

Annex to agenda item 9: Report of the executive board to the annual general meeting pursuant to §§ 71 (section 1 number 8), 186 (section 4 sentence 2) of the Companies Act

In accordance with §§ 71 (section 1 number 8), 186 (section 4 sentence 2) of the Companies Act, the executive board hereby submits its report about the reasons for the extension noted in ITEM 9 of the invitation regarding the authorisation to purchase own shares in exclusion of the shareholders' pre-emptive right that was granted under ITEM 8 of the annual general meeting on 14 July 2020.

Use of own shares and exclusion of pre-emptive right

Regarding the ITEM 8 (Cancellation of existing and creation of a new authorisation to purchase own shares including their use in exclusion of the pre-emptive right) of the annual general meeting on 14 July 2020, it was decided that CropEnergies AG would be granted an authorisation to purchase own shares for the purposes outlined in the resolution in exclusion of the shareholders' pre-emptive right pursuant to § 71 (section 1 number 8) of the Companies Act. This authorisation is now supposed to be expanded so that own shares can also be used towards a performance-based share programme (Share Performance Plan) in accordance with the remuneration system for the executive board that was established pursuant to the requirements of §§ 87a, 87 of the Companies Act. The shareholders' pre-emptive right must be excluded so that the shares that are purchased by the company and that are earned depending on the target achievement can be transferred following the three-year vesting period.

The performance-based share programme increases the loyalty of executive board members to the company and provides incentives for sustainable company management and the sustained increase in the company's value. In accordance with its legal obligation from § 87 of the Companies Act, the supervisory board ensures that the total remuneration (including the performance-based share programme on

which the multi-year variable remuneration is based) is commensurate to the tasks and performance of the executive board member and the company's situation, and that it does not exceed the customary remuneration without special reasons.

The use of own shares for this purpose is allowed under § 71 (section 1 number 8) of the Companies Act, which does not offer precise target specifications in this regard. Since the authorisation resolution adopted on 14 July 2020 had not considered this purpose, the authorisation for implementing the executive board remuneration system in exclusion of the shareholders' pre-emptive right approved by the supervisory board must now be extended.

The other provisions of the authorisation resolution by the annual general meeting on 14 July 2020, in particular the provisions for the time limits and the limits on the amount of own shares that the company may purchase are not affected.

The executive board will submit a report pursuant to § 71 (section 3 sentence 1) of the Companies Act at each annual general meeting that follows a utilisation of the authorisation to purchase own shares.