

**Convenience Translation:**

*The text decisive for the explanation on the shareholders' rights is the one written in the German language.*

## Annual General Meeting of First Sensor AG on May 20, 2020

Information on shareholders' rights under Section 122 Para. 2, Section 126 Para. 1, Section 127, Section 131 Para. 1 AktG in conjunction with Section 1 Para. 2 Sentence 1 No. 3 C-19 AuswBekG

The convocation of the General Shareholders' Meeting of First Sensor AG already includes details on shareholders' rights pursuant to sections 122 para. 2, 126 para. 1, 127 and 131 para.1 of the German Stock Corporation Act (Aktiengesetz – AktG). The following information is intended for further clarification purposes.

### **Requested additions to the agenda under Section 122 Para. 2 AktG**

The shareholders whose shares together account for a twentieth of the share capital or of EUR 500,000.00 (corresponds to 100,000 shares) can request under Section 122 Para. 2 AktG that items be added to the agenda and announced. Every new item must include a reason or draft resolution. The request must be received by the company by the end of April 25, 2020 (24:00). Please send requests to:

First Sensor AG  
The Executive Board  
c/o Link Market Services GmbH  
Landshuter Allee 10  
80637 Munich

The applicants must prove that they have been shareholders for at least 90 days before the date the request was received, and that they will hold the shares until the Executive Board decides on the motion; Section 70 AktG will apply when calculating the length of the shareholding period. The date of receipt of the request is not counted. No delay is possible from a Sunday, Saturday or holiday to an earlier or later business day. Sections 187 to 193 BGB do not apply.

Additions to the agenda to be announced will be published immediately after receipt of the request in the Federal Gazette and sent to media that is assumed to disseminate the information throughout the European Union. They will also be published on the website of First Sensor AG under [www.first-sensor.com](http://www.first-sensor.com), "Investor Relations" and "Annual General Meeting" and communicated to shareholders under Section 125 Para. 1 Sentence 3 AktG. The relevant sections of the German Stock Corporation Act upon which those shareholder rights are based are as follows (convenience translation only):

Section 122 of the German Stock Corporation Act: Convening a meeting upon the request of a minority

- (1) A general meeting shall be convened if shareholders whose aggregate holding is not less than one-twentieth of the share capital require such meeting in writing, stating the purpose and grounds; such request shall be addressed to the Executive Board. The articles of association may provide that the right to request a general meeting is to depend on another form and on holding a lower proportion of the share capital. The applicants have to prove that they have been shareholders for at least 90 days prior to the day of the receipt of the demand and that they will continue to hold the shares until the decision of the managing board regarding their request is made. Section 121 para. 7 shall apply correspondingly.

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- (2) In the same way shareholders, whose shares amount in aggregate to not less than one-twentieth of the share capital or represent a proportional amount of not less than 500,000 Euro, may request to have items placed on the agenda and published. Every request for a new agenda item must be accompanied by an explanation of the reasons therefor or a proposed resolution. The request in accordance with sentence 1 must be received by the Company at least 24 days, in case of public companies at least 30 days prior to the general meeting; whereby the day of the receipt is not counted.
- (3) If any such request is not complied with, the court may authorize the shareholders who made the request to convene a general meeting or publish such items. At the same time the court may appoint the chairman of the meeting. The notice of the meeting or the publication shall refer to such authorization. An appeal may be made against the decision of the court. The applicants have to prove that they will continue to hold the shares until the decision of the court is made.
- (4) The Company shall bear the costs of the general meeting and, in the case of paragraph 3, also the court costs if the court grants the application.

Section 124 of the German Stock Corporation Act: Publication of requests for supplements; proposals for resolutions (excerpt)

- (1) If the minority has requested pursuant to Section 122 para. 2 that items shall be added to the agenda, these items shall be published either upon convening the meeting or immediately following receipt of the request. Section 121 para. 4 shall apply analogously; moreover, Section 121 para. 4a shall apply analogously to public companies. Publication and submission shall be made in the same way as applicable for convening the meeting.

Section 121 of the German Stock Corporation Act: General provisions (excerpt)

- (4) The convening of the general meeting shall be published in the company's journals. If the shareholders of the Company are known by name, the shareholders' meeting may be convened by registered letter, unless the articles of association provide otherwise; the day of dispatch shall be considered the day of publication.
- (4a) In case of public companies which have not exclusively issued registered shares or which do not send the convention directly to the shareholders pursuant to para. 4 sentence 2, the notice shall, at the latest on the date of announcement, be furnished to such suitable media as may be expected to disseminate the information throughout the European Union.
- (7) In case of deadlines and dates which are calculated back from the date of the meeting, the day of the meeting itself shall not be included in the calculation. Adjourning the meeting from a Sunday, Saturday or a holiday to a preceding or following working day shall not be an option. Sections 187 to 193 of the German Civil Code (Bürgerliches Gesetzbuch) shall not be applied analogously. In case of unlisted companies, the articles may provide for a different calculation of the deadline.

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Section 70 of the German Stock Corporation Act: Computation of the period of shareholding

If the exercise of rights arising from a share shall require the shareholder to have been the holder of the share for a certain period of time, the right to claim transfer from a bank, a financial services institution or an enterprise active according to section 53 para. 1 sentence 1 or section 53b para. 1 sentence 1 or para. 7 of the Banking Act shall be deemed equivalent to ownership. The period during which the share was owned by a predecessor in title shall be attributed to the shareholder, if he acquired the share without consideration from his fiduciary, as universal successor, upon severance of co-ownership, or as a result of a transfer of assets pursuant to section 13 of the Insurance Supervision Act or section 14 of the Building Savings Bank Act.

**Counter motions and nominations from shareholders under Section 126 Para. 1 and Section 127 AktG**

All shareholders are entitled to send counter motions on the proposed resolutions of the Supervisory Board and Executive Board on the items of the agenda and nominations. Such requests (including the reason) and nominations must be sent only to:

First Sensor AG  
c/o Link Market Services GmbH  
Landshuter Allee 10  
80637 Munich  
Fax: +49 (0)89/21027-298  
E-mail: [antraege@linkmarketservices.de](mailto:antraege@linkmarketservices.de)

Counter motions and nominations sent elsewhere will not be considered.

Counter motions and nominations by shareholders that must be communicated and are received by the company by no later than the end of May 11, 2020 (24:00), will be published immediately according to the legal regulations on the internet at [www.first-sensor.com](http://www.first-sensor.com) under "Investor Relations" and "Annual General Meeting." Any responses by management on the counter motions and nominations will also be published online at [www.first-sensor.com](http://www.first-sensor.com) under "Investor Relations" and "Annual General Meeting."

The company does not need to publish a counter motion and any reasons for it or a nomination if one of the reasons for disqualification under Section 126 Para. 2 AktG applies, e.g. because the nomination or counter motion would result in a resolution of the Annual General Meeting that violates the law or the Articles of Association, or the primary reasons contain clearly incorrect or misleading information. A nomination does not have to be published if it does not include the name, profession and domicile of the person nominated. Reasons for a counter motion do not have to be published if they are more than 5,000 characters.

Counter motions and nominations received from duly registered shareholders by the end of May 24, 2020, 24:00 at the latest through the company's AGM portal, which can be reached at the internet address [www.first-sensor.com](http://www.first-sensor.com) in the "Investor Relations" section under "Annual General Meeting," will be considered submitted in the context of the virtual Annual General Meeting.

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The provisions of the German Stock Corporation Act on which these shareholder rights are based, which also determine the conditions under which countermotions and election proposals may not be made available, are as follows:

Section 126 of the German Stock Corporation Act: Propositions by shareholders

- (1) Information on shareholders propositions, including the respective shareholder's name, as well as the underlying reasons for the proposition and statements, if any, by the Management need only be given to the beneficiaries pursuant to section 125 para. 1 through 3, if the shareholder submits to the company at the address specified his counter-application stating the reasons for it to a proposal of the Executive Board and the supervisory board concerning a specific agenda item at the latest 14 days prior to the general meeting. The day of the receipt is not counted. Public companies have to publish the propositions on their webpage. Section 125 para. 3 applies accordingly.
- (2) Information on a counter-application and the reasons therefor need not be given, if:
  1. the Executive Board would by reason of giving such information become criminally liable;
  2. the counter-application would result in a resolution of the general meeting which would be unlawful or in breach of the articles of association;
  3. the grounds contain statements which are manifestly false or misleading in material respects or which are defamatory;
  4. a counter-application of such shareholder based on the same facts has already been communicated to a general meeting of the company pursuant to section 125;
  5. the same counter-application of such shareholder on essentially identical grounds has already been communicated pursuant to section 125 to at least two general meetings of the company within the past five years and at such general meetings less than one-twentieth of the share capital represented voted in favour of such counter-application;
  6. the shareholder indicates that he will neither attend nor be represented at the general meeting; or
  7. within the past two years at two general meetings the shareholder failed to move or cause to be moved on his behalf a counter-application communicated by him.

The statement of grounds need not be communicated if it exceeds 5000 figures.

- (3) If several shareholders make counter-applications in respect of the same resolution, the Executive Board may combine such counter-applications and their statements of grounds.

Section 127 sentences 1 to 3 of the German Stock Corporation Act: Nominations by shareholders

Section 126 shall apply analogously to nomination by a shareholder for election of supervisory board members or auditors. Such nomination does not need be supported by statement of grounds. Nor does the Executive Board need to give notice of such nomination if it fails to contain the particulars required by section 124 para. 3 sentence 4 and section 125 para. 1 sentence 5.

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Section 124 of the German Stock Corporation Act: Publication for requests for supplements; proposals for resolutions (excerpt)

- (3) ...The nomination for the election of supervisory board members or auditors shall state their name, profession and domicile. ...

Section 125 of the German Stock Corporation Act: Communications to shareholders and members of the supervisory board (excerpt)

- (1) ...In case of public companies details on the membership in other supervisory boards to be established pursuant to statutory provisions must be added to any nomination for the election of supervisory board members; details on their membership in comparable domestic and foreign controlling bodies of enterprises shall be added.

**Information on shareholders' rights under Section 122 Para. 2, Section 126 Para. 1, Section 127, Section 131 Para. 1 AktG in conjunction with Section 1 Para. 2 Sentence 1 No. 3 C-19 AuswBekG**

Shareholder information rights are substantially limited in the case of a virtual annual general meeting in accordance with Section 1 Para. 2 C-19 AuswBekG. This states that shareholders only have the option to submit questions via electronic communication (Section 1 Para. 2 Sentence 1 No. 3 C-19 AuswBekG). The Executive Board can also stipulate that questions be submitted two days before the Annual General Meeting at latest. The Executive Board of First Sensor AG has made use of this option with the approval of the Supervisory Board. The Executive Board only decides on responses to questions at its own due discretion, in accordance with Section 1 Para. 2 Sentence 2 C-19 AuswBekG – in deviation from Section 131 AktG. According to explanatory memorandum for Section 1 Para 2 Sentence 2 C-19 AuswBekG, the management is by no means required to answer every question; it can compile questions and select sensible questions in the interest of the other shareholders. In this context, it can give precedence to shareholders' associations and institutional investors with significant voting shares.

Reference is made to the statements already given above on the option for shareholders to ask questions in accordance with Section 1 Para. 2 Sentence 1 No. 3 C-19 AuswBekG.

The wording of the regulations upon which these shareholders' rights are based is the following:

**Article 2**

**Act on measures in company, cooperative, association, foundation and home ownership law to combat the effects of the COVID-19 pandemic**

**Section 1 Stock corporations; partnerships limited by shares (KGaA); European companies (SE); mutual insurance companies**

- (1) Decisions regarding the participation of shareholders in the general meeting by means of electronic communication in accordance with the second sentence of section 118(1) of the German Stock Corporation Act (AktG) (electronic participation), voting by means of electronic communication in accordance with section 118(2) of the German Stock Corporation Act (postal vote), the participation of members of the supervisory board by means of video and audio transmission in accordance with the second sentence of section 118(3) of the German Stock Corporation Act and the authorisation of

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video and audio transmission in accordance with section 118(4) of the German Stock Corporation Act may be made by the management board of the company even without authorisation by the articles of association or rules of procedure.

- (2) The management board can decide that the meeting is held without the physical presence of the shareholders or their representatives as a virtual general meeting, provided
  1. the entire meeting is transmitted via audio and video,
  2. shareholders can vote via electronic communication (postal vote or electronic participation) and grant power of attorney,
  3. shareholders are granted the opportunity to ask questions electronically,
  4. shareholders who have exercised their voting rights in accordance with no. 2, in deviation from section 245 no. 1 of the German Stock Corporation Act and waiving the requirement to appear at the general meeting, are given the opportunity to object to a resolution of the general meeting. The management board decides at its due and free discretion as to which questions it answers and how; it may also require that questions are to be submitted electronically no later than two days before the meeting.

**Section 131 of the German Stock Corporation Act: Shareholders right to information**

- (1) Each shareholder shall upon request be provided with information at a general meeting by the executive Executive Board regarding the company's affairs, to the extent that such information is necessary to permit a proper evaluation of the relevant item on the agenda. The duty to provide information shall also extend to the company's legal and business relations with any connected enterprise. If a company makes use of the simplified procedure pursuant to section 266 para. 1 sentence 3, section 276 or section 288 of the German Commercial Code, each shareholder may request that the annual financial statements be presented to him at the general meeting on such annual financial statements in the form which would have been used if such simplified procedures were not applied. The disclosure obligation of the executive Executive Board of the parent company (section 290 para. 1, 2 of the German Commercial Code) in the general meeting, to which the consolidated financial statements and the consolidated management report is presented, also extends to the situation of the consolidated group of companies and of the enterprises included in the consolidated financial statements.
- (2) The information provided shall comply with the principles of conscientious and accurate accounting. The articles of association or the by-laws according to section 129 can authorize the chairman to set appropriate time limits in regards to shareholders' right to ask questions and speak and to make other determinations in this matter.
- (3) The Executive Board may refuse to provide information:
  1. to the extent that providing such information is, according to sound business judgement, likely to cause not insignificant damage to the company or a connected enterprise;
  2. to the extent that such information relates to tax valuations or the amount of individual taxes;
  3. on the difference between the value at which items are shown in the annual balance sheet and the higher value of such items, unless the general meeting is to adopt the annual financial statements;
  4. on methods of arriving at balances and valuation, if disclosure of such methods in the notes suffices to provide a factually accurate picture of the condition of the company's assets, financial position and profitability within the

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meaning of section 264 para. 2 of the German Commercial Code; this shall not apply if the general meeting is to adopt the annual financial statements;

5. insofar as provision of the information would render the Executive Board criminally liable;
6. insofar as, in the case of a bank or a financial services institution, information on methods adopted of arriving at balances, valuation and effected settlements does not require to be given in the annual financial statements, management report, consolidated financial statements or consolidated management report;
7. insofar as such information is available on the webpage of the company at least for a period of seven days prior to the general meeting and throughout the general meeting.

Provision of information may not be refused for other reasons.

- (4) If information has been provided to a shareholder, by reason of his status as a shareholder, outside the general meeting, such information shall upon request be provided to any other shareholder at the general meeting, even if such information is not necessary to permit a proper evaluation of an item on the agenda. The Executive Board may not refuse to provide such information on the grounds of paragraph 3 sentence 1 nos. 1 to 4. Sentences 1 and 2 shall not apply if a subsidiary enterprise (section 290 para. 1, 2 of the German Commercial Code) an enterprise with common management (section 310 para. 1 of the German Commercial Code) or an associated enterprise (section 311 para. 1 of the German Commercial Code) discloses the information to a parent enterprise (section 290 para. 1, 2 of the German Commercial Code) for the purposes of inclusion of the information in the consolidated financial statements of the parent enterprise and the information is necessary for that purpose.
- (5) A shareholder who has been denied information may request that his question, and the reason for which the information was denied, be recorded in the minutes of the meeting.

Pursuant to section 18 no. 3 of the Articles of Association, the chairman of the Annual General Meeting may restrict the length of time a shareholder has the right to speak and to ask questions as appropriate.

The relevant section of the Company's Articles of Association is as follows (convenience translation only):

Sec. 18 no. 3 of the Articles of Association of First Sensor AG

- No. 3 The chairman of the General Meeting may appropriately limit the time allowed for the shareholder's questions and statements. In particular, the chairman may specify the appropriately limit for the entire General Meeting, for individual items on the agenda, and for individual speakers at the beginning of or during the General Meeting.

Berlin, in April 2020

First Sensor AG  
The Executive Board