voting rights during the virtual General Meeting. Only shareholders who have provided evidence of share ownership as of the record date will be considered company shareholders for the purposes of participating in the virtual General Meeting or exercising voting rights. Changes to the share portfolio after the record date have no significance in this context. Thus shareholders who only purchased their shares after the record date may not participate in the virtual General Meeting without being authorized by the previous shareholder. Shareholders that have properly registered and submitted evidence are entitled to participate in the virtual General Meeting and exercise their voting rights even if they sell the shares after the record date. The record date has no impact on the salability of the shares. The record date has no bearing on the entitlement to dividends.

Exercising voting rights through absentee voting

Shareholders may exercise their voting rights through absentee voting in text form or through electronic communication. In this case as well, proper registration and proper evidence of share ownership (see above under "Requirements for participation in the virtual General Meeting and exercising voting rights") are required.

Before the General Meeting, you can use the absentee voting form sent with your voting rights card. The absentee voting form can also be downloaded from the company's website at www.bauer.de/agm. If you use the absentee voting form, this must exclusively be sent to the following mailing address or e-mail address for the registration office and must be received there by **June 22, 2022, 24:00 hours (CEST)**:

BAUER Aktiengesellschaft, c/o Link Market Services GmbH
Landshuter Allee 10, 80637 Munich, Germany
Email: inhaberaktien@linkmarketservices.de

Absentee votes that cannot be reliably attributed to a proper registration will not be counted.

Starting from June 2, 2022, you may also exercise your voting rights through (electronic) absentee voting on the company's General Meeting Portal that can be accessed at the web address www.bauer.de/agm. Electronic absentee voting through the General Meeting Portal is available until the start of voting in the virtual General Meeting. The button "Briefwahl" (absentee voting) is provided in the General Meeting Portal for this purpose. Using the General Meeting Portal, you can change or withdraw any votes you cast previously through the absentee voting process until shortly before the start of voting.

Additional instructions concerning absentee voting are included in the voting rights card that is sent to properly registered shareholders. Relevant information and a more detailed description of electronic absentee voting in the General Meeting Portal can also be accessed online at www.bauer.de/agm.

Exercising voting rights by granting power of attorney to the company's proxies

In order to exercise voting rights, the shareholders can also grant power of attorney to the proxies appointed by the company, who are bound to follow instructions. In this case as well, proper registration and proper evidence of share ownership (see above under "Requirements for participation in the virtual General Meeting and exercising voting rights") are required. Text form is required when granting or withdrawing the power of attorney for the company's proxies. If power of attorney is granted to proxies appointed by the company, instructions for exercising voting rights must always be given. The proxies are obliged to vote according to their instructions. Without such explicit instructions, the proxies will not exercise the voting rights.

Before the General Meeting, you can use the power of attorney and instruction form sent with the voting rights card. The power of attorney and instruction form can also be downloaded from the company's website at www.bauer.de/agm. If you use the power of attorney and instruction form, this must exclusively be sent to the following mailing address or e-mail address for the registration office and must be received there by **June 22, 2022, 24:00 hours (CEST)**:

BAUER Aktiengesellschaft, c/o Link Market Services GmbH
Landshuter Allee 10, 80637 Munich, Germany
Email: inhaberaktien@linkmarketservices.de

After June 22, 2022, 24:00 hours (CEST), powers of attorney and instructions sent to the above address may no longer be changed or withdrawn. Changes or withdrawals may still be made in the General Meeting Portal as described below until the start of voting in the virtual General Meeting.

Starting from June 2, 2022, you may also exercise your voting rights by granting power of attorney to the company's proxies on the company's General Meeting Portal that can be accessed at the web address www.bauer.de/agm. The option of granting power of attorney through the General Meeting Portal is available until the start of voting in the virtual General Meeting. The button "Vollmacht und Weisungen" (Power of attorney and instructions) is provided in the General Meeting Portal for this purpose. Using the General Meeting Portal, you can change or withdraw any powers of attorney and instructions you granted previously through the absentee voting process until the start of voting.

Additional instructions about granting powers of attorney and instructions to the company's proxies are included in the voting rights card that is sent to properly registered shareholders. Relevant information and a more detailed description on issuing powers of attorney and instructions to the company's proxies in the General Meeting Portal can also be accessed online at www.bauer.de/agm.

Authorization of third parties to exercise voting rights and other rights

Shareholders can also exercise their voting rights and other rights using authorized representatives, for instance an intermediary (e.g. a bank), a voting rights advisor, a shareholder association or a third party. In this case as well, proper registration and proper evidence of share ownership (see above under "Requirements for participation in the virtual General Meeting and exercising voting rights") are required. Authorized third parties can exercise the voting right in turn through absentee voting or by issuing power of attorney and instructions to the company's proxies (see above). If the shareholder authorizes more than one person, the company may reject one or more of these parties in accordance with section 134 (3) sentence 2 of the AktG.

Text form is required when granting or withdrawing this power of attorney and providing evidence of authorization to the company (section 126b of the German Civil Code, BGB) if power of attorney was not issued pursuant to section 135 of the AktG. When authorizing other parties to exert voting rights pursuant to section 135 of the AktG (granting power of attorney to banks, shareholder associations, voting rights advisors, other intermediaries included in section 135 of the AktG or their equivalent pursuant to section 135 of the AktG), particular conditions generally need to be observed. Shareholders who wish to grant power of attorney for exercising voting rights pursuant to section 135 of the AktG are requested to ask the relevant proxy about any particular conditions for the power of attorney and to coordinate these conditions with the proxy.

Evidence of authorization may be submitted to the company, changed or withdrawn no later than Wednesday, **March 22, 2022, 24:00 hours (CEST)** by mail or e-mail to the above address of the registration office, or starting from June 2, 2022 using the General Meeting Portal at www.bauer.de/agm until the start of voting in the virtual General Meeting. Compliance with this deadline depends on the time of receipt by the company.

On the day of the virtual General Meeting, power of attorney can exclusively be issued, changed or withdrawn electronically in the General Meeting Portal at www.bauer.de/agm until the start of voting. The button "Vollmacht an Dritte" (Appoint third-party proxy) is provided in the General Meeting Portal for this purpose.

The above means of communication are also available until the respective times listed above when issuing a power of attorney by submitting a declaration to the company; separate evidence concerning the granting of the power of attorney is not required in this case. Existing powers of attorney can also be withdrawn or changed until the respective times listed above by submitting a direct declaration to the company using the means of communication listed above.

Shareholders that wish to authorize a proxy are requested to use the form provided by the company for granting the power of attorney. This will be sent to properly registered shareholders along with the voting rights card. The power of attorney form can also be downloaded from the company's website at www.bauer.de/agm. Power of attorney can also be issued, changed or withdrawn electronically in the General Meeting Portal starting from June 2, 2022 until directly before the start of voting during the virtual General Meeting. The button "Vollmacht an Dritte" (Appoint third-party proxy) is provided in the General Meeting Portal for this purpose.

In order to use a proxy to exercise shareholder rights by means of electronic connection to the General Meeting Portal, the proxy must receive the access code sent with the voting rights card from the party issuing the power of attorney.

Additional instructions about appointing third parties as proxies are included in the voting rights card that is sent to properly registered shareholders. Relevant information and a more detailed description of appointing third parties as proxies can also be accessed online at www.bauer.de/agm.

Shareholder rights: Additions to the Agenda

Pursuant to section 122 (2) of the AktG, shareholders with shares that make up one-twentieth of the share capital or the proportional amount of EUR 500,000 can request that items be added to the agenda and announced. The applicants must demonstrate that they have owned the necessary number of shares for at least 90 days before the date on which the request is received and must hold the shares until the Executive Board makes its decision concerning the request. Each new item must be accompanied by a justification or proposed resolution. Pursuant to section 126 of the BGB, the request must be addressed to the Executive Board. Requests for additions to the agenda must be received by the company at least 30 days before the General Meeting, i.e. no later than May 23, 2022, 24:00 hours (CEST). We ask that such requests be submitted to the following address:

BAUER Aktiengesellschaft
- Executive Board -
BAUER-Straße 1
86529 Schrobenhausen, Germany

Shareholder rights: Motions and nominations

Each shareholder is entitled to submit motions concerning agenda items pursuant to section 126 (1) of the AktG, nominations for the election of the auditor and Group auditor and/or for the election of members of the Supervisory Board pursuant to section 127 of the AktG. The company will communicate the motions and nominations of shareholders including the name of the shareholder, the justification and any statement from the administration at www.bauer.de/agm insofar as this is prescribed by law if the shareholder sent the company an admissible motion concerning a specific agenda item along with justification or an admissible nomination including the legally required information at least 14 days before the General Meeting, i.e. by June 8, 2022, 24:00 hours (CEST). Among other conditions, a nomination need not be communicated if it fails to include the candidate's name, profession and place of residence. Nominations for election of members of the Supervisory Board also need not be communicated if no information is included concerning membership of the proposed candidate in other supervisory boards within the meaning of section 125 (1) sentence 5 of the AktG. Justification does not need to be provided for nominations. Shareholders are requested to provide evidence of their shareholder status as of the date when the counter-motion or nomination is submitted.

Counter-motions and nominations must exclusively be sent to the following address:

BAUER Aktiengesellschaft
- Investor Relations -
BAUER-Straße 1
86529 Schrobenhausen, Germany
Fax: +49 8252 97-2900
E-mail: hv2022@bauer.de

Pursuant to section 1 (2) sentence 3 of the COVID-19 Act, shareholder motions or nominations that require communication pursuant to section 126 or section 127 of the AktG are deemed as proposed in the General Meeting if the shareholder proposing the motion or nomination is properly legitimized and registered for the General Meeting.

Shareholder rights: Right to ask questions

Pursuant to section 1 (2) of the COVID-19 Act, shareholders are granted the right to ask questions by means of electronic communication.

Properly registered shareholders therefore have the right to ask questions by means of electronic communication. Any questions must be submitted at least one day before the General Meeting, i.e. received **by the end of June 21, 2022, 24:00 hours (CEST)** through the company's General Meeting Portal at the web address www.bauer.de/agm.

The button "Frage einreichen" (Submit a question) is provided in the General Meeting Portal for this purpose. No more questions may be submitted after the above period has elapsed.

The Executive Board decides at its due and free discretion as to how it answers questions; it may also summarize questions and responses.

Shareholder rights: Declaration of objections to be recorded in the minutes

Properly registered shareholders who have exercised their voting rights may electronically submit objections against resolutions of the General Meeting to be recorded in the notary's minutes from the start of the virtual General Meeting on June 23, 2022 until the end of the General Meeting through the General Meeting Portal. The button "Widerspruch einlegen" (Submit an objection) is provided in the General Meeting Portal for this purpose.

Information and documents concerning the General Meeting

The information to be communicated pursuant to section 124a of the AktG, along with further clarifications concerning the rights of shareholders pursuant to sections 122 (2), 126 (1), 131 (1) of the AktG in conjunction with section 1 of the COVID-19 Act, are available on the company's website at www.bauer.de/agm. The voting results will be published on the same web address after the end of the General Meeting.

The statutory documents to be communicated can also be accessed during the General Meeting on the company's website at www.bauer.de/agm.

V. Technical instructions concerning the virtual General Meeting

In order to follow the virtual General Meeting and to use the General Meeting Portal and exercise shareholder rights, you will require an internet connection and web-enabled end device. In order to optimally reproduce the video and audio broadcast of the General Meeting, a stable internet connection with a sufficient transmission speed is recommended. If you use a computer to receive the video and audio broadcast of the virtual General Meeting, you will need a browser and speaker or headphones.

To access the company's General Meeting Portal, you will need your voting rights card which was sent to you after proper registration. On this voting rights card you will find your individual access data, which you can use to register in the General Meeting Portal on the registration page.

The shareholders can follow the entire General Meeting via the video and audio broadcast online. Based on the current state of technology, the video and audio broadcast of the virtual General Meeting and the availability of the General Meeting Portal may be subject to fluctuations over which the company has no influence due to restrictions in the availability of the telecommunications network and the restriction of internet services from third-party providers. For this reason, the company cannot issue a guarantee or accept liability for the functional operation and constant availability of the internet services used, for the third-party network elements used, for the video and audio broadcast or for access to the General Meeting Portal and its general availability. Nor can the company accept responsibility for errors and defects in the hardware and software used for the online service including the services offered by third-party providers, except in cases of willful intent.

To prevent the risk of restrictions when exercising shareholder rights due to technical problems during the virtual General Meeting, it is recommended to exercise shareholders rights (particularly voting rights) **before the start of the General Meeting** if possible. The General Meeting Portal is accessible for exercise of voting rights starting June 2, 2022.

VI. Data protection information

The controller for data processing is

BAUER Aktiengesellschaft
BAUER-Straße 1, 86529 Schrobenhausen, Germany
Phone +49 8252 97-0, Fax +49 8252 97-2900

You can reach the controller's data protection officer at bag-datenschutz@bauer.de or using the contact details provided above with the addition of "Data protection officer".

In order to administer the virtual General Meeting (particularly for participation and exercising other shareholder rights) and for communication with the shareholders/shareholder representatives, the company processes personal data (in particular name, address, additional contact details, signature, shareholding, questions/motions/nominations, voting behavior, IP addresses where relevant, times of access to the General Meeting Portal) concerning shareholders and shareholder representatives that these parties submit to the company or that is submitted to the company by their intermediaries or proxies for the General Meeting. If the personal

data required by law in order to identify shareholders and manage their participation in the General Meeting is not provided, participation in the General Meeting cannot be arranged.

As a shareholder, if you make use of the right to submit questions prior to the virtual General Meeting, your name may be mentioned in the General Meeting during this process. Other participants in the virtual General Meeting will be able to take note of this information. This data processing is necessary to pursue our legitimate interest in conducting the virtual General Meeting as similarly as possible to a physical General Meeting and the legitimate interest of the remaining participants in the General Meeting to learn the name of the party asking the question.

The legal basis for processing is provided by the respective regulations in the Stock Corporation Act (AktG) and the Securities Trading Act in conjunction with section 6 (1)(c) of the GDPR. Apart from this, processing is carried out pursuant to Art. 6 (1)(f) of the GDPR to pursue the controller's legitimate interest in organizing and conducting the virtual General Meeting in an orderly fashion provided that the interests or the fundamental rights and freedoms of the data subject are not overriding.

Within the company, access to personal data will be granted to those parties who require the data in order to fulfill statutory obligations. The service providers engaged by the company to enable holding of the General Meeting, who are bound to comply with data protection law under processing agreements where necessary, may also obtain data for the above-mentioned purposes. These include recipients in the following categories: service providers for General Meetings, IT service providers, printing and mailing of shareholder documents, telecommunications, legal advisors. Personal data will also be communicated to other shareholders through the participation list and the participants in the General Meeting in the course of exercising shareholder rights, and potentially to the public or public authorities to fulfill statutory reporting obligations, including on the company's website (e.g. additional item requests, counter-motions, nominations, voting rights communications).

The storage period (subject to special legal requirements) is regularly up to three years for the data collected in connection with virtual General Meetings. After this period, the data will be erased unless other statutory obligations require further retention of the data, in particular retention periods under trade law and tax law (up to 10 years), the data is necessary for the establishment, exercise or defense of legal claims under the applicable limitation provisions (up to 30 years) or if the controller has a legitimate interest in this regard.

The data subject has the right to access information (section 15 of the GDPR), the right to rectification (section 16 of the GDPR), the right to erasure (section 17 of the GDPR), the right to restriction of processing (section 18 of the GDPR), the right to object against the processing (section 21 of the GDPR) and the right to data portability (section 20 of the GDPR). The restrictions of sections 34 and 35 of the Federal Data Protection Act (BDSG) apply for the right to access information and the right to erasure. Rights can be exercised by contacting the data protection officer indicated above. The data subject also has the right to lodge a complaint with the data protection officer listed above or with a data protection supervisory authority.

Information regarding the right to object pursuant to section 21 of the GDPR

You have the right to object, on grounds relating to your particular situation, at any time, to processing of personal data concerning you that is based on overriding legitimate interests pursuant to section 6 (1)(f) of the GDPR. After you object, we will no longer process the personal data unless we can demonstrate compelling legitimate grounds for the processing which override your interests, rights and freedoms, or if processing is necessary for the establishment, exercise or defense of legal claims.

Schrobenhausen, May 2022

BAUER Aktiengesellschaft

The Executive Board

BAUER Aktiengesellschaft

BAUER-Strasse 1

86529 Schrobenhausen

Germany

Investor Relations

Phone: +49 8252 97-1095

E-mail: investor.relations@bauer.de