Annual General Meeting of Rheinmetall AG, Düsseldorf

Statements concerning the rights of shareholders within the meaning of Section 121 (3) sentence 3 no. 3 of the German Stock Corporation Act (AktG)

The convening notice of the Annual General Meeting, which will take place as a virtual meeting without the shareholders and their authorized representatives being present in person, already contains statements within the meaning of Section 122 (2), Section 126 (1), and Section 127 as well as Section 131 (1) AktG and Article 2 Section 1 of the Act on Mitigating the Consequences of the COVID-19 Pandemic in Civil, Insolvency, and Criminal Procedural Law (Federal Law Gazette I 2020, p. 569), (hereinafter the "COVID-19 Mitigation Act") dated March 27, 2020. The following statements provide a further explanation of these regulations.

1. Participating in the virtual Annual General Meeting and requirements for exercising voting rights

Based on the COVID-19 Mitigation Act, and with the approval of the Supervisory Board, the Executive Board of Rheinmetall AG has decided to hold the Annual General Meeting as a virtual meeting without the shareholders or their authorized representatives being present in person. In-person participation of the shareholders or their authorized representatives is therefore excluded in derogation of Section 118 (1) AktG.

The relevant regulations in this respect are as follows:

Article 2 of the Act on Measures under Company, Cooperative, Association, Foundation, and Residential Property Law to Combat the Effects of the COVID-19 Pandemic

Section 1 Corporations; partnerships limited by shares; European companies (Societates Europaeae, SEs); mutual insurance companies

(i) Without any authorization by the Articles of Association or rules of procedure, the company's Executive Board may make decisions regarding shareholders’ participation in the Annual General Meeting by way of electronic communication pursuant to Section 118 (1) sentence 2 AktG (electronic participation), voting by way of electronic communication pursuant to Section 118 (2) AktG (absentee voting), the participation of members of the Supervisory Board by way of video and audio broadcasting pursuant to Section 118 (3) sentence 2 AktG, and the allowance of video and audio broadcasting pursuant to Section 118 (4) AktG.

(ii) The Executive Board may decide that the Annual General Meeting will be held as a virtual meeting without the shareholders or their authorized representatives being present in person, if

1. the video and audio of the entire meeting is broadcast,
2. the shareholders are able to exercise voting rights via electronic communication (absentee voting or electronic participation) as well as issue power of attorney,
3. the shareholders are given the ability to ask questions by way of electronic communication,
4. the shareholders who have exercised their voting right in accordance with number 2 are given the option to oppose a resolution of the Annual General Meeting in derogation of Section 245 (1) AktG without the requirement to appear at the Annual General Meeting.

The Executive Board shall duly decide at its discretion which questions it will answer and how. It may also require questions to be submitted by way of electronic communication no later than two days before the meeting.

[...]

(iii) The decisions of the Executive Board in accordance with paragraphs 1 to 5 require the approval of the Supervisory Board. In derogation of Section 108 (4) AktG, the Supervisory Board may make the decision regarding approval, notwithstanding the provisions of the Articles of Association or standing orders, in writing, via telephone, or in a comparable form without the members being physically present.

(iv) Notwithstanding the provision of Section 243 (3) no. 1 AktG, contestation of a resolution of the Annual General Meeting cannot be based on violations of Section 118 (1) sentences 3 to 5, (2) sentence 2, or (4) AktG, the violation of formal requirements for communications pursuant to Section 125 AktG, or the violation of paragraph 2, unless proof of intent is to be given to the company.
2. **Explanation of Item 1 of the agenda in accordance with Section 124a sentence 1 no. 2 AktG**

The subject of Item 1 of the agenda is the presentation of the adopted single-entity financial statements, the approved consolidated financial statements, the management report of the company, which is combined with the Group management report, including the explanatory report of the Executive Board on the disclosures in accordance with Section 289 (4) and (5) and Section 315 (4) of the German Commercial Code (HGB) and the Report of the Supervisory Board, all for fiscal 2019.

There will be no resolution adopted on this item of the agenda, since the Supervisory Board approved the single-entity financial statements prepared by the Executive Board and the consolidated financial statements on March 17, 2020, and the single-entity financial statements are thus adopted.

In accordance with Section 175 (1) sentence 1 AktG, the Annual General Meeting only accepts the adopted single-entity financial statements and the approved consolidated financial statements along with the summarized management report for the company and the Group. The Annual General Meeting is responsible for adopting the single-entity financial statements only if the Executive Board and the Supervisory Board resolve not to carry out this adoption themselves, but to cede it to the Annual General Meeting (Section 172 sentence 1 AktG).

In accordance with Section 171 (2) sentence 1 AktG, the Supervisory Board must provide the Annual General Meeting with a written report on the result of its audit of the single-entity financial statements and the consolidated financial statements, of the management report for the company, which is combined with the Group management report, as well as of the proposal on the appropriation of the unappropriated surplus. The law does not provide for a resolution of the Annual General Meeting on the report of the Supervisory Board.

3. **Statements concerning the rights of shareholders pursuant to Section 121 (3) sentence 3 no. 3 AktG**

In connection with the Annual General Meeting, the rights of the shareholders include the following:

1) **Motions to add to the agenda at the request of a minority in accordance with Section 122 (2) AktG**

Shareholders whose aggregate shares represent the equivalent of EUR 500,000.00 of the share capital, which corresponds to 195,313 no-par shares, may request that items be added to the agenda and published. Each new item must include a justification or a draft proposal. This request must have reached the company at the following address by the end of April 18, 2020 (24:00 = end of day CEST):

Rheinmetall AG
Corporate Legal Department
Rheinmetall Platz 1
40476 Düsseldorf/Germany
Fax: +49 211 473-4444, E-mail: hauptversammlung@rheinmetall.com

Amendments to the agenda to be announced will – unless they were already announced with the convening notice – be published in the Federal Gazette immediately after admission of the request and also published on the Internet at www.rheinmetall.com/hauptversammlung.

The regulations of the German Stock Corporation Act relevant for this are as follows:

**Section 122 (1) and (2) AktG – Convening a meeting at the request of a minority**

(1) The Annual General Meeting must be convened if shareholders whose combined holdings reach one-twentieth of the share capital request in writing that a meeting be convened, stating the purpose and the reasons. The request is to be directed to the Executive Board. The Articles of Association can tie the right to request the convening of the Annual General Meeting to another form and to the possession of a smaller part of the share capital. The petitioners must prove that they have held the shares for at least 90 days prior to the date of receipt of the request and that they hold the shares until the decision of the Executive Board on the request. Section 121 (7) applies mutatis mutandis.
(2) In the same way, shareholders whose aggregate holdings represent one-twentieth of the share capital or correspond to EUR 500,000.00 may request that items be added to the agenda and published. Each new item must include a justification or a draft proposal. The request within the meaning of the first sentence must reach the company at least 24 days before the meeting, and in the case of publicly-traded companies, at least 30 days before the meeting. The day of admission is not included.

§ 121 General provisions (extract)

(7) In the case of periods and deadlines that are counted back from the date of the shareholders’ meeting, the date of the shareholders’ meeting itself is not to be counted. Rescheduling the shareholders’ meeting from a Sunday, a Saturday, or a holiday to a preceding or subsequent business day is not an available option. Sections 187 to 193 of the Civil Code (BGB) shall have no corresponding application. In the case of companies not listed on the stock exchange, the articles of association may provide for a different calculation of the period.

§ 70 Calculation of the shareholding period

Where the exercise of rights attaching to the share of stock is contingent upon the shareholder having been holder of the share of stock for a specified period of time, a claim to transfer of title against a credit institution, a financial services provider, or an enterprise pursuing activities in accordance with Section 53 (1) sentence 1 or Section 53b (1) sentence 1 or subsection (7) of the Banking Act (KWG) shall be equivalent to ownership of the share of stock. The period of ownership of a predecessor in title shall be attributed to the shareholder if he/she has purchased the share of stock in any of the following manners: without monetary consideration, from his/her trustee, as a universal successor, in the course of a distribution of assets among a community, or as part of a portfolio transfer pursuant to Section 13 of the Insurance Supervisory Act (VAG) or Section 14 of the Act on Savings and Loan Associations (BauSparkG).

2) Motions and election proposals made by shareholders in accordance with Sections 126 (1) and 127 AktG

Justified countermotions against a proposal made by the Executive Board and Supervisory Board regarding a specific item on the agenda and proposals made by shareholders regarding the election of Supervisory Board members or of auditors may only be submitted to the following address. Countermotions and election proposals submitted to any other address will not be considered.

Rheinmetall AG
Corporate Legal Department
Rheinmetall Platz 1
40476 Düsseldorf/Germany
Fax: +49 211 473-4444, E-mail: hauptversammlung@rheinmetall.com

Countermotions and election proposals received at the above address with evidence of the shareholding no later than the end of May 4, 2020 (24:00 = end of day CEST) will be immediately published on the Internet at www.rheinmetall.com/hauptversammlung if they must be made available to other shareholders. Motions sent to other addresses will not be considered. Any statements from the management will also be published at the above Internet address after May 4, 2020.

The following provisions of the German Stock Corporation Act provide the legal basis for this:

Section 126 AktG – Shareholder motions

(1) Motions made by shareholders including the name of the shareholder, the justification and any statement from the management are to be made available to those authorized parties named in Section 125 (1 to 3) under the requirements set out there if the shareholder has sent the company a countermotion with reasons vis-à-vis a proposal of the Executive Board and the Supervisory Board regarding a certain item of the agenda at least 14 days before the meeting to the address communicated in the convening notice for this purpose. The day of arrival is not included. At publicly-traded companies, the motions must be made available via the company website. Section 125 (3) applies mutatis mutandis.
(2) A countermotion and its justification do not need to be made available,

1. if making them available would make the Executive Board liable to prosecution,
2. if the countermotion would lead to the Annual General Meeting making an illegal resolution or a resolution contrary to the Articles of Association,
3. if the justification obviously contains false or misleading statements in key points or insults,
4. if a countermotion of the shareholder based on the same content has already been made available to an Annual General Meeting of the company in accordance with Section 125,
5. if, in the last five years, the same counter motion of the shareholder with largely the same justification has already been made available to at least two Annual General Meetings of the company in accordance with Section 125 and, in the Annual General Meeting, fewer than one-twentieth of the represented share capital voted for it,
6. if the shareholder reveals that he/she will not attend the Annual General Meeting and will not be represented, or
7. if, in the last two years, the shareholder has not presented a countermotion announced by him/her or has not had it presented at two Annual General Meetings.

The justification does not need to be made available if its total length is more than 5,000 characters.

(3) If multiple shareholders present countermotions on the same subject of the resolution, the Executive Board can summarize the countermotions and their justifications.

Section 127 AktG – Shareholder election proposals

For the proposal of a shareholder regarding the election of Supervisory Board members or of auditors, Section 126 applies by analogy. The election proposal does not need to be justified. The Executive Board also does not need to make the election proposal available if the proposal does not include the statements indicated in Section 124 (3) sentence 4 and Section 125 (1) sentence 5.

The Executive Board must supplement the proposal of a shareholder for the elections of members of the Supervisory Board of listed companies to which the Co-Determination Act (Mitbestimmungsgesetz), the Mining, Iron and Steel Industry Co-Determination Act (Montan-Mitbestimmungsgesetz) or the Amending Co-Determination Act (Mitbestimmungsergänzungsgesetz) apply with the following information:

1. Reference to the requirements of Section 96 (2);
2. Statement as to whether the fulfillment of the quota by the Supervisory Board regarded as a whole has been objected to in accordance with Section 96 (2) sentence 3;
3. Statement as to the minimum number of seats on the Supervisory Board to be filled with women and men, respectively, in order to fulfill the minimum quota requirement pursuant to Sentence 96 (2) sentence 1.

The company shall treat properly provided, admissible, and timely countermotions and election proposals as if they had been provided verbally in the Annual General Meeting. This also applies to countermotions regarding agenda items that have been placed on the agenda at the request of a minority of shareholders pursuant to Section 122 (2) AktG based on admissible and timely submitted motions to add to the agenda.
3) Shareholders’ right to ask questions pursuant to Art. 2 Section 1 (2) sentence 1 no. 3 in conjunction with sentence 2 of the COVID-19 Mitigation Act

On the basis of the COVID-19 Mitigation Act, although the shareholders in the Annual General Meeting are not to be granted a right to information within the meaning of Section 131 AktG, they are to be granted the opportunity to ask questions. This is therefore not associated with a right to an answer.

With the approval of the Supervisory Board, the Executive Board of Rheinmetall AG has decided that questions from shareholders registered for the Annual General Meeting can be directed to the Executive Board via the shareholder portal at www.rheinmetall.com/hauptversammlung. Questions must relate to the company’s matters, the company’s legal and business relationships with an affiliated company, as well as the status of the group and the companies included in the consolidated financial statements, provided that this is necessary for the proper assessment of an agenda item.

Questions from shareholders must be received by the Company after timely registration no later than the end of May 17, 2020 (24:00 = end of day CEST) via the company’s shareholder portal.

The Executive Board shall duly decide at its discretion which questions it will answer and how. In doing so, it may summarize questions and select meaningful questions in the interest of other shareholders. The Executive Board may also give preference to shareholders’ associations and institutional investors with significant voting shares. Questions in foreign languages will not be considered. The Executive Board reserves the right to answer repeatedly asked questions in a general form in advance on the company’s website.

The relevant provisions of the COVID-19 Mitigation Act are reproduced at the beginning.

§ 18 (2) of the Articles of Association – Chairing the Annual General Meeting

(2) The chairperson shall conduct the meeting, recognize speakers and specify the type and form of voting. He/she may specify a sequence of items discussed that deviates from the one announced in the agenda.

The full wording of the respective provisions of the AktG is available on the Internet via www.gesetze-im-internet.de/aktg/.

Düsseldorf, April 2020

Rheinmetall AG