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**Invitation
to the Annual General Meeting
of NORMA Group SE
on 30 June 2020
as a virtual general meeting
without attendance in person of the shareholders**

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WKN: A1H8BV

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NORMA Group SE

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Dear Shareholders,

We are pleased to invite you to the

Annual General Meeting of NORMA Group SE

to be held at

10:00 hrs on Tuesday, 30 June 2020 (CEST)

as a **virtual general meeting**

in Frankfurt/Main without the physical presence of the shareholders or their proxies.

The Annual General Meeting will be held as a virtual general meeting without attendance in person of the shareholders or their proxies, in accordance with section 1(2) of the Act on Measures in Corporate, Cooperative, Association, Foundation and Home Ownership Law to Combat the Effects of the COVID 19 Pandemic of 27 March 2020 (Federal Law Gazette I, p. 570; "**COVID-19 Measures Act**"). Place of the virtual general meeting in terms of section 121(3) sentence 1 German Stock Corporation Act is Klassikstadt, Orber Straße 4a, 60386 Frankfurt.

Please note that shareholders or their proxies cannot follow the virtual general meeting on site.

For details of the rights of shareholders and their proxies, please refer to the "Further information and notes" attached to the agenda, the annex to agenda item 6 and the reports on agenda items 7 to 10.

Agenda

- 1. Presentation of the adopted annual financial statements and the management report of NORMA Group SE as well as the approved consolidated financial statements, the group management report, the explanatory report on the information required pursuant to sections 289a, 315a German Commercial Code and the report of the Supervisory Board for the 2019 financial year**

The said documents have been published on the Company's website at <https://www.norma-group.com/corp/en/investors/agm>. They will also be available there in virtual form during the Annual General Meeting and will be explained in the Annual General Meeting by the Management Board and – as regards the report of the Supervisory Board – by the chairman of the Supervisory Board.

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The Supervisory Board has approved the annual financial statements and the consolidated annual financial statements prepared by the Management Board. This means that the annual financial statements have been adopted pursuant to section 172, sentence 1, phrase 1 German Stock Corporation Act.¹ In accordance with the statutory provisions, no resolution is therefore necessary on this agenda item.

2. Resolution on the appropriation of the balance sheet profit for the 2019 financial year

As announced in the annual report for the 2019 financial year and the ad hoc communication of 18 March 2020, and in light of the effects of the COVID 19 Pandemic, which are hard to predict, the Management Board and Supervisory Board have considered whether a suspension of dividends for the 2019 financial year will be proposed to the Annual General Meeting. However, under the German Stock Corporation Act, generally a minimum sum amounting to 4% of share capital must be paid out to the shareholders from the balance sheet profit. It is only permissible to suspend any dividend from the balance sheet profit if this is necessary in order to secure the Company's existence and ability to survive for the foreseeable future, according to reasonable commercial judgement. The Management Board and Supervisory Board take the view that this requirement for full suspension of dividends has not been met. They therefore propose a dividend amounting to 4% of share capital be paid out to the shareholders and that the balance sheet profit for the 2019 financial year in the amount of EUR 38,712,235.28 be appropriated as follows:

Payment of a dividend of EUR 0.04 per no-par value share carrying dividend rights	EUR 1,274,496.00
Transfer to revenue reserves	EUR 0.00
Profit carried forward	EUR 37,437,739.28
Balance sheet profit	EUR 38,712,235.28

The proposal regarding the appropriation of profits is based on the number of no-par value shares carrying dividend rights for the completed 2019 financial year on the date on which the annual financial statements were prepared by the Management Board. Should the number of these no-par value shares carrying dividend rights change before the Annual General Meeting, a suitably amended resolution proposal which contains an unchanged dividend of EUR 0.04 per no-par value share carrying dividend rights for the completed 2019 financial year will be put to the vote at the Annual General Meeting. In such a case, the amount attributable to no-par value shares not carrying dividend rights will be carried forward.

We point out that the claim to a dividend resolved by the Annual General Meeting does not become due until the third business day following the Annual General Meeting, thus on 3 July 2020. Therefore, the dividend will not be paid out until then.

¹ The provisions of the German Stock Corporation Act generally apply to the Company pursuant to Article 9(1) c) (ii) of Regulation (EC) No 2157/2001 of the Council of 8 October 2001 about the statute for the European Company (SE) (the "SE Regulation").

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3. Resolution on the ratification of the actions of the Management Board of NORMA Group SE for the 2019 financial year

The Management Board and the Supervisory Board propose that the actions of the members of the Management Board of NORMA Group SE in office in the 2019 financial year be ratified for this period.

The intention is to have the Annual General Meeting vote on the ratification of the actions of the members of the Management Board by way of a ratification of individual members.

4. Resolution on the ratification of the actions of the Supervisory Board of NORMA Group SE for the 2019 financial year

The Management Board and the Supervisory Board propose that the actions of the members of the Supervisory Board of NORMA Group SE in office in the 2019 financial year be ratified for this period.

The intention is to have the Annual General Meeting vote on the ratification of the actions of the members of the Supervisory Board by way of a ratification of individual members.

5. Resolution on the appointment of the auditor of the annual financial statements and the auditor of the consolidated financial statements for the 2020 financial year

The Supervisory Board proposes, based on the recommendation of its Audit Committee, that PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt/Main, be appointed as auditor of the annual financial statements and as auditor of the consolidated financial statements for the 2020 financial year.

The Audit Committee has declared that its recommendation is free from improper influence by third parties and no clause restricting choice within the meaning of Article 16(6) of the EU Audit Regulation was imposed on it (Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC).

6. Resolution on the approval of the remuneration system for the members of the Management Board

Pursuant to section 120(4) German Stock Corporation Act, in the version which was in force up to 31 December 2019, the general meeting could resolve on the approval of the remuneration system for the members of the Management Board. The remuneration system for the members of the Management Board was presented to the Annual General Meeting for approval on 21 May 2019 at the last time.

Pursuant to the German Act Implementing the Second Shareholder Rights Directive (ARUG II) of 12 December 2019, section 120(4) German Stock Corporation Act ceased to be valid on 31 December 2019. Pursuant to section 120a(1) German Stock Corporation Act in the version valid as of 1 January 2020, the general meeting of a listed company must vote on all significant changes to the remuneration system for the management board members, but at least every four years.

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Following the resolution of the Annual General Meeting of 21 May 2019 not to approve the remuneration system for the members of the Management Board, the Supervisory Board resolved on a new remuneration system for the members of the Management Board on 6 March 2020 which meets the requirements of ARUG II and takes the recommendations of the amended German Corporate Governance Code into account. According to the transitional provisions in ARUG II, the application of section 120a(1) German Stock Corporation Act in the version valid as of 1 January 2020 in the Annual General Meeting 2020 of NORMA Group SE is not yet mandatory. However, due to the rejection of the previous remuneration system by the Annual General Meeting in 2019 and for reasons of good corporate governance, the Company has decided to present the new remuneration system for the members of the Management Board to the Annual General Meeting on 30 June 2020 for its approval pursuant to section 120a(1) German Stock Corporation Act in the version valid as of 1 January 2020. The new remuneration system is printed as an annex to this agenda item 6 following the agenda. This annex is a component part of this invitation.

The Supervisory Board proposes that the remuneration system for the members of the Management Board, which was resolved by the Supervisory Board on 6 March 2020 and is printed as an annex to this agenda item 6 following the agenda, be approved.

7. Resolution on the creation of a new authorisation to issue bonds with warrants or convertible bonds or participation rights, the cancellation of the Conditional Capital 2015, the creation of a new Conditional Capital 2020, and the corresponding amendment of the Articles of Association

By a resolution adopted by the Annual General Meeting of 20 May 2015 on agenda item 6, the Management Board was authorised to issue, with the Supervisory Board's consent, once or repeatedly on or before 19 May 2020, bearer or registered convertible bonds and/or bonds with warrants and/or participation rights carrying conversion or option rights and/or conversion or option obligations (or a combination of these instruments) in a total nominal amount of up to EUR 200,000,000 and to grant to or impose on the creditors of bonds conversion/option rights and/or conversion/option obligations to subscribe to a total of up to 3,186,240 new registered no-par value shares of the Company with a pro rata amount of the share capital of a total of up to EUR 3,186,240. A Conditional Capital 2015 in the amount of EUR 3,186,240 was created to service the conversion or option rights and/or conversion or option obligations. No use has been made of the authorisation. It will already have expired by the time of the Annual General Meeting on 30 June 2020.

To ensure that the Company is also able to flexibly take advantage of attractive financing opportunities in the future, a new authorisation to issue convertible bonds or bonds with warrants or participation rights as well as a new conditional capital (Conditional Capital 2020) are to be created.

The Management Board and the Supervisory Board propose the adoption of the following resolutions:

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a) Authorisation to issue convertible bonds or bonds with warrants or participation rights

aa) Nominal amount, duration of the authorisation, number of shares

The Management Board is authorised to issue, with the Supervisory Board's consent, once or repeatedly, up to and including 29 June 2025, bearer or registered convertible bonds and/or bonds with warrants and/or participation rights carrying conversion or option rights and/or conversion or option obligations (or a combination of these instruments) in a total nominal amount of up to EUR 200,000,000 with or without a limited maturity term (hereinafter referred to collectively as "**Bonds**") and to grant to or impose on the creditors of Bonds conversion/option rights and/or conversion/option obligations to subscribe to a total of up to 3,186,240 new registered no-par value shares of the Company with a pro rata amount of the share capital of a total of up to EUR 3,186,240 in accordance with the terms and conditions of the Bonds (hereinafter together "**Bond Conditions**"). The Bonds may also have a variable interest rate, in terms of which the interest rate may be wholly or partially dependent on the amount of the net profit for the year, the balance sheet profit or the Company's dividend.

Bonds may be issued for cash or non-cash consideration. In the case of issue for non-cash consideration, the value of the non-cash consideration must at least correspond, at the time of the issue of the Bond, to the latter's issue price; what is decisive in this case is the theoretical market value of the Bonds determined using recognised methods, in particular financial calculation ones. Section 9(1) German Stock Corporation Act and section 199 German Stock Corporation Act will remain unaffected.

The Bonds may be issued not only in Euro but also in the legal currency of an OECD country, as long as the corresponding equivalent in Euro is not exceeded. The Bonds may also be issued by domestic or foreign companies in which the Company directly or indirectly holds the majority of the votes and capital; in this case, the Management Board shall be authorised, with the Supervisory Board's consent, to provide a guarantee for the Bonds on behalf of the Company and to grant the creditors of such Bonds conversion/option rights on shares of the Company or to perform conversion or option obligations related to shares of the Company, as well as to make additional declarations and carry out additional acts as are necessary for a successful issue. When Bonds are issued, they will generally be divided into partial debentures carrying equal rights.

bb) Granting of subscription rights, exclusion of subscription rights

Shareholders are to be basically granted a right to subscribe to the Bonds. If the Bonds are issued by domestic or foreign companies in which the Company holds directly or indirectly the majority of the votes and capital, the Company must ensure that statutory subscription rights are actually granted to the shareholders. The Management Board is however authorised, with the Supervisory Board's consent, to exclude the shareholders' subscription rights to the Bonds wholly or in part, once or repeatedly,

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- in order to exclude the shareholders' subscription rights for fractional amounts;
- if this is necessary to grant the holders/creditors of conversion or option rights, or the creditors of Bonds and/or participation rights carrying conversion or option obligations, which were or will be issued by the Company or by domestic or foreign companies in which the Company holds directly or indirectly the majority of the votes and capital, a subscription right to an extent they would be entitled to as shareholders after the exercise of the conversion or option rights or after the fulfilment of conversion or option obligations;
- for Bonds issued for cash consideration, if the Management Board takes the view, after duly reviewing the matter, that the issue price is not substantially below the theoretical market value of the Bonds determined by using recognised methods, especially financial calculation ones. However, said authorisation to exclude subscription rights applies only to Bonds carrying rights to shares or obligations to subscribe shares, to which a proportional amount of the share capital of not more than 10% of the share capital is attributable, either at the time of said authorisation taking effect or at the time of said authorisation being exercised. Own shares that are sold by the Company during the duration of said authorisation under exclusion of the subscription right pursuant to section 71(1), no. 8, sentence 5, phrase 2, section 186(3), sentence 4 German Stock Corporation Act will be counted towards this limit. Moreover, such shares that are issued or sold during the duration of said authorisation from authorised capital, under exclusion of the subscription right pursuant to section 203(2), sentence 2, section 186(3), sentence 4 German Stock Corporation Act or based on other authorisations to issue or sell shares of the Company under exclusion of the shareholders' subscription right in direct or corresponding application of section 186(3), sentence 4 German Stock Corporation Act will be counted towards this limit;
- insofar as Bonds are issued for non-cash consideration and the exclusion of subscription rights is in the interest of the Company.

The sum of shares that are to be issued based on Bonds, which are issued based on said authorisation under exclusion of the shareholders' subscription rights, must not exceed a proportional amount of 10% of the share capital either at the time of said authorisation taking effect or at the time of said authorisation being utilised, taking into account other shares in the Company issued or sold under exclusion of subscription rights after 30 June 2020.

Insofar as the subscription right is not excluded under the above provisions, it may also be granted to the shareholders in the form of an indirect subscription right pursuant to section 186(5) German Stock Corporation Act or also partially, in the form of a direct subscription right, and otherwise in the form of an indirect subscription right pursuant to section 186(5) German Stock Corporation Act, if so determined by the Management Board with the consent of the Supervisory Board.

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cc) Conversion right, conversion obligation

In the case of the issue of Bonds carrying a conversion right, the holders or creditors may convert their Bonds into Company shares subject to the Bond Conditions. The proportional amount of the share capital of the shares to be issued at the time of conversion must not exceed the nominal amount of the Bond or an issue price of the Bond that is lower than the nominal amount, unless the difference is compensated by means of an additional payment to be made in cash. The exchange ratio is determined by dividing the nominal amount or an issue price of a Bond, which price is lower than the nominal amount, by the fixed conversion price for a share of the Company. The exchange ratio may be rounded up or down to a whole number (or to a number of decimal places to be stipulated); moreover, an additional payment to be made in cash may also be determined. The Bond Conditions may also provide for a variable exchange ratio. Should conversion rights arise in respect of fractions of shares, provision can also be made for these to be compensated in cash or to be combined, so that conversion rights to subscribe to whole shares arise – as the case may be, subject to an additional payment.

The Bond Conditions may also lay down a conversion obligation upon maturity or at another time, which may also be determined by a future event that is still uncertain at the time at which the Bonds are issued. In the case of a conversion obligation, the Company may be authorised in the Bond Conditions to settle in cash, in whole or in part, at the time of the mandatory conversion any difference between the nominal amount of the Bonds and the product of the exchange ratio and a stock exchange price of the shares that is to be defined in the Bond Conditions. The stock exchange price to be applied for purposes of the calculation according to the above sentence is at least 80% of the share's market price that is relevant for the lower limit of the conversion price pursuant to lit. ee).

dd) Option right, option obligation

In the case of the issue of Bonds with warrants, one or more warrants (*Optionsschein*) entitling the holder or creditor to subscribe to shares in the Company in accordance with the Bond Conditions will be added to each Bond. The Bond Conditions may also lay down an obligation to exercise the option upon maturity or at another time, which may also be determined by a future event that is still uncertain at the time when the Bonds are issued. It may be stipulated that the option price is variable.

The Bond Conditions may also provide that the option price can be paid by transferring Bonds and, as the case may be, making an additional payment in cash. The proportional amount of the share capital of the shares to be subscribed must in this case not exceed the nominal amount of the Bond or an issue price of the Bond that is lower than the nominal amount, unless the difference is compensated by means of an additional payment to be made in cash. The subscription ratio is determined by dividing the nominal amount or an issue price of a Bond, which price is lower than the nominal amount, by the fixed option price for a share of the Company. It may be stipulated that the subscription ratio is variable. The subscription ratio may be rounded up or down to a whole number (or to a number of decimal places to be

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stipulated); moreover, an additional payment to be made in cash may also be determined. Should subscription rights arise in respect of fractions of shares, provision can also be made for these to be compensated in cash or to be combined, so that subscription rights to subscribe to whole shares arise – as the case may be, subject to an additional payment.

The term of the option right may not exceed the term of the Bond.

ee) Conversion price/option price, anti-dilution

The conversion or option price of a share that is to be determined from time to time must amount – also in case of a variable conversion or option price – to at least 80% of the average price of the share of NORMA Group SE in Xetra trading (or a comparable successor system) during the respective period of time specified below:

- If the Bonds are not offered to the shareholders for subscription, the average price during the last three trading days at the Frankfurt Stock Exchange prior to the date of the Management Board's resolution on the issuance of the Bond (date of the final decision on the submission of an offer for the subscription of Bonds or on the declaration of acceptance following an invitation to submit subscription offers) is decisive.
- If the Bonds are offered to the shareholders for subscription, the average price during the last three trading days at the Frankfurt Stock Exchange prior to the date of announcement of the subscription period pursuant to section 186(2), sentence 1 German Stock Corporation Act or, if the final terms and conditions for the issue of the Bonds pursuant to section 186(2), sentence 2 German Stock Corporation Act are only announced during the subscription period, instead during the trading days at the Frankfurt Stock Exchange from the commencement of the subscription period until the date preceding the announcement of the final terms and conditions will be decisive.

The average price must in each case be calculated as the arithmetic mean of the closing auction prices on the relevant stock exchange trading days. If no closing auction takes place, the closing auction price is to be replaced by the price which is determined in the last auction on each trading day, and in the absence of an auction by the last price determined on each trading day (in each case in Xetra trading or a comparable successor system).

By way of derogation from this, the following shall apply: In the cases of a conversion or option obligation or a right to sell shares within the meaning of lit. ff), a conversion or option price for a share may also be stipulated in accordance with the Bond Conditions which is not lower than 80% of the volume-weighted average price of the share of NORMA Group SE in Xetra trading (or a comparable successor system) during the last ten trading days at the Frankfurt Stock Exchange prior to or after the date of final maturity or prior to or after the date of the obligatory conversion or of the exercise of the option obligation or the right to sell, also if such average price is below the minimum price resulting pursuant to the preceding paragraphs of this lit. ee).

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Notwithstanding section 9(1) German Stock Corporation Act, the Bond Conditions may provide for anti-dilution clauses in the case that the Company should increase its share capital during the conversion or option period by granting its shareholders a subscription right, or issue further Bonds carrying a conversion or option right and/or a conversion or option obligation, or grant or guarantee other option rights, and if the holders of conversion or option rights/obligors of a conversion or option obligation are not granted a subscription right to an extent to which they would be entitled after their exercise of the conversion or option rights or after the fulfilment of a conversion obligation. An adjustment of the conversion or option price may also be brought about by means of a payment in cash upon exercising the conversion or option right or fulfilling the conversion or option obligation or by means of a reduction in any additional payment. The Bond Conditions may also provide for a value-preserving adjustment of the conversion and/or option price with regard to other measures of the Company that may result in a dilution of the value of the conversion and/or option rights. Moreover, in the case of an acquisition of control by third parties, a customary adjustment of the option and conversion price as well as a reduction of the term can be stipulated.

In any event, the proportional amount of the share capital of the shares to be subscribed per Bond must not exceed the nominal amount of the Bond or an issue price of the Bond that is lower than the nominal amount, unless the difference is compensated by means of an additional payment to be made in cash.

ff) Further structuring options

The Bond Conditions may give the Company the right to grant the Bond creditors shares in the Company or another listed company instead of paying the amount of money due, wholly or in part, when the Bonds mature (this also includes maturity due to termination) (right to sell).

The Bond Conditions may determine that in the case of conversion or of exercise of an option, the Company may also grant own shares, shares from authorised capital of the Company or other consideration. The Bond Conditions may also provide for the Company to not grant Company shares to those entitled or obliged to a conversion or option, but to instead pay the equivalent in cash. Moreover, the Bond Conditions may also provide that the number of shares to be subscribed in case of an exercise of the option or conversion rights or after the fulfilment of the option or conversion obligations or the pertinent conversion right may be variable and/or that the option or conversion price may be changed during the term within a range to be determined by the Management Board, depending on the development of the share price or as a result of anti-dilution provisions.

gg) Authorisation to establish the further Bond Conditions

With due regard to the above provisions, the Management Board is authorised to establish the further details as regards the issuing and structuring of the Bonds, in particular interest rate, issue price, maturity and denomination, conversion/option price and conversion/option period, or to determine said details in consultation with

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the bodies of the issuing companies in which the Company holds directly or indirectly the majority of the votes and capital.

b) Cancellation of Conditional Capital 2015

The Conditional Capital 2015 in the amount of EUR 3,186,240 pursuant to article 6 of the Articles of Association, which was resolved by the Annual General Meeting on 20 May 2015 under agenda item 6, is hereby cancelled.

c) Creation of a new Conditional Capital 2020

The share capital of the Company is conditionally increased by up to EUR 3,186,240 through an issuance of up to 3,186,240 new registered no-par value shares (Conditional Capital 2020).

The purpose of the Conditional Capital 2020 is to issue shares to the creditors of convertible bonds and/or bonds with warrants and/or participation rights carrying a conversion or option right and/or a conversion or option obligation (or a combination of such instruments), which were or will be issued based on the authorisations granted by the Annual General Meeting of the Company on 30 June 2020 under agenda item 7 by NORMA Group SE or domestic or foreign companies in which NORMA Group SE directly or indirectly holds the majority of the votes and the capital.

New shares are issued at the conversion or option price to be determined in each case in accordance with the authorisation by the Annual General Meeting of the Company of 30 June 2020 under agenda item 7. The conditional increase of the share capital shall be performed only to the extent to which the holders of conversion or option rights under the aforementioned Bonds exercise their conversion or option rights or conversion or option obligations under such Bonds are performed, and to the extent that the conversion or option rights and/or conversion or option obligations are not satisfied through own shares, shares from authorised capital, or other consideration.

The new shares will participate in the profit as of the beginning of the financial year in which they are issued; notwithstanding the above, the Management Board may, if permitted by law, resolve with the consent of the Supervisory Board that the new shares will be able to share in the profit as of the beginning of an earlier financial year for which, at the time of their issue, the general meeting has not yet resolved on the appropriation of the balance sheet profit.

The Management Board is authorised to establish the further details of the performance of the conditional increase in capital.

d) Amendment of the Articles of Association

Article 6(1) and (2) of the Articles of Association shall be reworded as set out below:

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“§ 6 Conditional Capital

- (1) *The share capital of the Company is conditionally increased by up to EUR 3,186,240 through an issuance of up to 3,186,240 new registered no-par value shares (Conditional Capital 2020).*
- (2) *The conditional increase in capital will be performed only insofar as the holders of conversion or option rights based on bonds or participation rights carrying a conversion/option right and/or a conversion/option obligation (or a combination of such instruments), which were issued by NORMA Group SE or by domestic or foreign companies in which NORMA Group SE holds directly or indirectly the majority of the votes and capital, based on the Annual General Meeting's authorisation resolution dated 30 June 2020 under agenda item 7, exercise their conversion or option rights or conversion or option obligations that are based on such bonds are fulfilled, and insofar as the conversion or option rights and/or conversion or option obligations are not satisfied through own shares, shares from authorised capital or other consideration. New shares are issued at the conversion or option price to be determined in each case in accordance with the authorisation by the Annual General Meeting of 30 June 2020 under agenda item 7.”*

Article 6(3) and (4) of the Articles of Association shall remain unchanged.

- e) Authorisation to amend the Articles of Association

The Supervisory Board is authorised to amend the wording of articles 4 and 6 of the Articles of Association to reflect the issue of the new shares from the Conditional Capital 2020. The same will apply insofar as the authorisation to issue convertible bonds, bonds with warrants, and/or participation rights with or without conversion or option rights or conversion or option obligations in accordance with the Annual General Meeting's resolution of 30 June 2020 is not exercised during the term of the authorisation or the corresponding option or conversion rights or option or conversion obligations have lapsed because the exercise periods have expired or for another reason.

8. Resolution on the creation of a new Authorised Capital 2020 and the corresponding amendment of the Articles of Association

By resolution of the Annual General Meeting of 20 May 2015 under agenda item 7, the Management Board was authorised, with the Supervisory Board's consent, to increase the Company's share capital once or repeatedly up to and including 19 May 2020 by up to a total of EUR 12,744,960 by issuing up to 12,744,960 new registered no-par value shares against cash and/or non-cash contributions (Authorised Capital 2015).

The Authorised Capital 2015 has not been used. It will already have expired by the time of the Annual General Meeting on 30 June 2020. In order that the Management Board will have the opportunity in the future as well of making use of financing options with the consent of the Supervisory Board in the interest of the Company in order to take advantage of business opportunities and to strengthen the Company's equity capital base, a new Authorised Capital 2020 in the amount of EUR 3,186,240 is to be created.

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The Management Board and the Supervisory Board propose the adoption of the following resolutions:

a) Creation of a new Authorised Capital 2020

The Management Board shall be authorised, with the Supervisory Board's consent, to increase the Company's share capital once or repeatedly up to and including 29 June 2025 by up to a total of EUR 3,186,240 by issuing up to 3,186,240 new registered no-par value shares against cash and/or non-cash contributions (Authorised Capital 2020).

Shareholders are to be basically granted a statutory right to subscribe to the new shares. The Management Board shall be authorised, however, with the Supervisory Board's consent, to exclude the shareholders' subscription right wholly or in part, once or repeatedly, in accordance with the following provisions:

- aa) in order to exclude the shareholders' subscription rights for fractional amounts;
- bb) if and to the extent this is necessary to grant the holders or creditors of conversion or option rights and/or the holders or creditors of financing instruments carrying conversion or option obligations, which were or are issued by the Company or by a domestic or foreign company in which the Company holds directly or indirectly the majority of the votes and capital, a subscription right to the extent they would be entitled to after the exercise of the conversion or option rights or after the fulfilment of a conversion or option obligation;
- cc) in case of a capital increase against cash contributions pursuant to or by analogous application of section 186(3), sentence 4 German Stock Corporation Act, if the issue price of the new shares is not substantially lower than the stock exchange price of the Company's shares already listed and if the new shares which are issued under exclusion of the subscription right in aggregate do not exceed a proportional amount of 10% of the share capital either at the time of said Authorised Capital 2020 becoming effective or at the time of said Authorised Capital 2020 being utilised. The proportional amount of the share capital that is attributable to shares which are issued under exclusion of the subscription right or sold during the term of the Authorised Capital 2020 based on an authorisation to issue new shares or to sell own shares by direct or analogous application of section 186(3), sentence 4 German Stock Corporation Act will be counted towards this limit. Furthermore, the proportional amount of the share capital that is attributable to shares which may or must be issued in order to service bonds carrying conversion or option rights or conversion or option obligations will be counted towards this limit, to the extent that the bonds are issued during the term of the Authorised Capital 2020 under exclusion of the shareholders' subscription rights by analogous application of section 186(3), sentence 4 German Stock Corporation Act;
- dd) in case of capital increases against non-cash contributions, in particular for the purpose of acquiring enterprises, parts of enterprises or interests in enterprises.

The sum of shares that are issued based on the Authorised Capital 2020 under exclusion of the shareholders' subscription right must not exceed a proportional amount of 10% of the

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share capital either at the time the authorisation becomes effective or at the time the authorisation is utilised, taking into account other shares of the Company that are sold or issued under exclusion of the subscription right during the term of the Authorised Capital 2020 or that are to be issued based on bonds which were issued after 30 June 2020.

Insofar as the subscription right is not excluded under the above provisions, it may be granted to the shareholders also in form of an indirect subscription right pursuant to section 186(5) German Stock Corporation Act or, in part, also in form of a direct subscription right, and otherwise in form of an indirect subscription right pursuant to section 186(5) German Stock Corporation Act, if so determined by the Management Board with the consent of the Supervisory Board.

The Management Board shall moreover be authorised to establish the further details of the capital increase and its performance, in particular the contents of the share rights and the terms and conditions of share issuance, with the consent of the Supervisory Board.

b) Amendment of the Articles of Association

Article 5 of the Articles of Association shall be reworded as set out below:

“Article 5 Authorised Capital

- (1) The Management Board is authorised, with the Supervisory Board’s consent, to increase the Company’s share capital once or repeatedly up to and including 29 June 2025 by up to a total of EUR 3,186,240 by issuing up to 3,186,240 new registered no-par value shares against cash and/or non-cash contributions (Authorised Capital 2020).*
- (2) Shareholders are to be basically granted a statutory right to subscribe to the new shares. The Management Board is authorised, however, with the Supervisory Board’s consent, to exclude the shareholders’ subscription right wholly or in part, once or repeatedly, in accordance with the following provisions:*
 - (i) in order to exclude the shareholders’ subscription rights for fractional amounts;*
 - (ii) if and to the extent this is necessary to grant the holders or creditors of conversion or option rights and/or the holders or creditors of financing instruments carrying conversion or option obligations, which were or are issued by the Company or by a domestic or foreign company in which the Company holds directly or indirectly the majority of the votes and capital, a subscription right to the extent they would be entitled to after the exercise of the conversion or option rights or after the fulfilment of a conversion or option obligation;*
 - (iii) in case of a capital increase against cash contributions pursuant to or by analogous application of section 186(3), sentence 4 German Stock Corporation Act, if the issue price of the new shares is not substantially lower than the stock exchange price of the Company’s shares already listed and if the new shares which are issued under exclusion of the subscription right in aggregate do not exceed a proportional amount of 10% of the share capital either at the time of the Authorised Capital 2020 becoming effective or at the time of the Authorised*

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Capital 2020 being utilised. The proportional amount of the share capital that is attributable to shares which are issued under exclusion of the subscription right or sold during the term of the Authorised Capital 2020 based on an authorisation to issue new shares or to sell own shares by direct or analogous application of section 186(3), sentence 4 German Stock Corporation Act will be counted towards this limit. Furthermore, the proportional amount of the share capital that is attributable to shares which may or must be issued in order to service bonds carrying conversion or option rights or conversion or option obligations will be counted towards this limit, to the extent that the bonds are issued during the term of the Authorised Capital 2020 under exclusion of shareholders' subscription rights by analogous application of section 186(3), sentence 4 German Stock Corporation Act;

(iv) in case of capital increases against non-cash contributions, in particular for the purpose of acquiring enterprises, parts of enterprises or interests in enterprises.

The sum of shares that are issued based on the Authorised Capital 2020 under exclusion of the shareholders' subscription right must not exceed a proportional amount of 10% of the share capital either at the time the authorisation becomes effective or at the time the authorisation is utilised, taking into account other shares of the Company that are sold or issued under exclusion of the subscription right during the term of the Authorised Capital 2020 or that are to be issued based on bonds which were issued after 30 June 2020.

- (3) Insofar as the subscription right is not excluded under the above provisions, it may be granted to the shareholders also in form of an indirect subscription right pursuant to section 186(5) German Stock Corporation Act or, in part, also in form of a direct subscription right, and otherwise in form of an indirect subscription right pursuant to section 186(5) German Stock Corporation Act, if so determined by the Management Board with the consent of the Supervisory Board.*
- (4) The Management Board is moreover authorised to establish the further details of the capital increase and its performance, in particular the contents of the share rights and the terms and conditions of share issuance, with the consent of the Supervisory Board.”*

c) Authorisation to amend the Articles of Association

The Supervisory Board shall be authorised to amend the wording of articles 4 and 5 of the Articles of Association to reflect the issue of new shares from the Authorised Capital 2020 and after the expiry of the authorisation, if the Authorised Capital 2020 has not been utilised or not been utilised in full on or before 29 June 2025.

9. Resolution on the authorisation to acquire and use own shares, including the authorisation to exclude rights to sell and acquire shares

The authorisation to acquire own shares which was granted to the Company by resolution of the Annual General Meeting of 20 May 2015 under agenda item 8 is limited until the expiry of 19 May 2020 and will therefore already have expired by the time of the Annual General Meeting

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on 30 June 2020. In order to be able to acquire own shares in the future as well, the authorisation of the Company to acquire own shares shall be renewed.

The Management Board and the Supervisory Board propose the adoption of the following resolutions:

Authorisation to acquire and use own shares, including the authorisation to exclude rights to sell and acquire shares

- a) The Company is authorised to acquire shares in the Company up to and including 29 June 2025 for any permissible purpose up to a total of 10% of the share capital of NORMA Group SE at the time of the adoption of the resolution or – if this value is lower – at the time at which the authorisation is exercised. However, the shares acquired on the basis of this authorisation, combined with other shares in the Company which the Company has already acquired and still possesses or which are attributable to it pursuant to sections 71a et seq. German Stock Corporation Act, may not at any time be attributable to more than 10% of the respective share capital. The authorisation may not be used for the purpose of trading in own shares.
- b) The authorisation may be exercised by NORMA Group SE in whole or in partial amounts, once or repeatedly, in pursuit of one or more purposes, but also be carried out by companies that are dependent on NORMA Group SE or in which NORMA Group SE holds a majority of the shares, or on its or their account.
- c) In each individual case, the acquisition will be performed, at the Management Board's option (i) over the stock exchange or (ii) by way of a public purchase offer. Offers pursuant to (ii) above may also be made by way of a call to submit offers.
 - If the shares are acquired on the stock exchange, the equivalent value per share that is paid (without ancillary acquisition costs) may not exceed the price of shares in NORMA Group SE in the Xetra trading system (or a comparable successor system), as determined on the trading day on the Frankfurt Stock Exchange by the opening auction, by more than 10% and not fall below it by more than 10%.
 - If the acquisition is effected by way of a public purchase offer, the purchase price offered or the threshold values of the purchase price margin (without ancillary acquisition costs) may not exceed the mean value of the closing price of shares in NORMA Group SE in the Xetra trading system (or a comparable successor system) on the last three trading days of the Frankfurt Stock Exchange prior to the day of the Management Board's resolution on the offer by more than 10% and not fall below it by more than 10%.
 - In the case of a public invitation to submit offers, the purchase price paid by the Company per share (without ancillary acquisition costs) may not exceed the mean value of the closing price of shares in NORMA Group SE in the Xetra trading system (or a comparable successor system) on the last three trading days of the Frankfurt Stock Exchange prior to the day of the acceptance of the offers by more than 10% and not fall below it by more than 10%.

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Should the relevant price vary by a not inconsiderable extent following the publication of a purchase offer or the invitation to submit a purchase offer, the offer, or the invitation to submit such an offer, may be adjusted. In that case, the closing price for shares in NORMA Group SE on the last trading day of the Frankfurt Stock Exchange prior to the decision of the Management Board will be based on that adjustment.

The Management Board will determine the details of the structuring of the respective acquisition. Should the number of shares offered for sale exceed the total volume the Company intends to acquire, the shareholders' right to sell shares may be excluded to the extent to which the acquisition is performed according to the proportion of offered shares per shareholder. Moreover, offers for low numbers of shares (up to 50 shares per shareholder) may be given preferential treatment, and the number of shares may be rounded according to commercial principles, in order to avoid fractional shares. Any right of the shareholders to sell their shares beyond that is excluded to this extent.

- d) The Management Board is authorised to use shares in the Company which are acquired on the basis of this authorisation for any permissible purpose, including in particular the following:
 - aa) They can be redeemed without the redemption or its performance requiring a further resolution of the general meeting. The redemption will generally lead to a decrease in the share capital. In derogation of the above, the Management Board may determine that the share capital will remain unchanged by the redemption and instead, due to the redemption, the share of the remaining shares in the share capital will be increased pursuant to section 8(3) German Stock Corporation Act. In that case, the Management Board and the Supervisory Board will be authorised to adjust the stated number of shares in the Articles of Association.
 - bb) They can also be sold in a different manner than over the stock exchange or by an offer to all shareholders if the shares are sold for cash at a price that does not fall significantly below the stock exchange price of shares in the Company at the time of the sale. However, this authorisation applies only subject to the provision that the shares sold with the exclusion of the acquisition right pursuant to section 186(3), sentence 4 German Stock Corporation Act may not, in the aggregate, exceed a proportional amount of 10% of the share capital either at the time this authorisation takes effect or at the time it is exercised. Shares that are issued during the term of this authorisation from authorised capital under exclusion of the subscription right pursuant to sections 203(2), sentence 2, section 186(3), sentence 4 German Stock Corporation Act will be counted towards this limit. Moreover, any shares that are to be issued for servicing bonds and/or participation rights with conversion or option rights or a conversion or option obligation will be counted towards this limit insofar as the bonds and/or participation rights are issued subject to the exclusion of subscription rights during the term of this authorisation in analogous application of section 186(3), sentence 4 German Stock Corporation Act.
 - cc) They may be sold against non-cash contributions, in particular for the purpose of acquiring enterprises, parts of enterprises or interests in enterprises.

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- dd) They may be used to fulfil conversion or option rights which are granted by the Company or a domestic or foreign company in which the Company directly or indirectly holds a majority of the votes and the capital, through the issuance of bonds and/or participation rights, or to fulfil conversion or option obligations arising from bonds and/or participation rights that are issued by the Company or a domestic or foreign company in which Company directly or indirectly holds a majority of the votes and the capital.
- ee) They can be used in connection with share-based remuneration or employee share schemes of the Company, or of companies that are dependent on the Company or in which the Company holds a majority of the shares, and issued to persons who are or were in an employment relationship with the Company or a company that is dependent on the Company or in which the Company holds a majority of the shares. They may in particular be offered for acquisition for a consideration or free of charge, committed and transferred to the aforementioned persons, whereby the employment relationship must be in force at the time of the offer, the commitment or the transfer. The sum of the own shares used for these purposes, combined with the own shares used pursuant to lit. e), must not exceed a proportional amount of 5% of the share capital either at the time of said authorisation taking effect or at the time of said authorisation being utilised.
- e) The Supervisory Board is authorized to issue the own shares acquired on the basis of this authorisation to members of the Management Board of NORMA Group SE as part of the Management Board remuneration. In particular, they can be offered for acquisition, committed or transferred to members of the Management Board of NORMA Group SE. The details of the remuneration for the members of the Management Board will be established by the Supervisory Board. The sum of the own shares used for these purposes, combined with the own shares used pursuant to lit. d) ee), must not exceed a proportional amount of 5% of the share capital either at the time of said authorisation taking effect or at the time of said authorisation being utilised.
- f) The authorisations set out in lit. d) and in lit. e) also cover the use of shares in the Company which were acquired on the basis of previous authorisation resolutions pursuant to section 71(1), no. 8 German Stock Corporation Act, or on another legal basis, and of those shares which were acquired pursuant to section 71d, sentence 5 German Stock Corporation Act or by companies that are dependent on the Company or in which the Company holds a majority of the shares.
- g) The authorisations set out in lit. d) and in lit. e) may be used once or repeatedly, in whole or in part, individually or jointly and may also be utilised by companies that are dependent on it or in which NORMA Group SE holds a majority of the shares or by third parties acting on their account or on the account of the Company.
- h) The shareholders' right to acquire these own shares will be excluded to the extent they are used pursuant to the aforementioned authorisation set out in lit. d) bb) to ee) and in lit. e). When offering own shares to the shareholders, the Management Board will further be authorised to grant the creditors of bonds and/or participation rights with conversion or option rights and/or a conversion or option obligation which were issued by the Company, or a

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domestic or foreign company in which Company directly or indirectly holds a majority of the votes and the capital, subscription rights to shares to the extent they would be entitled to after the exercise of the conversion or option rights or after the fulfilment of a conversion or option obligation; to this extent, the acquisition right of the shareholders to these own shares will be excluded.

- i) The Supervisory Board may determine that measures of the Management Board on the basis of these authorisations – with the exception of the authorization set out in lit. e) – may be taken only with its consent or the consent of a Supervisory Board committee.

10. Resolution on the authorisation to use derivatives in the course of acquiring own shares

In addition to the authorisation to acquire own shares pursuant to section 71(1), no. 8 German Stock Corporation Act as proposed in agenda item 9, the Company shall be authorised to acquire own shares with the use of derivatives as well and enter into the corresponding derivatives transactions. This is not to increase the total volume of shares which may be acquired; it is merely to provide additional variants for the acquisition of own shares. This authorisation is not to limit the Company's use of derivatives in any way, to the extent this is legally permissible without the authorisation of the general meeting.

The Management Board and the Supervisory Board propose the adoption of the following resolutions:

- a) Supplementing the authorisation to acquire own shares pursuant to section 71(1), no. 8 German Stock Corporation Act as proposed in agenda item 9, in addition to the methods described therein, the acquisition of own shares under that authorisation may also be performed by (1) the sale of options which, when exercised, oblige the Company to acquire shares in NORMA Group SE (“**Put Options**”), (2) the acquisition of options which, when exercised, entitle the Company to acquire shares in NORMA Group SE (“**Call Options**”), (3) the conclusion of purchase agreements under which more than two trading days will elapse between the conclusion of the purchase agreement for shares in NORMA Group SE and the fulfilment by delivery of shares in NORMA Group SE (“**Forward Purchases**“) or (4) the use of a combination of Put and Call Options and Forward Purchases (hereinafter collectively “**Derivatives**”). The acquisition of shares with the use of Derivatives must be carried out through a credit institution or another company meeting the requirements set out in section 186(5), sentence 1 German Stock Corporation Act.
- b) This authorisation may be utilised in whole or in part, once or in multiple various transactions or in connection with transactions which do not fall under this authorisation but are otherwise permissible, by the Company, companies dependent on it or in which the Company holds a majority of the shares, or by third parties acting on its or their account.
- c) The acquisition of shares with the use of Derivatives under this authorisation is, in addition to the limits relating to the share capital as set out in lit. a) of the authorisation proposed in agenda item 9, limited to a number of shares which does not exceed a proportionate amount of 5% of the share capital existing at the time of the adoption of the resolution. The term of each of the individual Derivatives may not exceed 18 months, must end by 29 June 2025 at the latest and be selected such that the acquisition of the shares in NORMA Group SE in

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the course of exercising or fulfilling the Derivatives cannot be carried out after 29 June 2025.

- d) It must be contractually agreed in the terms of the Derivatives that the shares which are to be delivered to the Company upon exercising or fulfilling the Derivatives must previously be acquired on the stock exchange in accordance with the equal treatment principle at the current price at the time of the acquisition of the share in NORMA Group SE in the Xetra trading system (or a comparable successor system).
- e) The price agreed upon in the respective Derivative (without ancillary acquisition costs) for the acquisition of a share upon exercising options or fulfilling Forward Purchases may not exceed the price of the share in NORMA Group SE in the Xetra trading system (or a comparable successor system) on the Frankfurt Stock Exchange, as determined on the day of the conclusion of the derivative transaction by the opening auction, by more than 10% and not fall below it by more than 10%. The acquisition price paid by the Company for options may not fall substantially over, and the sale price collected by the Company may not fall substantially under, the theoretical market value of the respective option as determined according to recognised methods, in particular financial calculation ones, whereby among other things, the agreed exercise price must be taken into account. The forward price agreed by the Company for Forward Purchases may not lie substantially over the theoretical forward price determined according to recognised methods, in particular financial calculation ones, whereby among other things, the current exchange price and the term of the Forward Purchase must be taken into account.
- f) If own shares are acquired with the use of Derivatives in compliance with the above rules, any right of the shareholders to conclude such derivatives transactions with the Company will be excluded in analogous application of section 186(3), sentence 4 German Stock Corporation Act. Shareholders have a right to offer their shares in the Company for sale only to the extent the Company is obliged to purchase the shares under the derivatives transactions. Any right to offer shares for sale beyond that is excluded.
- g) For the use of own shares which are acquired with the use of Derivatives, the provisions set out in agenda item 9 lit. d) to i) apply *mutatis mutandis*.

11. Resolution on the adjustment of the notice period for convening shareholders' meetings and the corresponding amendment of the Articles of Association

Article 16(2) of the Articles of Association presently stipulates that shareholders' meetings must be convened at least 36 days before the day of the meeting. The wording of article 16(2) is to be aligned more closely with the wording of the law. It is also to be clarified that a shorter, legally permissible notice period applies to the convening of the meeting insofar as the law permits such a shorter period.

The Management Board and the Supervisory Board therefore propose that article 16(2) of the Articles of Association be amended as follows:

“The general shareholders' meeting must be convened at least 30 days before the day of the general shareholder's meeting. The notice period is extended by the days of the registration period pursuant to article 17(1) sentence 1 of these Articles of

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Association. The day of the general shareholder's meeting and the day on which notice of the meeting is given are not to be included in the calculation. Sentences 1 to 3 do not apply insofar as a shorter notice period for convening the meeting is permitted by law. In this case, the shorter period permitted by law applies."

12. Resolution on enabling online participation in shareholders' meetings and the corresponding amendment of the Articles of Association

The Management Board's options to provide for the electronic exercise of shareholders' rights and/or electronic participation in shareholders' meetings are to be expanded. The Management Board can already stipulate based on the current Articles of Association that shareholders may submit their votes in writing or by means of electronic communication (postal vote) without participating in the shareholders' meeting. Furthermore, the chairman of the shareholders' meeting is already entitled to permit the video and audio transmission of the shareholders' meeting via electronic media. In addition, the Management Board shall in future also be able to provide for shareholders to participate in the shareholders' meeting without being present at its location and without a proxy and to exercise all or some of their rights in whole or in part by means of electronic communication ("**Online Participation**").

The Management Board and the Supervisory Board therefore propose that the following new paragraph (3) be added to article 17 of the Articles of Association:

"(3) The Management Board is authorised to provide for shareholders to participate in the general shareholders' meeting without being present at its location and without a proxy and to exercise all or some of their rights in whole or in part by means of electronic communication (Online Participation). The Management Board is also authorised to specify provisions in respect of the procedure for Online Participation and the rights that shareholders can exercise by means of electronic communication. Any enabling of Online Participation and the provisions specified by the Management Board for this purpose must be announced in or with the notice of convening of the general shareholders' meeting."

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Annex to agenda item 6

Substantial changes to the remuneration system for the members of the Management Board

The Supervisory Board has revised and reworded the remuneration system for members of the Management Board as of 1 January 2020 from top to bottom. In doing so, the Supervisory Board specifically took into account the points of criticism raised prior to the 2019 Annual General Meeting. In particular, the following revisions shall be emphasized:

The bonus components are based on results actually achieved, open to scrutiny, and audited. In future, the short-term incentive **STI** will depend on the one hand on the absolute performance factor of “NORMA Group EBIT” (*Earnings before Interest and Taxes*) rather than the EBITA (*Earnings before Interest, Taxes and Amortisation*) as previously. On the other hand, the STI will also depend on the relative performance factor of Relative Total Shareholder Return, or **TSR**. NORMA Group SE’s TSR will be compared with the TSR of a previously determined **group for comparison of 15 other listed companies**. Depending on NORMA Group SE’s ranking within this group for comparison, the sum paid out from the STI will be increased or reduced by up to 20%. Within the long-term incentive **LTI** an amount not exceeding 20% of the fixed annual salary will in future depend on meeting **sustainability goals**, such as reducing CO2 emissions (“**ESG-LTI**”).

In introducing a comprehensive obligation to acquire and hold shares, NORMA Group SE is implementing a new recommendation under the German Corporate Governance Code. Members of the Management Board must invest 75% of the sum paid out from the LTI and 100% of the sum paid out from the ESG-LTI in NORMA Group SE shares. The Company may meet the sum to be paid out either wholly or partially by granting NORMA Group SE shares to the members of the Management Board as well. This means that more than 50% of the target sum to be paid out as variable remuneration will either be invested in NORMA Group SE shares by the members of the Management Board or will be granted by NORMA Group SE in the form of shares. The ESG-LTI has a four-year future timeframe and provides that shares must be held for one year. An **obligation to hold shares for four years** has been added to the LTI with future effect.

The Supervisory Board will set **binding performance criteria** for the STI and LTI. The Supervisory Board will set the goals for the ESG-LTI before the financial year begins. The respective sums to be paid out will be calculated once the financial year has finished and be based on target achievement. The Supervisory Board only has the option of exercising due discretion to adjust the terms and conditions of the STI and LTI if extraordinary events occur. Except from that, the Supervisory Board has no margin of discretion in setting the sums to be paid out from STI and LTI.

NORMA Group SE has **deleted the special remuneration clause** included in earlier service contracts. In future service contracts, NORMA Group SE will not make commitments in the event of a **change of control**.

In future, the components of variable remuneration will be subject to a recovery option (“**clawback**”).

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Remuneration system for the members of the Management Board

A. PRINCIPAL FEATURES OF THE REMUNERATION SYSTEM FOR THE MEMBERS OF THE MANAGEMENT BOARD OF NORMA GROUP SE

The structure of the remuneration system for the members of the Management Board is clear and comprehensible. It meets the requirements set out in the German Stock Corporation Act (AktG) in the version of the Act on the Implementation of the Second Shareholder Rights Directive of 12 December 2019 (*Gesetz zur Umsetzung der zweiten Aktionärsrechterichtlinie*) of 12 December 2019 (Federal Law Gazette Part I 2019, no. 50 of 19 December 2019).

The remuneration system applies for all Management Board members retroactively as of 1 January 2020, as well as for all new service agreements which are to be concluded with Management Board members and for contract renewals.

B. DETAILS OF THE REMUNERATION SYSTEM

I. Maximum Remuneration (section 87a(1) sentence 2 no. 1 AktG)

The **total remuneration** to be granted for a financial year (sum of all of the remuneration amounts spent for the relevant financial year, including fixed annual salary, variable remuneration components, pension expense (service costs) and fringe benefits) to the Management Board members – regardless of whether it is paid out in this financial year or at a later point in time – shall have an absolute upper limit (“**Maximum Remuneration**”). The Maximum Remuneration for the chairman of the Management Board shall be EUR 3,900,000, and for each of the other Management Board members EUR 2,500,000. Should the total remuneration calculated for a financial year exceed the Maximum Remuneration, the amount paid out from the Long Term Incentive (“**LTI**”) should be reduced to the extent necessary to adhere to the Maximum Remuneration level. If necessary, the Supervisory Board can reduce other remuneration components at its due discretion or demand repayment of remuneration that has already been granted.

Independent of the fixed Maximum Remuneration, the amounts of each of the individual variable remuneration components that are to be paid shall also be limited in relation to the fixed annual salary.

II. Contribution of the remuneration to promoting the business strategy and the long-term development of NORMA Group SE (section 87a(1) sentence 2 no. 2 AktG)

In line with the “Vision 2025” of NORMA Group SE, the remuneration of the Management Board members shall promote the business strategy and the long-term interests of NORMA Group SE, thus contributing to the long-term development of NORMA Group SE. Supporting profitable growth of NORMA Group SE’s business areas – also by specific acquisitions – and taking into consideration the sustainability strategy, should be the focus and basis of the further design of the remuneration system for Board of Management members.

In this context, the remuneration system is adjusted to different targets aiming at profit (in terms of EBIT), at investor return (in terms of the NOVA) at the development of corporate value (in terms of the stock price and the relative return on stock) and at environmental sustainability (in terms of a CO2 target). The criteria applied have different, but in each case perennial terms, in order to support the strategic success of the Company permanently.

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The variable remuneration components shall be structured in such a way as to create an appropriate incentive system for the implementation of the corporate strategy and a sustainable value creation and increase in value. Particular attention shall be paid to achieving the greatest possible congruence between the interests and expectations of the shareholders and of the Management Board remuneration.

III. Remuneration components (section 87a(1) sentence 2 no. 3 AktG)

1. Overview of the remuneration components and their respective relative proportion of the remuneration

1.1 Overview of the remuneration components

The remuneration of the Management Board members shall comprise fixed and variable components. The fixed components of the remuneration for the Management Board members are the fixed annual salary, fringe benefits and the company pension scheme.

The variable components are the short-term variable remuneration (“STI”) and the long-term variable remuneration. The long-term variable remuneration is comprised of the multi-year LTI and the **ESG-LTI**, a multi-year variable component geared toward sustainability objectives. The proportion of the long-term variable remuneration to the total remuneration shall exceed the proportion of the short-term variable remuneration. The relative proportions of the fixed and variable remuneration components are described in the following with reference to the Maximum Remuneration. In this connection, the maximum payments for the STI, limited in relation to the fixed annual salary (180% of the fixed annual salary), the LTI (200% of the fixed annual salary), the ESG-LTI (20% of the fixed annual salary), the pension expense for the company pension scheme (service costs) and the fringe benefits shall be set in relation to the Maximum Remuneration.

1.2 Relative proportion of the respective remuneration components to the Maximum Remuneration

Without taking the company pension scheme and the fringe benefits into account, the proportion of the fixed remuneration shall be 20%, and the proportion of the variable remuneration shall be 80% of the total of the fixed annual salary and the maximum payments for STI, LTI and ESG-LTI (“**Adjusted Maximum Total Remuneration**”). The proportion of the STI (maximum payment in the amount of 180% of the fixed annual salary) shall be 36%, the proportion of the LTI (maximum payment in the amount of 200% of the fixed annual salary) shall be 40% and the proportion of the ESG-LTI (maximum payment in the amount of 20% of the fixed annual salary) shall be 4% of the Adjusted Maximum Total Remuneration.

Taking the company pension scheme and the fringe benefits into account, for the Management Board chairman the proportion of the fixed remuneration (fixed annual salary, pension expense (service costs) and fringe benefits) shall be approximately 38% of the Maximum Remuneration and the proportion of the variable remuneration shall be approximately 62% of the Maximum Remuneration. The proportion of the STI (maximum payment in the amount of 180% of the fixed annual salary) shall be approximately 28% of the Maximum Remuneration, the proportion of the LTI (maximum payment in the amount of 200% of the fixed annual salary) shall be approximately 31% of the Maximum Remuneration and the proportion of the ESG-LTI (maximum payment in

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the amount of 20% of the fixed annual salary) shall be approximately 3% of the Maximum Remuneration. In the case of ordinary Management Board members, taking the company pension scheme and the fringe benefits into account, the proportion of the fixed remuneration (fixed annual salary, pension expense (service costs) and fringe benefits) shall be approximately 36% of the Maximum Remuneration and the proportion of the variable remuneration shall be approximately 64% of the Maximum Remuneration. The proportion of the STI (maximum payment in the amount of 180% of the fixed annual salary) shall be approximately 29% of the Maximum Remuneration, the proportion of the LTI (maximum payment in the amount of 200% of the fixed annual salary) shall be approximately 32% of the Maximum Remuneration and the proportion of the ESG-LTI (maximum payment in the amount of 20% of the fixed annual salary) shall be approximately 3% of the Maximum Remuneration.

These proportions can vary slightly due to deviations in the actuarial accounting of the service costs for each financial year and each Management Board member, as well as the development of the costs of the contractually committed fringe benefits.

1.3 Determination of the target total remuneration and the relative proportion of the respective remuneration components to the target total remuneration

The Supervisory Board shall determine a target total remuneration for the individual Management Board members. The target total remuneration shall comprise the total of all of the remuneration components which are relevant for the total remuneration. For STI, LTI and ESG-LTI, the respective target amounts upon 100% fulfilment of the targets for the budget (“**Target Amounts of the Variable Remuneration Components**”) shall be decisive. The Supervisory Board shall determine the Target Amounts of the Variable Remuneration Components for each financial year. The Supervisory Board shall resolve, on the basis of the results determined for the previous financial years, in the course of planning the budget for the ongoing financial year, targets which the Company is to achieve with regard to the performance criteria set out in B.IV.

Taking the company pension scheme and the fringe benefits into account, for the 2020 financial year, for the Management Board chairman the expected proportion of the fixed remuneration (fixed annual salary, pension expense (service costs) and fringe benefits) shall be approximately 49% of the target total remuneration and the proportion of the variable remuneration shall be approximately 51% of the target total remuneration. The proportion of the STI (target amount) shall be approximately 18% of the target total remuneration, the proportion of the LTI (target amount) shall be approximately 29% of the target total remuneration and the proportion of the ESG-LTI (target amount) shall be approximately 4% of the target total remuneration. The proportion of the STI (target amount) shall be approximately 35% of the variable remuneration, the proportion of the LTI (target amount) shall be approximately 65% of the variable remuneration. In the case of ordinary Management Board members, taking the company pension scheme and the fringe benefits into account, the proportion of the fixed remuneration (fixed annual salary, pension expense (service costs) and fringe benefits) shall be approximately 47% of the target total remuneration and the proportion of the variable remuneration shall be approximately 53% of the target total remuneration. The proportion of the STI (target amount) shall be approximately 19% of the target total remuneration, the proportion of the LTI (target amount) shall be approximately 30% of the target total remuneration and the proportion of the ESG-LTI (target amount) shall be approximately 4% of the target total remuneration. The proportion of the STI (target amount)

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shall be approximately 35% of the variable remuneration, the proportion of the LTI (target amount) shall be approximately 65% of the variable remuneration.

2. Fixed remuneration components

2.1 Fixed annual salary

The Management Board members shall receive a fixed annual salary in twelve monthly instalments, each to be paid at the end of a month.

The amount of the fixed annual salary shall be based on the tasks and the strategic and operative responsibility of the individual Management Board member.

2.2 Company pension plan

The current Management Board members, Dr. Schneider and Dr. Klein, shall be secured by a pension commitment by the Company. The claim for a pension shall arise if the service agreement has ended and the Management Board member has reached the age of 65 or is permanently unable to work. The level of the benefits (old-age pension) under the retirement pension agreements with the current Management Board members shall be 4% of the fixed annual salary for each complete year of service as of the appointment as Management Board member, at a maximum up to 55% of the last fixed annual salary. Additionally a survivor's pension is provided for.

Future Management Board members shall be granted a contribution-based plan on the basis of a pension reinsurance policy. The Company must pay contributions to an external provider in accordance with the contribution-based plan. The amount of the contributions shall be in line with the customary market practice.

2.3 Fringe benefits

The Company shall provide each Management Board member with a company car for private use. Additionally, the Management Board members shall be included in the Company's D&O insurance and the Company shall reimburse 50% of their expenses for health and nursing care insurance, at a maximum up to the expenses the Company would have had to pay had the employment relationship been subject to social security laws. The Company shall additionally take out accident insurance (for private and work-related accidents) for the Management Board members at its own expense.

3. Variable remuneration components

3.1 STI

The STI is a performance-related bonus which depends on the financial performance targets "NORMA Group EBIT" (*Earnings before Interest and Taxes*) and "relative Total Shareholder Return" (TSR). The STI shall be based on the NORMA Group EBIT of the financial year for which the STI is granted ("**Granting Financial Year**") and the two financial years preceding the Granting Financial Year, as well as the TSR in the Granting Financial Year.

The amount payable for the STI shall be calculated from a baseline value and an adjustment to the achievement of the TSR target. The baseline value shall be calculated by multiplying the STI percentage that is set individually for each Management Board member by the average (arithmetic

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mean) NORMA Group EBIT, adjusted for acquisitions, in the Granting Financial Year and in the two financial years preceding the Granting Financial Year. The individual STI percentage shall be 0.33% for the Management Board chairman and 0.22% for ordinary Management Board members. In the second step, the baseline value shall be multiplied by a factor of between 0.8 and 1.2 resulting from the target achievement of the TSR (“**TSR Adjustment Factor**”). More detailed explanations of the performance criteria for the STI are provided in B.IV.1.

The amount payable under the STI shall be limited to a maximum of 180% of the fixed annual salary. The amount payable under the STI shall be due for payment at the end of the month in which the Supervisory Board has approved the consolidated financial statements of the Company for the Granting Financial Year. Should the service agreement begin or end in an ongoing Granting Financial Year, the amount payable shall be reduced pro rata temporis in relation to the financial year. All claims to the STI from an ongoing financial year shall be forfeited without reimbursement or compensation if the service agreement of the Management Board member ends due to a termination for cause by the Company due to a compelling reason pursuant to section 626 German Civil Code (BGB) for which the Management Board member is at fault, the appointment of the Management Board member is revoked due to a gross breach of duty and/or the appointment of the Management Board member ends due to a resignation from office, without such resignation from office having been occasioned by a breach of duty on the part of the Company or health-related impairments of the Management Board member or of a close family member (“**Bad Leaver Cases**”). Should any extraordinary events or developments occur, e.g. the acquisition or sale of a part of the undertaking, the Supervisory Board shall be entitled to adjust the terms of the STI plan temporarily at its reasonable discretion. The same shall apply analogously if changes in the accounting rules applicable for the Company have a material impact on the relevant parameters for the calculation of the STI, as well as in the event that a financial year has less than twelve months (partial financial year).

3.2 LTI

The LTI shall be granted in the form of a retrospective Performance Cash Plan in annual tranches, to be supplemented by an obligation to acquire and retain shares. The Management Board members shall be granted a tranche of the Performance Cash Plan on 1 January of each Granting Financial Year. Each tranche of the Performance Cash Plan shall have a term of three years, which encompasses the Granting Financial Year and the two financial years preceding the Granting Financial Year (“**Performance Period**”).

The decisive success criterion for the LTI shall be the average adjusted Norma Value Added (“**NOVA**”) during the three-year Performance Period. The payable amount of the LTI shall be calculated by multiplying the individual LTI percentage set out in the service agreement by the average adjusted NOVA during the Performance Period. The individual LTI percentage shall be 1.5% for the Management Board chairman and 1.0% for ordinary Management Board members.

The amount payable under the LTI shall be limited to a maximum of 200% of the fixed annual salary. The amount payable under the LTI shall be due for payment at the end of the month in which the Supervisory Board has approved the consolidated financial statement of the Company for the Granting Financial Year. The cases described for the STI in B.III.3.1 shall apply analogously in the case of an exit during an ongoing Performance Period. Should any extraordinary

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events or developments occur, e.g. the acquisition or sale of a part of the undertaking, the Supervisory Board shall be entitled to adjust the terms of the LTI plan temporarily at its reasonable discretion. The same shall apply analogously if changes in the accounting rules applicable for the Company have a material impact on the relevant parameters for the calculation of the LTI, as well as in the event that a financial year has less than twelve months (partial financial year).

The Company may disburse the payable amount under the LTI in cash or in Company shares. In the case of a cash payment, the Management Board members shall be obliged to acquire shares in the Company for an amount equal to 75% of the net amount paid and to retain ownership of them for a period of four years (“**Share Acquisition and Retention Requirement**”). Once the service agreement comes to an end, the retention requirement shall generally exist until twelve months have elapsed after the legal end of the service agreement unless the four-year retention period has already expired. The Supervisory Board of the Company may resolve at its reasonable discretion to issue shares in the Company wholly or partly in lieu of a cash payment. Should the Company issue shares in the Company in lieu of a cash payment, the Management Board members shall likewise be obliged to retain ownership of 75% of the shares issued for four years. Regardless of whether the Company renders the payable amount in cash or in shares, 75% of the net payable amount under the LTI must be invested in Company shares and ownership of them must be retained for a period of four years.

3.3 ESG-LTI

The ESG-LTI is a variable remuneration element in the form of a forward-looking Performance Cash Plan in annual tranches which shall be supplemented by an obligation of the Management Board member to acquire and retain shares. Each tranche of the ESG-LTI shall have a term of four years. A tranche shall commence on 1 January of the Granting Financial Year and end at midnight, 31 December of the third year following the Granting Financial Year (“**ESG Performance Period**”).

The amount to be paid out under the ESG-LTI shall depend on the achievement of targets in the areas of environment, social and corporate governance (“**ESG Targets**”).

The target amount of the ESG-LTI shall be 20% of the fixed annual salary. The amount payable shall be limited to a maximum of 100% of the target amount. The amount payable under the ESG-LTI shall be due for payment at the end of the month in which the Supervisory Board has approved the consolidated financial statements of the Company for the Granting Financial Year. The cases described for the STI in B.III.3.1 shall apply analogously in the case of an exit during an ongoing Performance Period. Should any extraordinary events or developments occur, e.g. the acquisition or sale of a part of the undertaking, the Supervisory Board shall be entitled to adjust the terms of the ESG-LTI plan temporarily at its reasonable discretion. The same shall apply analogously if changes in the accounting rules applicable for the Company have a material impact on the relevant parameters for the calculation of the ESG-LTI, as well as in the event that a financial year has less than twelve months (partial financial year).

The Company may disburse the payable amount under the ESG-LTI in cash or in Company shares. In the case of a cash payment, the Management Board members shall be obliged to acquire shares in the Company for an amount equal to 100% of the net amount paid and to retain ownership of them for a period of one year (“**Share Acquisition and Retention Requirement**”). The Supervisory Board of the Company may resolve at its reasonable discretion to issue shares in the

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Company wholly or partly in lieu of a cash payment. Should the Company issue shares in the Company in lieu of a cash payment, the Management Board members shall likewise be obliged to retain ownership of 100% of the shares issued for one year. Regardless of whether the Company renders the payable amount in cash or in shares, 100% of the net payable amount under the ESG-LTI must be invested in Company shares and ownership of them must be retained for a period of one year.

IV. Performance criteria for the granting of variable remuneration components (section 87a(1) sentence 2 no. 4 AktG)

The financial and non-financial performance criteria set out under B.III.3 shall contribute to the promotion of the business strategy and the long-term development of the Company as follows. The achievement of these targets shall be measured as follows:

The variable remuneration components shall be structured in such a way as to create an appropriate incentive system for the implementation of the corporate strategy and a sustainable value creation and increase in value. Particular attention shall be paid to achieving the greatest possible congruence between the interests and expectations of the shareholders and of the Management Board remuneration. The variable remuneration shall be linked to the target of a sustainable increase in the corporate value and therefore consist of a short-term and a long-term variable component. The remuneration model developed by the Supervisory Board shall provide a great deal of transparency by linking the performance figures to clearly defined indicators for yield, value creation and sustainable development. The sustainable business orientation, as well as the social and environmental responsibility of the NORMA Group, shall be reflected in “ESG Targets”, which shall likewise form the basis of the variable remuneration of the Management Board.

1. STI

The relevant performance figures for calculating the payable amount under the STI shall be the average adjusted NORMA Group EBIT (adjusted for acquisitions) of the Granting Financial Year and the two preceding financial years, as well as the relative Total Shareholder Return in the Granting Financial Year. The NORMA Group EBIT shall serve as the absolute performance figure for calculating the baseline value in that the individual STI percentage that is set individually for each Management Board member shall be multiplied by the average NORMA Group EBIT, adjusted for acquisitions, in the Granting Financial Year and in the two financial years preceding the Granting Financial Year (arithmetic mean). In the second step, the baseline value shall be multiplied by a factor of between 0.8 and 1.2 resulting from the target achievement of the relative performance figure TSR.

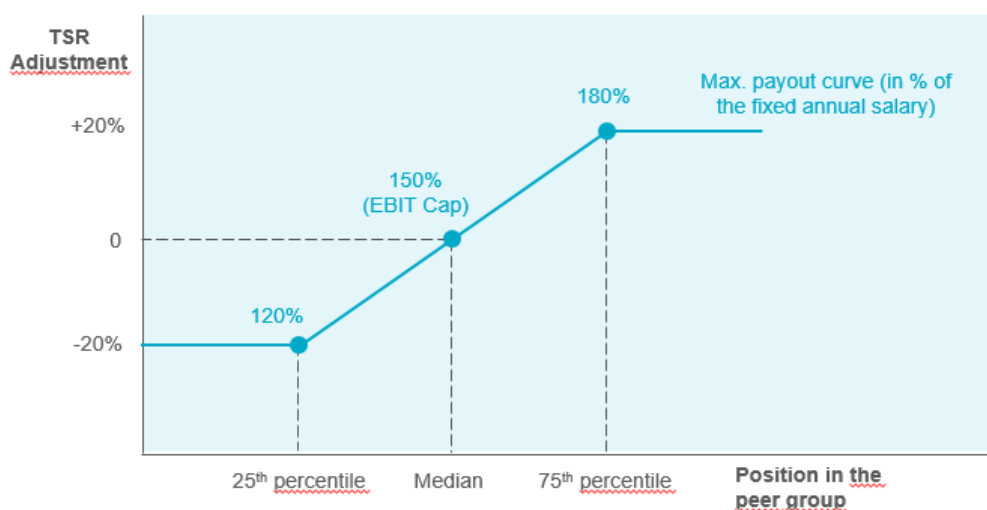
The NORMA Group EBIT measures the earnings before interest and taxes. By applying the average adjusted NORMA Group EBIT as a performance figure, the profitability of the undertaking shall be taken into account in the remuneration of the Management Board. Profitability is one of the key requirements of the NORMA Group’s corporate strategy in this regard.

The TSR Adjustment Factor shall be calculated by measuring the TSR development (share price and dividend growth) of the Company in relation to the TSR development of the undertakings of the comparison group during the Granting Financial Year. The comparison group consists of 15 listed undertakings with a size, structure and industry that is comparable to the NORMA Group (Bertrandt AG, Deutz AG, DMG Mori AG, ElringKlinger AG, Gerresheimer AG, Jungheinrich

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AG, König & Bauer AG, Leoni AG, SAF-Holland S.A., Schaeffler AG, SGL Carbon SE, Stabilus S.A., Vossloh AG, Wacker Neuson SE and Washtec AG). The Supervisory Board shall be entitled to adjust the comparison group for future assessment periods prior to the commencement of the respective assessment period. The TSR shall be defined for the Company and for each comparison undertaking as the percentage change of the exchange rate during the Granting Financial Year with the inclusion of fictitious reinvested dividends and all capital measures. Depending on the results of the comparison, if a position in the comparison group above the 75th percentile is achieved, the baseline value of the STI shall be adjusted upward by 20%, and if it falls below the 25th percentile, the baseline value shall be adjusted downward by 20%. In the case of a position at the 50th percentile (median) in the comparison group, the baseline value shall not be adjusted. There shall be a linear interpolation between the lower and upper limits at the 25th percentile and the 75th percentile respectively, as well as the 50th percentile.

Individual targets which are linked to the performance of the individual Management Board members shall not be decisive for measuring the target achievement under the STI.



2. LTI

The relevant performance figure for calculating the payable amount under the LTI shall be the NOVA in the Granting Financial Year and in the three financial years preceding the Granting Financial Year. The NOVA is the difference between the adjusted EBIT of the financial year as shown in the consolidated financial statements of the Company, multiplied by a factor of “1 minus s” and the WACC (Weighted Average Cost of Capital) multiplied by the invested capital at the beginning of the financial year according to the following formula:

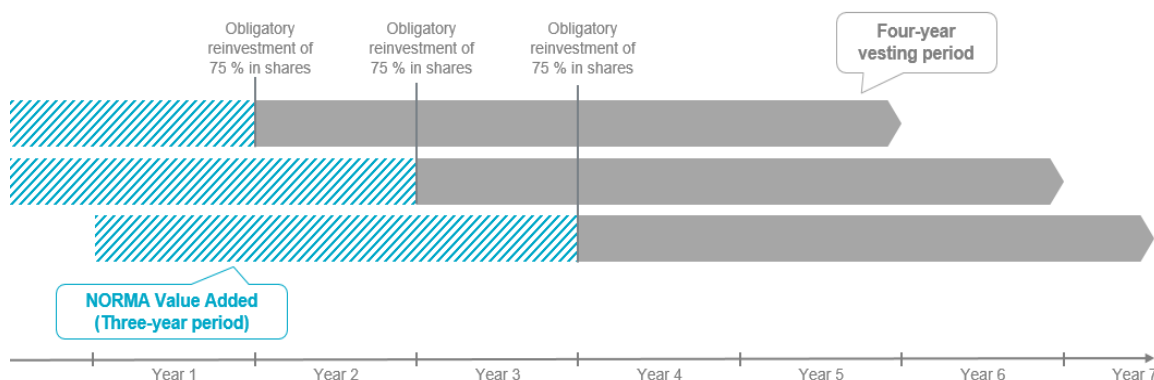
$$\text{NORMA Value Added} = (\text{adjusted EBIT} \times (1 - t)) - (\text{WACC} \times \text{invested capital})$$

Because it is linked to the NOVA, the LTI creates a long-term incentive for the Management Board to commit itself to achieving the success of the Company. The LTI is thus a value increase premium which is based on the performance of the group.

Along with a strong long-term orientation to the value creation and increased value of the undertaking, the remuneration system also ensures that the Management Board members will always hold a significant, and in comparison to the market, a very large shareholding in the NORMA

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Group during their term of office. The objective of the Share Acquisition and Retention Requirement is to gear the actions of the Management Board members more closely to the value creation of the undertaking. This will increase the congruence between the interests of the shareholders and the Management Board.



Individual targets which are linked to the performance of the individual Management Board members shall not be decisive for measuring the target achievement under the LTI.

3. ESG-LTI

The ESG-LTI shall depend on the achievement of certain sustainability targets determined by the Supervisory Board prior to the commencement of the ESG Performance Period in the areas of environment, social and corporate governance. Examples of ESG Targets could be:

- reducing greenhouse gas emissions;
- increasing employee satisfaction;
- increasing customer satisfaction;
- reducing accidents at work (e.g. as measured by the total recordable incident rate (“**TRIR**”) per year);
- increasing sustainability (e.g. as measured by the Dow Jones Sustainability Index).

Before each ESG Performance Period begins, the Supervisory Board shall define the sustainability targets, their weighting and criteria for measuring the achievement of the targets. After the end of the ESG Performance Period, the Supervisory Board shall determine the target achievement by each Management Board member for each ESG Target and ascertain the overall target achievement for the ESG Targets according to the defined weighting. In the case of an overall target achievement of 100%, the payable amount shall correspond to the target amount set in the service agreement (“**Target and Maximum Value**”), i.e. a value of 20% of the fixed annual salary. No payment shall be made if the overall target achievement is 50% or less (“**Threshold**”). Linear interpolation shall be used to determine values between the Threshold and the Target and Maximum Value.

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With the ESG-LTI, the NORMA Group is proactively assuming responsibility for creating a sustainable remuneration policy.

Individual targets which are linked to the performance of the individual Management Board members shall not be decisive for measuring the target achievement under the ESG-LTI.

V. Ability of the Company to recover variable remuneration components (section 87a(1) sentence 2 no. 6 AktG)

The Company shall be entitled to adjust and recover the payable amounts under the variable remuneration at its due discretion if the audited consolidated financial statements and/or the basis for determining other targets which serve as a basis for calculating the variable remuneration have to be corrected subsequently because they objectively proved to be erroneous and the errors led to a wrong calculation of the variable remuneration.

The recovery claim shall exist in the amount of the difference between the actual sums paid out by the Company and the amounts which, according to the rules on the variable remuneration, should have been paid out on the basis of the corrected calculation bases.

If the correction of the calculation bases for the variable remuneration has an effect on several variable remuneration components which were paid out, then payable amounts for all of the variable remuneration components can be recovered. The recovery claim shall exist until three years have elapsed since the payment of the respective relevant variable remuneration component.

VI. Share-based remuneration (section 87a(1) sentence. 2 no. 7 AktG)

Both the LTI and the ESG-LTI are granted on the basis of shares. Explanations of time periods, the conditions for the retention of shares after acquisition and the contribution of the share-based remuneration to the promotion of the business strategy and the long-term development of the Company can be found at the description of the remuneration components under B.III.

VII. Remuneration-related legal acts (section 87a(1), sentence 1, no. 8 AktG)

1. Terms and prerequisites for the termination of remuneration-related legal acts (section 87a(1), sentence 2, no. 8, lit. a AktG)

The service contracts of the Management Board members shall take effect as of 1 January 2020 and shall end when the appointment ends, i.e. for Dr Schneider currently on expiration of 30 June 2023 and for Dr Klein currently on expiration of 30 September 2021. In the event of re-appointment, the service contracts shall continue to apply unless the parties agree otherwise.

Should the appointment as a Management Board member be revoked for good cause pursuant to section 84(3) AktG which is also good cause for termination of the Management Board member's contract without notice pursuant to section 626 BGB, the service contract shall end automatically.

The currently appointed Management Board members are entitled under a transitional arrangement to terminate their respective service contract with two months' notice to the month end (special right of termination) and to resign from their Management Board position if a shareholder holds more than 50% of the shares in the Company or if the Management Board member's legal status as a Management Board member comes to an end due to a transformation of the Company without him or her becoming a member of the Management Board or of the management of the

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absorbing or newly founded legal entity. The special right of termination will no longer be concluded with newly appointed Management Board members in future.

Should a Management Board member become permanently unable to work during the term of his or her service contract, the service contract shall end at latest on expiration of the month in which the permanent inability to work is determined.

2. Compensation for removal (section 87a(1), sentence 2, no. 8, lit. b AktG)

Should the service contract be terminated other than for good cause, any severance, including fringe benefits, paid to the respective Management Board member shall be limited to a maximum of two years' annual remuneration and, in the event that the remaining term of the service contract is less than two years, may not exceed the contractually agreed remuneration for the remaining term (**Severance Cap**). The Severance Cap shall generally be calculated on the basis of the total remuneration paid for the previous financial year and, if appropriate, shall take into account the expected total remuneration for the current financial year.

The following additional transitional arrangements shall apply to Management Board members who are currently appointed: Should the service contract end based on the special right of termination in the event of a change of control, the Company shall pay severance at the termination date amounting to three years' annual remuneration, but not more than the value of the remuneration for the remaining term of the service contract. The annual remuneration shall be the current fixed annual salary at the time termination is issued as well as the variable remuneration components granted for the preceding financial year. This special provision will no longer be concluded with newly appointed Management Board members in the future.

In the event that a post-contractual non-competition clause is agreed, any severance shall be set off against the compensation for the waiting period.

Should the Management Board member's contract be terminated by the Management Board member him- or herself or for good cause for which he or she bears responsibility, no severance shall be paid.

The key features of the pension and early retirement provisions are explained under B.III.2.2.

VIII. Consideration to be given to the employees' terms and conditions of remuneration and employment when determining the remuneration system (section 87a(1), sentence 1, no. 9 AktG)

When determining the remuneration and fringe benefit system for Management Board members, the Supervisory Board took into account the remuneration and fringe benefit system for the senior managers and the workforce as a whole, in particular how remuneration has developed over time, and received detailed explanation on the plan contents in its meetings by representatives of the human resources department of NORMA Group SE.

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IX. Procedure to determine and implement, as well as to review the remuneration system (section 87a(1), sentence 2, no. 10 AktG)

The Supervisory Board shall adopt a clear and comprehensible remuneration system for the Management Board members. The Executive and Nomination Committee shall be responsible for preparing the resolution and for providing the Supervisory Board at regular intervals with all the information required by the Supervisory Board in order to review the remuneration system. The Supervisory Board shall review the remuneration system at its due discretion, but in any event every four years. The Supervisory Board shall review the level of fixed annual salary every two years in order to ensure it is commensurate. To do so, the Supervisory Board shall make a market comparison and also take particular account of changes in the business environment, the overall economic situation and strategy of the Company, changes and trends in national and international corporate governance standards, and developments in the employees' term and conditions of remuneration and employment pursuant to B.VIII. If necessary, the Supervisory Board shall consult external remuneration experts and other advisors. The Supervisory Board shall thereby pay attention to the independence of the remuneration experts and the advisors to the Management Board and take the necessary precautions to avoid conflicts of interest.

The Supervisory Board shall present the remuneration system resolved on to the general meeting for approval each time there is a substantial change, but at least every four years. Should the general meeting not approve the submitted system, the Supervisory Board shall submit a revised remuneration system to the general meeting for approval at latest at the next Annual General Meeting.

The remuneration system shall apply for all Management Board members retroactively as of 1 January 2020. In order to implement the remuneration system, the Supervisory Board, acting on behalf of the Company, shall agree the appropriate adjustments to the service contracts with the existing Management Board members and shall specify the target values for the 2020 financial year in conformity with the existing remuneration system.

The Supervisory Board and the Executive and Nomination Committee take adequate measures to ensure that possible conflicts of interests affecting the Supervisory Board members involved in advising and decision-making on the remuneration system are avoided and, as the case may be, resolved. Each Supervisory Board member shall be under a duty to notify the Supervisory Board chairman of conflicts of interest. The Supervisory Board chairman shall disclose to the Executive and Nomination Committee any conflicts of interest affecting him. The Supervisory Board shall decide how to deal with an existing conflict of interest on a case-by-case basis. One option in particular would be for a Supervisory Board member affected by a conflict of interest not to participate in a meeting or in individual consultations and decisions of the Supervisory Board or the Executive and Nomination Committee.

The Supervisory Board may temporarily deviate from the remuneration system (procedure and regulations on remuneration structure) and its individual components, as well as with regard to the individual remuneration components of the remuneration system, or introduce new remuneration components if this is necessary for the long-term wellbeing of the Company. The Supervisory Board shall reserve such deviations for exceptional circumstances, for example an economic or Company crisis. Such deviations may temporarily cause a deviation from Maximum Remuneration for the Management Board chairman or for other Management Board members.

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Report of the Management Board on agenda item 7

An adequate capital base and adequate financing are material bases for the further development of NORMA Group SE and for a successful market presence. By issuing convertible bonds and/or bonds with warrants and/or participation rights, the Company can – depending on the market situation and its financing needs – take advantage of attractive financing opportunities at comparatively low interest rates, for example to procure favourable debt capital for the Company. Moreover, by issuing convertible bonds and bonds with warrants as well as participation rights, the Company may possibly even reach new investor groups in addition to using other instruments, such as capital increases. Further, the Company will benefit from the conversion and option premiums obtained when issuing such bonds.

The planned authorisation is intended to replace the authorisation to issue convertible bonds and/or bonds with warrants and/or participation rights which had been resolved in the Annual General Meeting of 20 May 2015. The authorisation that was resolved on 20 May 2015 applies until 19 May 2020 and will therefore already have expired by the time of the Annual General Meeting on 30 June 2020. The Management Board and the Supervisory Board consider it reasonable to allow the Company to issue convertible bonds and/or bonds with warrants and/or participation rights, excluding subscription rights, in a flexible manner even in future. When it comes to its legal arrangement, the authorisation proposed under agenda item 7 largely equals the authorisation granted on 20 May 2015.

The new authorisation to issue bonds as proposed under agenda item 7, and the Conditional Capital 2020 which is also proposed, will enable the Management Board to issue, with the Supervisory Board's consent, once or repeatedly up to and including 29 June 2025, bearer or registered convertible bonds and/or bonds with warrants and/or participation rights carrying conversion or option rights and/or conversion or option obligations (or a combination of these instruments) in a total nominal amount of up to EUR 200,000,000 with or without a limited maturity term (hereinafter referred to collectively as “**Bonds**”) and to grant to or impose on the creditors of Bonds conversion/option rights and/or conversion/option obligations to subscribe to a total of up to 3,186,240 new registered no-par value shares of the Company with a pro rata amount of the share capital of up to EUR 3,186,240 in total in accordance with the terms and conditions of the Bonds (hereinafter together “**Bond Conditions**”). The authorisation proposed in agenda item 7 will furthermore make it possible for the Management Board to issue the Bonds with a variable interest rate, in terms of which the interest rate may be wholly or partially dependent on the amount of the net profit for the year, the balance sheet profit or the Company's dividend.

The sum of shares that are to be issued based on Bonds, which are issued based on the authorisation proposed under agenda item 7, under exclusion of the shareholders' subscription right, must not exceed a proportional amount of 10% of the share capital either at the time of said authorisation taking effect or at the time of the authorisation being utilised, taking into account other shares of the Company issued or sold under exclusion of the subscription right after 30 June 2020. By restricting the overall amount of shares issued without subscription rights to 10% of the share capital, shareholders are protected to a particularly high degree against dilution of their holdings.

The possibility provided for in the authorisation to the effect that Bonds may also be issued with conversion or option obligations at the end of the term or at other times extends the scope for structuring financing instruments of this kind.

When issuing Bonds, the Company shall be able, depending on the market situation, to make use of the German or international capital markets and issue Bonds not only in Euro but also in the legal currency of an OECD country, however, limited to the corresponding equivalent value in Euro. The Bonds may

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be issued also by domestic or foreign companies, in which the Company holds directly or indirectly the majority of the votes and capital (hereinafter also “**Majority-Owned Subsidiary**”); in that case, the Management Board is authorised to provide a guarantee for the Bonds on behalf of the Company and to grant the creditors of such Bonds conversion and/or option rights on shares of the Company and/or fulfil conversion or option obligations in shares of the Company, as well as to render other declarations and take actions that are necessary for a successful issue.

The proposed Conditional Capital 2020 is to enable the Company to issue shares to the creditors of Bonds which are issued based on the authorisation that is yet to be granted under agenda item 7. The nominal value of the Conditional Capital 2020 corresponds to 10% of the current share capital of the Company. New shares from the Conditional Capital 2020 shall be issued at the conversion or option price to be determined in each case in accordance with the authorisation. Pursuant to section 193(2), no. (3) of the German Stock Corporation Act, the authorisation will merely define the bases for determining the relevant minimum issue price so as to give the Company the necessary flexibility when determining the conditions. The conditional increase in capital shall be performed only insofar as use is made of conversion or option rights that are based on issued Bonds or insofar as conversion or option obligations that are based on such Bonds are fulfilled, and insofar as the conversion or option rights and/or conversion or option obligations are not satisfied through own shares, shares from authorised capital or other consideration.

When Bonds are issued with conversion or option rights or conversion or option obligations, the shareholders are in principle entitled to a subscription right (section 221(4) German Stock Corporation Act in conjunction with section 186(1) German Stock Corporation Act). If the Bonds are issued by a Majority-Owned Subsidiary of NORMA Group SE, NORMA Group SE must ensure that the shareholders are granted the statutory subscription rights. To simplify this process, the Bonds can also be taken on by one or several credit institutions pursuant to section 186(5) of the German Stock Corporation Act, which must undertake to offer them to the shareholders for subscription (so-called indirect subscription right).

In this context, the Management Board shall – with the consent of the Supervisory Board – also be allowed to determine that the subscription right in part shall be a direct subscription right and otherwise an indirect subscription right. It may for example be particularly expedient and, for cost-related reasons, in the interest of the Company for a major shareholder who is entitled to subscription rights and who has undertaken to purchase a fixed number of (partial) Bonds in advance to be offered these Bonds for subscription directly, in order to avoid the costs of the issuing banks that would be incurred by the Company in the case of an indirect subscription right. This does not entail any restriction of the content of the subscription rights of the shareholders to whom the Bonds are offered by way of an indirect subscription right.

In accordance with the legal provisions, the Management Board shall be authorised – with the consent of the Supervisory Board – in the individual cases specified in detail in the authorisation to exclude the shareholders' subscription right.

Exclusion of the subscription right for fractional amounts

Initially, the Management Board shall be authorised to exclude the shareholders' subscription right for fractional amounts with the consent of the Supervisory Board. Said exclusion of the subscription right shall enable a practicable subscription ratio and thus facilitate the technical performance of issuing Bonds. The value of the fractional amounts is normally low, whereas the time and effort required to

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issue Bonds without an exclusion of the subscription right for fractional amounts is regularly much higher. The Bonds that are excluded from the subscription right due to such fractional amounts will be used in the Company's best possible interest. The exclusion of the subscription right in these cases thus serves to make an emission more practicable and feasible.

Exclusion of the subscription right for bonds with warrants and convertible bonds

The Management Board shall furthermore be authorised, with the Supervisory Board's consent, to exclude the shareholders' subscription right when issuing Bonds insofar as this is necessary to grant holders and/or creditors of conversion or option rights or creditors of Bonds carrying conversion or option obligations issued or still to be issued by the Company or a Majority-Owned Subsidiary a subscription right to the extent to which they would be entitled as shareholders after exercising the conversion or option rights or fulfilling the conversion or option obligations.

The background to this is as follows: The economic value of the said conversion or option rights or the Bonds carrying conversion or option obligations depends not only on the conversion or option price but also, and in particular, on the value of the shares of the Company to which the conversion or option rights or conversion or option obligations relate. To ensure a successful placement of the respective Bonds or, rather, to avoid a corresponding markdown during placement, it is thus common practice to include so-called anti-dilution provisions in the Bond Conditions, which will protect the rightholders from depreciation of their conversion or option rights as a result of a dilution of the value of the shares to be subscribed; the inclusion of such anti-dilution provisions in the Bond Conditions is thus also provided for in the authorisation to issue Bonds, as proposed under agenda item 7. In the absence of such dilution protection, any subsequent issuance of Bonds along with a granting of shareholder subscription rights would typically result in such a dilution of the value. This is because in order to make the subscription rights attractive to the shareholders and ensure that these are taken up, the relevant convertible bonds or bonds with warrants are, in cases in which subscription rights are granted, generally issued under more favourable conditions than would be in line with their market value. This leads to a corresponding dilution of the value. The aforesaid anti-dilution provisions in the Bond Conditions usually provide for a reduction in the conversion or option price in such a case, with the result that in the event of the subsequent conversion or exercising of the option or the subsequent fulfilment of a conversion or option obligation, the funds flowing into the Company are reduced or the number of shares to be issued by the Company is increased.

As an alternative which makes it possible to avoid reducing the conversion or option price, the anti-dilution provisions usually permit the holders of the bonds to be granted a right to subscribe to subsequently issued convertible bonds and/or bonds with warrants to the extent to which they would be entitled after exercising their own conversion or option rights or after fulfilling their conversion or option obligations. They are therefore placed in the position that they would have been in had they, by exercising the conversion or option rights or by fulfilling any conversion or option obligations, already become shareholders before the offer to subscribe and would to this extent also already have been entitled to subscribe; the value of the subscription right therefore compensates them – like all the already participating shareholders – for the dilution of value. For the Company, this second alternative for granting dilution protection has the benefit that the conversion or option price does not have to be reduced; it therefore serves to guarantee the largest possible inflow of funds in the event of a subsequent conversion or exercising of the option or the subsequent fulfilment of any conversion or option obligation or reduces the number of shares to be issued in this case. This also benefits the participating shareholders, so that

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it at the same time constitutes remuneration for the restriction of their subscription rights. Their subscription rights as such continue to exist and are merely reduced pro rata to the extent to which, in addition to the participating shareholders, the holders of the conversion or option rights or the Bonds carrying conversion or option obligations are also granted subscription rights. In case of an emission of subscription rights, the present authorisation enables the Company to choose between one of the two above-described alternatives for granting dilution protection, by weighing the shareholders' interests against the Company's.

Exclusion of subscription rights where Bonds are issued for cash consideration

The Management Board shall also be authorised, with the Supervisory Board's consent, to exclude the subscription right if, where Bonds are issued in return for cash payment, the issue price of the Bonds is not substantially below the theoretical market value of the Bonds determined using recognised methods, in particular financial calculation ones.

It may be expedient to make use of this statutory possibility of excluding subscription rights to enable the Company to respond swiftly to favourable market situations and place Bonds on the market quickly and flexibly with attractive conditions. The two week subscription period required when granting subscription rights to the shareholders (in analogous application of section 186(1), sentence 2 German Stock Corporation Act) makes it impossible to react swiftly to the current market situation in this way. Moreover, because of the volatility of the stock markets, conditions which are as close as possible to market conditions can generally only be achieved if the Company is not bound to them for a prolonged period. If subscription rights are granted, section 186(2) German Stock Corporation Act stipulates that the final subscription price or, in the case of bonds carrying conversion and/or option rights or conversion or option obligations, the final conditions for the bonds must be announced no later than three days before the end of the subscription period. As compared to an allocation without subscription rights, this is associated with a greater market risk – in particular with a change in price risk that lasts for several days. When granting a subscription right, one must hence regularly provide for a corresponding safety discount when determining the conditions of the Bonds in order to achieve a successful placement; this will normally result in less favorable conditions for the Company than when placing the Bonds under exclusion of the subscription right. Also, when granting a subscription right, complete placement is not readily warranted and a subsequent placement with third parties is normally associated with extra expenses due to the uncertainties regarding the exercise of the subscription rights by those entitled thereto.

With this exclusion of subscription rights, the shareholders' interests are guaranteed by the fact that the Bonds must not be issued substantially below their theoretical market value, whereby the actuarial value of the subscription right is reduced to almost zero. The resolution therefore provides that before issuing any Bonds, the Management Board must arrive at the conclusion that the envisaged issue price will not lead to any noteworthy dilution of the shares' value. Should the Management Board consider it appropriate to obtain expert advice in the respective situation, it may consult experts, for example the syndicate banks assisting with the Bond issue, an independent investment bank or a private expert to confirm, in a suitable form, that no significant dilution of the share value is to be expected. Regardless of the assessment by the Management Board, the setting of conditions in line with general market conditions is guaranteed if a book building process is carried out. This means that the exclusion of subscription rights will not lead to a noteworthy dilution of the shares' value.

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This authorisation to exclude subscription rights applies only to Bonds carrying rights to shares or obligations to subscribe shares, to which a proportional amount of the share capital of not more than 10% of the share capital is attributable either at the time of said authorisation taking effect or at the time of said authorisation being exercised. In this context, the legislator deems it reasonable to expect the shareholders to maintain their participation quota by purchasing shares on the market. Shares in the Company that are issued or sold by the Company during the term of this authorisation subject to the exclusion of the shareholders' subscription rights pursuant to or in analogous application of section 186(3), sentence 4 German Stock Corporation Act will be counted towards this 10% limit. These limits serve to protect the shareholders and keep dilution of their interests to a minimum.

Exclusion of subscription rights where Bonds are issued for non-cash consideration

The Management Board shall also be authorised, with the Supervisory Board's consent, to exclude the shareholders' subscription rights if Bonds are issued for non-cash consideration and the exclusion of subscription rights is in the interest of the Company.

The aim of this stipulation is to ensure that the Bonds can be used as acquisition currency to selectively acquire specific assets, enterprises, parts of or interests in enterprises. This will enable the Company, especially in combination with other financing instruments or the issuing of Bonds for cash consideration, to act flexibly and to respond to corresponding demands by the sellers. A prerequisite for issuing Bonds for non-cash consideration is that the value of the non-cash consideration at least corresponds to the issue price of the Bonds at the time the Bonds are issued. This means that the Company does not suffer any disadvantage as a result of issuing Bonds for non-cash consideration. Rather, this possibility creates additional flexibility and improves the Company's competitive position in terms of making acquisitions. The Management Board will carefully consider, on a case-by-case basis, whether it will make use of the option of issuing Bonds for non-cash consideration. It will only make use of this option if this is in the best interest of the Company and therefore of its shareholders.

Utilisation of the authorisation

Currently, there are no specific plans to make use of the authorisation to issue Bonds proposed in agenda item 7. Corresponding anticipatory resolutions including an option to exclude subscription rights are common both at the national and international level. Each and every such exclusion of subscription rights, as proposed herein, is subject to consent by the Supervisory Board. The Management Board will moreover in each case carefully consider whether it would be in the interest of the Company to make use of the proposed authorisation to issue Bonds; it will in particular also consider whether any exclusion of the subscription rights in a specific case is objectively justified. The Management Board will then report to the next Annual General Meeting on any use of the authorisation.

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Report of the Management Board on agenda item 8

In future as well, the Management Board is to have the opportunity to take advantage of financing options in the Company's interest, and with the approval of the Supervisory Board, in order to use business opportunities and strengthen the Company's equity capital base. By resolution of the Annual General Meeting of 20 May 2015, the Management Board is authorised, with the Supervisory Board's consent, to increase the Company's share capital once or repeatedly on or before 19 May 2020 by up to a total of EUR 12,744,960 by issuing up to 12,744,960 new registered no-par value shares against cash and/or non-cash contributions (Authorised Capital 2015). The Authorised Capital 2015 has not been used. It will already have expired by the time of the Annual General Meeting on 30 June 2020. In the opinion of the Management Board and the Supervisory Board, it makes good sense for the Company to remain allowed in future to increase the share capital on short notice, thereby excluding the subscription rights. The plan is thus to resolve on a new authorised capital, which in terms of content largely corresponds to the Authorised Capital 2015. In order to protect shareholders to an even higher degree than up to now against dilution of their holdings, the scope of the new Authorised Capital 2020 shall be reduced significantly in comparison to the Authorised Capital 2015 equalling EUR 3,186,240 only (which is 10% of the current share capital).

For this reason, the Management Board and the Supervisory Board propose to the Annual General Meeting in agenda item 8 that the Management Board shall be authorised, with the Supervisory Board's consent, to increase the Company's share capital by up to a total of EUR 3,186,240 by issuing up to 3,186,240 new registered no-par value shares (Authorised Capital 2020). The Management Board shall be authorised to issue shares any time up to and including 29 June 2025 on the basis of the Authorised Capital 2020. The Authorised Capital 2020 shall be available for capital increases against cash and non-cash contributions.

The Management Board of Norma Group SE will be able to use the proposed Authorised Capital 2020 to adjust NORMA Group SE's net equity base at any time within the specified limits, depending on the requirements of the business, and to act quickly and flexibly in the interest of the Company. In order to be able to do so, the Company must always have the necessary financing instruments available, regardless of concrete utilization plans. As decisions on the coverage of capital requirements normally need to be made on short notice, it is important that the Company does not have to wait for the next Annual General Meeting and does not have to call an extraordinary general meeting either. The instrument of authorised capital has therefore been created by law to address the need to raise capital quickly. Common reasons for utilising authorised capital include to strengthen the equity capital base and to finance the acquisition of shares.

As a general rule, the shareholders have a subscription right when the Authorised Capital 2020 is utilised. Pursuant to section 186(5) German Stock Corporation Act, the new shares may also be acquired by one or more credit institutions which undertake to offer the shares for subscription to the shareholders (so-called indirect subscription rights). The proposed authorisation provides that, with the consent of the Supervisory Board and subject to the legal provisions, the Management Board will be allowed to exclude the shareholders' subscription right in whole or in part in the cases described below.

The sum of shares that are issued based on the Authorised Capital 2020 under exclusion of shareholders' subscription rights must not exceed a proportional amount of 10% of the share capital either at the time the authorisation takes effect or at the time the authorisation is utilised, taking into account other shares of the Company that are sold or issued under exclusion of subscription rights during the term of the

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Authorised Capital 2020 or that are to be issued based on bonds which were issued after 30 June 2020. By restricting the overall amount of shares issued without subscription rights to 10% of the share capital shareholders are protected to a particularly high degree against dilution of their holdings.

Exclusion of subscription rights for fractional amounts

The Management Board shall be authorised to exclude the shareholders' subscription rights for fractional amounts with the consent of the Supervisory Board. Excluding subscription rights in this way will make it possible to achieve a practicable subscription ratio and thereby facilitate the technical execution of capital increases. The value of the fractional amounts is normally low, while the time and effort required to issue shares without excluding subscription rights for fractional amounts is generally much higher. The new shares excluded from the shareholders' subscription rights as so-called "non-allocable fractional amounts" will be used in the best interest of the Company. In these cases, the subscription rights are therefore excluded for practical reasons and to facilitate the issuing of the shares.

Exclusion of subscription rights for bonds with warrants and convertible bonds

Subject to the Supervisory Board's consent, the Management Board shall also be authorised to exclude the shareholders' subscription rights if and to the extent this is necessary to grant the holders or creditors of conversion or option rights, and/or the holders or creditors of financing instruments carrying conversion or option obligations, which were or are issued by the Company or by a domestic or foreign company in which the Company directly or indirectly holds the majority of the votes and capital, a subscription right to the same extent to which they would be entitled after exercising the conversion or option rights or after fulfilling of a conversion or option obligation.

The background to this is as follows: The economic value of the said conversion or option rights or the bonds carrying conversion or option obligations depends not only on the conversion or option price but also, and in particular, on the value of the shares of the company to which the conversion or option rights or conversion or option obligations relate. To ensure a successful placement of the respective bonds or, rather, to avoid a corresponding markdown during placement, it is thus common practice to include so-called anti-dilution provisions in the bond conditions, which will protect the rightholders from depreciation of their conversion or option rights as a result of a dilution of the value of the shares to be subscribed; the inclusion of such anti-dilution provisions in the Bond Conditions is thus also provided for in the authorisation to issue convertible bonds and/or bonds with warrants and/or participation rights, as proposed under agenda item 7. In the absence of such dilution protection, any subsequent issuance of shares along with a granting of shareholder subscription rights would typically result in such a dilution of the value. The aforesaid anti-dilution provisions in the Bond Conditions usually provide for a reduction in the conversion or option price in such a case, with the result that in the event of the subsequent conversion or exercising of the option or the subsequent fulfilment of a conversion or option obligation, the funds flowing into the Company are reduced or the number of shares to be issued by the Company is increased.

As an alternative which makes it possible to avoid reducing the conversion or option price, the anti-dilution provisions usually permit the holders of bonds with conversion or option rights or conversion or option obligations to be granted a right to subscribe to new shares to the extent to which they would be entitled after exercising their own conversion or option rights or after fulfilling their conversion or option obligations. They are therefore placed in the position that they would have been in had they, by exercising the conversion or option rights or by fulfilling any conversion or option obligations, already

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become shareholders before the offer to subscribe and would to this extent also already have been entitled to subscribe; the value of subscription rights therefore compensates them – like all the already participating shareholders – for the dilution of value. For the Company, this second alternative for granting dilution protection has the benefit that the conversion or option price does not have to be reduced; it therefore serves to guarantee the largest possible inflow of funds in the event of a subsequent conversion or exercising of the option or the subsequent fulfilment of any conversion or option obligation or reduces the number of shares to be issued in this case. This also benefits the participating shareholders, so that it at the same time constitutes remuneration for the restriction of their subscription rights. Their subscription rights as such continue to exist and are merely reduced pro rata to the extent to which, in addition to the participating shareholders, the holders of the conversion or option rights or the bonds carrying conversion or option obligations are also granted subscription rights. In case of an emission of subscription rights, the present authorisation enables the Company to choose between one of the two above alternatives for granting dilution protection, by weighing the shareholders' interests against the Company's.

Exclusion of subscription rights in case of capital increases for cash

Subject to the approval of the Supervisory Board, in the case of capital increases for cash the Management Board shall be authorised to exclude subscription rights pursuant to section 203(1), sentences 1 and 2 and section 186 (3), sentence 4 German Stock Corporation Act if the issue price of the new shares does not fall substantially short of the stock exchange price of the already listed shares.

It may be expedient to make use of this statutory possibility of excluding subscription rights to enable the Company to quickly and flexibly take advantage of favourable market situations and to be able to meet any existing capital requirements at very short notice. The two week subscription period required when granting subscription rights to the shareholders (section 186(1), sentence 2 German Stock Corporation Act) makes it impossible to react swiftly to the current market situation in this way. Moreover, because of the volatility of the stock markets, conditions which are as close as possible to market conditions can generally only be achieved if the Company is not bound to them for a prolonged period. If subscription rights are granted, section 186(2) German Stock Corporation Act stipulates that the final subscription price must be announced no later than three days before the end of the subscription period. This means that the granting of subscription rights is associated with a greater market risk – in particular the risk of price changes over several days – than an allocation without subscription rights. To ensure successful placement it is therefore generally necessary, if subscription rights are granted, to deduct corresponding safety discounts from the current stock exchange price; this will normally result in less favourable conditions for the Company than if subscription rights are excluded when the capital is increased. The exclusion of subscription rights means that the shares can be placed at a price that is close to the stock exchange price. Also, if subscription rights are granted, given the uncertainty as to whether shareholders will actually exercise their subscription rights it is not necessarily guaranteed that all the shares will be placed, and subsequently placing the shares with third parties generally involves extra expense.

The proportion of the share capital accounted for by the shares that are issued under such an exclusion of subscription rights must not exceed, in total, 10% of the share capital either at the time when said authorisation takes effect or at the time of when said authorisation is exercised. In this context, the legislator deems it reasonable to expect the shareholders to maintain their participation quota by purchasing shares on the market. This restriction to 10% of the share capital also includes the proportional

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amount of the share capital that is attributable to shares which are sold under exclusion of subscription rights during the term of the Authorised Capital 2020 based on an authorisation to issue new shares or sell own shares in direct or analogous application of section 186(3), sentence 4 German Stock Corporation Act. The proportional amount of the share capital that is attributable to shares which may or must be issued in order to service bonds carrying conversion or option rights or conversion or option obligations also counts towards this 10% limit if the bonds are issued during the term of the Authorised Capital 2020 under exclusion of the shareholders' subscription rights in corresponding application of section 186(3), sentence 4 German Stock Corporation Act. These limits serve to protect the shareholders and keep dilution of their interests to a minimum.

This model allows for the shareholders' participation quota to be diluted by not more than 10% even when capital measures are combined with the issue of bonds and/or the sale of own shares. And anyway, because the issue price of the new shares is close to their stock exchange price and because of the limitation of the scope of the capital increase without subscription rights, shareholders can basically maintain their participation quota by acquiring the necessary shares on the stock exchange on almost the same conditions. This therefore ensures that, in line with the legal rationale of section 186(3), sentence 4 German Stock Corporation Act, if Authorised Capital 2020 is used thereby excluding subscription rights, shareholders' financial and investment interests remain adequately protected while opening up further options for the Company in the interests of all the shareholders.

Exclusion of subscription rights in case of capital increases against non-cash contributions

Subject to the Supervisory Board's consent, the Management Board shall also to be authorised to exclude the shareholders' subscription rights in the case of capital increases against non-cash contributions, in particular for the purpose of acquiring enterprises, parts of enterprises or interests in enterprises.

This is to enable NORMA Group SE to offer shares of the Company quickly and flexibly in suitable cases in order to fulfil claims arising from the preparation, implementation, closing or settlement of contractual or statutory acquisition processes as well as company mergers without using the stock markets. NORMA Group SE competes at a global level. It must be in a position at all times to act quickly and flexibly in international and regional markets in the interest of its shareholders. This includes acquiring enterprises, businesses, parts of or interests in enterprises or other assets or claims to the acquisition of assets, including claims against the Company or its group companies, at short notice in order to improve its competitive position. In return, it may be expedient or even necessary to grant shares in order to preserve liquidity or to meet the sellers' expectations. Granting shares instead of money may also make sense from the perspective of an optimum financing structure. The Company will not suffer any disadvantage as a result because the emission of shares for no-cash consideration requires that the value of the contribution in kind be in due proportion to the value of the shares. When determining the relation between the respective values, the Management Board must make sure that the interests of the Company and of its shareholders are given appropriate protection and that an adequate issue price for the new shares is achieved. Moreover, the Company's listing on the stock exchange basically gives every shareholder the opportunity to increase its participation quota by acquiring additional shares.

Utilisation of the authorisation

Currently, there are no concrete plans to make use of the Authorised Capital 2020. Corresponding anticipatory resolutions including an option to exclude subscription rights are common both at the national

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and international level. Each and every such exclusion of subscription rights, as proposed herein, is subject to consent by the Supervisory Board. The Management Board will moreover in each case carefully consider whether it would be in the interest of the Company to make use of the Authorised Capital 2020; it will in particular also consider whether any exclusion of the subscription rights in a specific case is objectively justified. The Management Board will then report to the next Annual General Meeting on any use of the authorisation.

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Report of the Management Board on agenda item 9

The Company is authorised, by resolution of the Annual General Meeting of 20 May 2015, to acquire own shares up to a total of 10% of the share capital and to use them for any legally permissible purpose. This authorisation runs until the expiry of 19 May 2020 and will therefore already have expired by the time of the Annual General Meeting on 30 June 2020. The Management Board and the Supervisory Board consider it reasonable to allow the Company, in accordance with usual corporate practice, to acquire and use own shares pursuant to section 71(1), no. 8 German Stock Corporation Act in future as well. Agenda item 9 therefore contains the proposal to grant a new authorisation for the acquisition and use of own shares.

Based on the proposed authorisation, it will be possible for the Supervisory Board to issue own shares to members of the Management Board as part of the Management Board remuneration. Moreover, based on the proposed authorisation, the Supervisory Board will be able to determine that measures of the Management Board on the basis of the authorisations regarding agenda item 9 may be taken only with its consent or the consent of a supervisory board committee.

1. Acquisition of own shares

With the new authorisation for the acquisition and use of own shares, the Company will – for five years, i.e. through 29 June 2025 – be able to acquire own shares up to a total of 10% of the share capital existing at the time of the adoption of the resolution or – if this value is lower – at the time at which the authorisation is exercised. This will allow the Company to make full use of the legal framework for such authorisations. Based on the proposed authorisation, the Company can, by itself or via companies dependent on it or in which the Company holds a majority of the shares or via third parties acting on its or their account, acquire own shares by means of a purchase via the stock exchange or by way of a public purchase offer.

When acquiring own shares the equal treatment principle of section 53a German Stock Corporation Act should be noted. The proposed acquisition of the shares via the stock exchange or by way of a public purchase offer takes this principle into account. Should, in the case of a public purchase offer, the number of shares offered for sale exceed the total volume the Company intends to acquire, it is possible that, based on the proposed authorisation, the acquisition will be performed according to the proportion of offered shares per shareholder instead of according to the proportion of the participation quotas. In this way the acquisition process can be simplified and executed in an economically reasonable manner. Moreover, it shall be possible to give preferential treatment to lower numbers of shares up to 50 shares per shareholder. On the one hand, this possibility serves to avoid small residual quantities and possibly related de facto discrimination of small shareholders. On the other hand, the possibility likewise contributes to the simplification of the technical execution of the acquisition process. Finally, in all cases it shall be possible to provide for a rounding of shares according to commercial principles, in order to avoid fractional shares. This possibility will also simplify the technical execution. The Management Board and the Supervisory Board consider it objectively justified and appropriate vis-à-vis the shareholders to exclude any more extensive right of the shareholders to sell shares in all of the structures specified in this paragraph.

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2. Use of own shares

The own shares acquired based on the proposed authorisation may be used for all legally permissible purposes including, in particular, the following:

a) Redemption of shares

The resolution proposal contains the authorisation of the Management Board to redeem own shares without a further resolution of the general meeting. This authorisation makes it possible for the Company to react to the respective capital market situation in an appropriate and flexible manner. The proposed authorisation stipulates that the Management Board can also redeem the shares in accordance with section 237(3), no. 3 German Stock Corporation Act without a capital reduction. Redemption of shares without a capital reduction results in an increase of the proportional amount of the remaining shares in the share capital of the Company pursuant to section 8(3) German Stock Corporation Act. In such a case the Management Board is authorised to amend the Articles of Association with respect to the changed amount of the no-par value shares.

b) Sale of shares for cash

The own shares acquired by the Company can be sold by the Management Board via the stock exchange or by means of an offer to all shareholders. In this way the principle of equal treatment of the shareholders will be adhered to when the shares are sold. In addition, the Company can also – based on the proposed authorisation – sell the acquired own shares, under exclusion of acquisition rights, in a different manner than via the stock exchange or by means of an offer to all shareholders if the shares are sold for cash at a price that does not fall significantly below the stock exchange price of shares in the Company at the time of the sale. This authorisation makes use of the possibility of simplified exclusion of acquisition rights permitted in section 71(1), no. 8 German Stock Corporation Act in analogous application of section 186(3), sentence 4 German Stock Corporation Act. It will serve the interest of the Company in achieving the best possible price when selling the own shares. The Company will be put in a position to make use of the available opportunities, based on the respective state of the stock market, quickly and flexibly as well as cheaply. The sale proceeds achievable by means of a pricing that is as close as possible to market pricing usually results in a significantly higher inflow of funds per sold share than in the case of a placement of shares with acquisition rights of the shareholders, in respect of which there are generally significant markdowns of the stock exchange price. In addition, by foregoing the time-consuming and expensive execution of acquisition rights, the equity capital requirements can be quickly met through market opportunities arising at short notice. Finally, the authorisation of the Company will also help when it comes to finding new investors.

The concept of dilution protection for the shareholders is taken into account by the fact that the shares may only be sold at a price that does not fall significantly below the relevant stock exchange price. The final sale price for the own shares is determined shortly before the sale. Taking into account the respective relevant market conditions, the Management Board will endeavour to keep any markdown of the stock exchange price as low as possible. It is generally possible for interested shareholders to maintain their participation quota by acquiring additional shares in the market.

Convenience Translation

The authorisation applies subject to the provision that the shares sold under exclusion of acquisition rights pursuant to section 186(3), sentence 4 German Stock Corporation Act may not, in the aggregate, exceed a proportional amount of 10% of the share capital either at the time this authorisation takes effect or at the time it is exercised. Shares that are issued during the term of this authorisation from authorised capital under exclusion of subscription rights pursuant to sections 203(2), sentence 2, section 186(3), sentence 4 German Stock Corporation Act will be counted towards this limit. Moreover, any shares that are to be issued for servicing bonds and/or participation rights with conversion or option rights or a conversion or option obligation will be counted towards this limit insofar as the bonds and/or participation rights are issued subject to the exclusion of subscription rights during the term of this authorisation in analogous application of section 186(3), sentence 4 German Stock Corporation Act. The financial and voting rights interests of the shareholders are appropriately protected as a result of these imputations and the fact that the issue price must be based on the stock exchange price.

c) Sale of shares for non-cash consideration

Moreover, the Management Board of the Company shall be given the possibility to sell own shares, under exclusion of acquisition rights of the shareholders, for non-cash consideration as well. Therefore, the Company will be put in a position to be able to offer own shares, directly or indirectly, as consideration in appropriate individual cases, in particular in connection with the acquisition of enterprises, parts of enterprises or interests in enterprises. The Company competes at a global level. It must be in a position at all times to act quickly and flexibly in national and international markets. Practice shows that it is not uncommon for shares to be demanded as consideration instead of money. The possibility to offer own shares as consideration therefore creates an advantage when competing for interesting acquisition targets as well as the necessary leeway to be able to make use of available opportunities to acquire objects quickly, flexibly and in a manner that does not weaken the Company's liquidity position. Consideration in the form of shares may also make sense from the perspective of an optimum financing structure. If such projects materialise, the Management Board will carefully assess whether it should make use of the authorisation to grant own shares. When determining the relations between the respective values, the Management Board must make sure that the interests of the shareholders are appropriately protected. When determining the value of the shares provided as consideration, the management board will generally take the stock exchange price of the shares as a basis. However, a schematic connection with the stock exchange price is not in the interest of the Company, especially so as not to call into question – through fluctuations in the stock exchange price – results of negotiations that have been achieved.

d) Fulfilment of conversion or option rights/conversion or option obligations

Moreover, the authorisation provides that the own shares, under exclusion of shareholders' acquisition rights, may be used by the Management Board to fulfil conversion or option rights/conversion or option obligations arising from bonds and/or participation rights that were issued by the Company or a domestic or foreign company in which the Company directly or indirectly holds a majority of the votes and the capital.

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Instead of new shares from a capital increase, it may be expedient to use – in full or in part – own shares in order to service conversion or option rights/conversion or option obligations. For this reason the authorisation provides for such a – common – possibility to use own shares.

e) Use for remuneration or employee share schemes

The acquired own shares are to be used by the Management Board as well in connection with share-based remuneration or employee share schemes of the Company, or of companies that are dependent on the Company or in which the Company holds a majority of the shares, and can be issued to persons who are or were in an employment relationship with the Company or a company that is dependent on the Company or in which the Company holds a majority of the shares. It may be in the interest of the Company and its shareholders to issue employee shares since this can promote the employees' identification with the Company and, in so doing, help increase the corporate value as well as encourage a sense of responsibility. In order to be able to offer the employees the chance to purchase own shares, the shareholders' acquisition rights to these shares must be excluded. When determining the purchase price to be paid by the employees, an appropriate reduction based on the Company's success – which is customary for employee shares – can be granted. The authorisation also makes it possible to provide employees with shares free of charge; the Management Board will only make limited use – if any – of this possibility. In order to protect the shareholders from a dilution of their interests, the sum of the own shares used for these purposes, combined with the own shares to be issued to the members of the Management Board of NORMA Group SE as part of the Management Board remuneration pursuant to agenda item 9 lit. e), must not exceed a proportional amount of 5% of the share capital either at the time this authorisation takes effect or at the time it is utilised.

f) Use for the Management Board remuneration

Finally, the resolution proposal includes an authorisation of the Supervisory Board to issue the own shares acquired on the basis of this authorisation, under exclusion of shareholders' subscription rights, to members of the Management Board of NORMA Group SE as part of the Management Board remuneration. In particular, they can be offered for acquisition, committed or transferred to members of the Management Board of NORMA Group SE. The details of the Management Board remuneration will be established by the Supervisory Board taking into account the provisions under German stock corporation law as well as the recommendations and suggestions of the German Corporate Governance Code, as amended. In order to be able to use own shares for Management Board remuneration purposes, the shareholders' subscription rights to these shares must be excluded. In order to protect the shareholders from a dilution of their interests, the sum of the own shares used for these purposes, combined with the own shares used for remuneration or employee share schemes of the Company, or of companies that are dependent on the Company or in which the Company holds a majority of the shares, pursuant to agenda item 9 lit. d) ee), must not exceed a proportional amount of 5% of the share capital, either at the time this authorisation takes effect or at the time it is utilised.

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3. Exclusion of acquisition rights for the benefit of creditors of bonds

Finally, the authorisation makes it possible for the Management Board, in the case of an offer of own shares to the shareholders, to partly exclude the shareholders' acquisition rights for the benefit of the creditors of bonds and/or participation rights with conversion or option rights/a conversion or option obligation. This makes it possible, instead of reducing the conversion or option price, to grant the holders of existing conversion or option rights/the creditors of bonds carrying conversion or option obligations subscription rights to shares as dilution protection.

4. Additional information

The aforementioned possibilities can also be made use of with respect to shares that were acquired on the basis of earlier authorisation resolutions in accordance with section 71(1), no. 8 German Stock Corporation Act or on a different legal basis. These possible uses also apply in the case of shares that were acquired in accordance with section 71d, sentence 5 German Stock Corporation Act by companies that are dependent on the Company or in which the Company holds a majority. Being able to use these own shares like the shares acquired on the basis of this authorisation resolution is advantageous and provides additional flexibility.

The Management Board will inform the next Annual General Meeting about any use of the authorisation.

Convenience Translation

Report of the Management Board on agenda item 10

Apart from the possibilities provided for in agenda item 9 for a conventional acquisition of own shares, a limited use of derivatives for the acquisition of own shares shall be permitted. Such an option has meanwhile become widespread in practice. The possible use of derivatives for the acquisition of own shares expands the Company's ability to structure the acquisition of own shares in an optimal manner. Under certain circumstances it can be advantageous for the Company to sell put options or acquire call options instead of directly acquiring own shares in the Company. Moreover, it can be beneficial to acquire shares by way of forward purchases. The Management Board intends to use put and call options, as well as forward purchases (hereinafter collectively also "**Derivatives**") only as a supplement to conventional share buybacks. The acquisition of shares with the use of Derivatives must be carried out through a credit institution or another company meeting the requirements set out in section 186(5), sentence 1 German Stock Corporation Act. This authorisation may be utilised by the Company, by companies dependent on it or in which the Company holds a majority of the shares, or by way of third parties acting for the account of the Company or for a company dependent on it or in which the Company holds a majority of the shares.

The term of each of the individual Derivatives may not exceed 18 months, must end by 29 June 2025 at the latest and be selected such that the acquisition of the shares in NORMA Group SE in the course of exercising or fulfilling the Derivatives cannot be carried out after 29 June 2025. Thus, in principle the authorisation is to utilise the five-year framework which is legally possible, but with the restriction that the term of each of the individual Derivatives may not exceed 18 months. This ensures that obligations under the individual Derivatives will be limited to a reasonable period of time. Moreover, the total volume of acquisitions of Derivatives is limited to 5% of the share capital existing at the time of the adoption of the resolution.

In selling put options, the Company grants the acquirer the right to sell shares in NORMA Group SE to the Company at an exercise price which is set in the put option. As consideration, the Company will receive an option premium which, taking into account the exercise price, the term of the option and the volatility of the share in NORMA Group SE, corresponds to the value of the right to sell. If the put option is exercised, the option premium paid by the acquirer of the put option will reduce the total equivalent value paid by the Company for the acquisition of the share. As a rule, it makes economic sense for the option holder to exercise the put option if the price of the share in NORMA Group SE at the time of the exercise is below the exercise price, because it would then be possible to sell the shares at the higher exercise price. From the Company's point of view, the buyback of the shares with the use of put options would, for example, have the advantage that the exercise price would already be set at the conclusion of the option transaction, while the liquidity would not flow until the date on which it is exercised. Moreover, due to the option premium it received, for the Company the purchase price of the shares would lie below the share price upon conclusion of the option transaction. The use of put options in buying back shares may make sense if the Company intends to buy back own shares when the prices are lower but is not certain about the optimal time for the buyback. If the option holder does not exercise the option because the share price is higher than the exercise price during the period of the exercise, the Company will not be able to acquire own shares in this way, but will still be able to keep the option premium it received.

When acquiring a call option, the Company receives the right, against payment of an option premium, to purchase a predetermined number of shares in NORMA Group SE at a predetermined exercise price from the seller of the option. It would make economic sense for the Company to exercise the call option

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if the price of the share in NORMA Group SE is higher than the exercise price because it would then be possible to purchase the shares at the lower exercise price from the seller of the option. In this way the Company can protect itself against rising share prices. Additionally, the liquidity of the Company will be burdened with the agreed upon exercise price only when, upon exercise of the call options, the acquisition price set for the shares has to be paid.

For forward purchases, the Company agrees with the forward seller to acquire the shares at a certain date in the future at a forward price that is set upon conclusion of the forward purchase. Once that date arrives, the Company will pay the forward price to the forward seller, and in return the seller will deliver the shares. It can make sense for the Company to enter into forward purchases if it would like to secure a demand for own shares at a certain price level on the date. Unlike an option transaction, a forward purchase creates obligations for both sides already at the time of its conclusion, the fulfilment of which is merely delayed in time.

The exercise price for a share in NORMA Group SE which is to be paid upon the exercise of put or call options, or the forward price to be paid for a share in NORMA Group SE upon fulfilment of the forward purchase can be higher or lower than the listed price of the share upon sale of the put option, or acquisition of the call option or conclusion of the forward purchase, as the case may be. The exercise price, or the forward price, as the case may be (without ancillary acquisition costs) may, however, not exceed the price of the share in NORMA Group SE in the Xetra trading system (or a comparable successor system) on the Frankfurt Stock Exchange, as determined on the day of the conclusion of the derivative transaction by the opening auction, by more than 10% and not fall below it by more than 10%. The option premium agreed upon by the Company for put options may not fall substantially under, and for call options may not fall substantially over, the theoretical market value of the respective option on the date of conclusion as determined according to recognised methods of financial mathematics in particular, whereby among other things, the agreed exercise price must be taken into account. Likewise, the forward price agreed by the Company for forward purchases may not lie substantially over the theoretical forward price determined according to recognised methods of financial mathematics in particular, whereby among other things, the current exchange price and the term of the forward purchase must be taken into account.

It must be contractually agreed in the terms of the Derivatives that the shares which are to be delivered to the Company upon exercising or fulfilling the Derivatives must previously be acquired on the stock exchange in accordance with the equal treatment principle at the current price at the time of the acquisition of the share in NORMA Group SE in the Xetra trading system (or a comparable successor system).

Due to the aforementioned setting of the option premium and exercise price or forward price, as the case may be, as well as the obligation to satisfy options and forward purchases by utilising only shares which were acquired on the stock exchange in accordance with the equal treatment principle, the possibility is excluded that shareholders will be economically disadvantaged when acquiring own shares with the use of Derivatives. Since the Company receives or pays a fair market price, the shareholders who do not participate in the Derivatives will not suffer any financial disadvantage. This is in accordance with the position of the shareholders for buybacks over the stock exchange where not all of the shareholders can sell shares to the Company. The standards for designing the options and forward purchases and the requirements for the shares which are to be delivered ensure that the principle of equal treatment of the shareholders is respected with this method of acquisition as well.

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For this reason it is justified to exclude the shareholders' right to conclude the aforementioned derivatives transactions with the Company in analogous application of section 186(3), sentence 4 German Stock Corporation Act. In this way, as well as due to the fact that the Company can conclude the derivatives transactions solely with a financial institution, the Company will – in contrast to an offer to all shareholders to conclude derivatives transactions – be put in a position to conclude derivatives transactions on a short term basis as well, and thus be able to react to favourable market situations.

When acquiring own shares with the use of Derivatives, shareholders should only be entitled to sell their shares to the extent the Company is obliged to purchase them under the Derivatives. Otherwise the use of Derivatives in connection with buybacks of own shares would not be possible and the advantages associated with this for the company would not be achievable. After weighing the interests of the shareholders and those of the Company, the Management Board considers it to be justified not to grant, or to restrict, the right to sell due to the advantages for the Company resulting from the use of Derivatives.

The Management Board will report to the next Annual General Meeting about each utilisation of the authorisation.

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Further information and notes

I. Total number of shares and voting rights

As at the date of the invitation to the Annual General Meeting, the share capital of the Company amounts to EUR 31,862,400.00 and is divided into 31,862,400 registered no-par value shares, each of which grants one vote. As at the date of the invitation, the Company does not hold any own shares.

II. Conditions for shareholders' rights and possibilities to be exercised in connection with the virtual Annual General Meeting, in particular voting rights

With the Supervisory Board's approval, the Management Board has decided to hold the Annual General Meeting as a virtual general meeting without attendance in person of the shareholders or their proxies, pursuant to section 1(2) COVID-19 Measures Act.

1. Registration

Pursuant to article 17(1) of the Articles of Association, those shareholders who have registered with the Company in a timely manner prior to the meeting and are entered in the share register on the date of the Annual General Meeting are entitled to exercise their rights and possibilities in connection with the virtual Annual General Meeting, in particular voting rights.

Registration of the shareholder must be made in text form, in German or English, and must reach the Company by **24:00 hrs (CEST) on 23 June 2020** at the latest,

- at the following address:

NORMA Group SE
c/o Computershare Operations Center
80249 München
Germany or

- by fax to fax number

+49 (0) 89 30903 74675 or

- under the e-mail address

anmeldestelle@computershare.de or

- electronically via the internet at

<https://www.normagroup.com/corp/en/investors/agm/shareholder-service/>

In order to use the electronic registration option, an individual access code is required in addition to the shareholder number. This access code will be sent to the shareholders listed in the share register together with the Annual General Meeting documents. Proxies will receive an own access code, as presented in more detail under IV.2.

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Due to current developments in the coronavirus pandemic, in particular, delay in postal services may occur. We therefore recommend to register by fax, e-mail or electronically via the internet.

2. Registration stop

- a) Only persons who are registered as shareholders in the share register are deemed shareholders of the Company for the purpose of exercising rights and possibilities in connection with the virtual Annual General Meeting. How many voting rights they have will be determined by the status of registration in the share register on the date of the Annual General Meeting. Please note, however, that for reasons of processing, a "registration stop" will apply from (and including) 24 June 2020 through (and including) the day of the Annual General Meeting on 30 June 2020, i.e. no registrations or deregistrations will be carried out in the share register. Therefore, the decisive date in terms of the status of registrations will be **23 June 2020, 24:00 hrs** (CEST) (known as the "Technical Record Date").
- b) Shares will not be blocked by a registration for the Annual General Meeting. Shareholders may therefore continue to dispose freely of their shares even following their registration for the Annual General Meeting and regardless of the registration stop.

3. Notes on postal votes

Shareholders and their proxies, respectively, may exercise voting rights in connection with the virtual Annual General Meeting by postal vote. Timely registration in a proper form and entry of the shareholder in the share register on the date of the Annual General Meeting will be required for this. For details of casting postal votes, please refer to the section headed "Procedure for voting by postal vote" (IV.1.).

4. Notes on casting votes by proxy

In addition to casting votes in connection with the virtual Annual General Meeting by postal vote themselves, shareholders may also vote by proxy, which can, for example, be a credit institution or a shareholders' association, or other representatives such as Company proxies appointed by the Company. In these cases too, timely registration of the shareholder in a proper form and entry of the shareholder in the share register on the date of the Annual General Meeting will be required. For details on voting by proxy, please refer to the section headed "Procedure for voting by proxy" (IV.2.) and "Procedure for voting by Company proxy" (IV.3.).

III. Streaming of virtual Annual General Meeting on the internet

After entering their access data, shareholders or their proxies may follow the audiovisual transmission of the entire virtual Annual General Meeting at <https://www.normagroup.com/corp/en/investors/agm/shareholder-service/>. In order to do so, an individual access code is required in addition to the shareholder number. This access code will be sent to the shareholders listed in the share register together with the Annual General Meeting documents. Proxies will receive an own access code, as presented in more detail under IV.2.

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IV. Procedure for the casting of votes

Once shareholders have duly and properly registered, they and their proxies, respectively, may exercise voting rights by postal vote. They may however also cast votes by (sub-)proxy, in particular by a person appointed by the Company (company proxy).

1. Procedure for voting by postal vote

Postal votes can be cast either (i) by post, fax or e-mail or (ii) electronically via the internet at <https://www.normagroup.com/corp/en/investors/agm/shareholder-service/>.

- a) When voting **by post, fax or e-mail**, please use the postal vote form that you received together with the registration documents. Postal votes by post, fax or e-mail can be cast up to and no later than **18:00 hrs (CEST) on 29 June 2020**
- at the following address:

NORMA Group SE
c/o Computershare Operations Center
80249 München
Germany or
 - to fax number

+49 (0) 89 30903 74675 or
 - under the e-mail address

normagroup-hv2020@computershare.de.

In all of these cases, the time/date of receipt of the postal vote by the Company will be decisive. This also applies to any amendment to or revocation of postal votes by post, fax or e-mail.

- b) Postal votes can be cast **electronically via the internet** at <https://www.normagroup.com/corp/en/investors/agm/shareholder-service/> pursuant to the procedure determined by the Company **up to and no later than the time at which votes begin to be counted** at the virtual Annual General Meeting. In order to do so, an individual access code is required in addition to the shareholder number. This access code will be sent to the shareholders listed in the share register together with the Annual General Meeting documents.
- c) Up to and no later than the time at which votes begin to be counted at the virtual Annual General Meeting, postal votes already cast may be amended or revoked electronically via the internet at <https://www.normagroup.com/corp/en/investors/agm/shareholder-service/>. This possibility also exists for postal votes cast by post, fax or e-mail by the due date.
- d) Intermediaries within the meaning of section 135(1) German Stock Corporation Act or other persons or institutions (such as shareholders' associations) treated as equivalent to intermediaries pursuant to section 135(8) German Stock Corporation Act with proxy authorisations may also avail themselves of postal votes. Upon request, the Company will

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provide them with electronic means of casting votes or corresponding forms for this purpose.

- e) Should declarations casting, amending or revoking postal votes be received by more than one possible route of communication, namely post, fax, e-mail and electronically via the internet at <https://www.normagroup.com/corp/en/investors/agm/shareholder-service/>, then the last declaration received by the due date shall be deemed binding.
- f) A postal vote does not rule out the possibility of casting votes by proxy (see “Procedure for voting by proxy” below). Casting a vote by proxy, including by the Company proxy, shall be deemed as revoking any postal votes previously cast.
- g) Postal votes cast in respect of agenda item 2 in this invitation will also apply should the proposed resolution on the appropriation of the profit be amended on account of a change in the number of shares carrying dividend rights.
- h) Should a separate vote rather than a block vote be carried out in respect of an agenda item, the postal vote cast on such agenda item will apply accordingly to each item of the separate vote.

2. Procedure for voting by proxy

Shareholders who do not wish to exercise their voting rights in connection with the virtual Annual General Meeting by postal vote themselves, but rather by proxy must grant such proxy a due and proper proxy authorisation before the vote. The following should be noted in this regard:

- a) If neither an intermediary within the meaning of section 135(1) German Stock Corporation Act nor another person or institution (such as a shareholders’ association) treated as equivalent to an intermediary pursuant to section 135(8) German Stock Corporation Act has been authorised, the proxy authorisation must be issued in text form either
 - aa) to the Company at one of the addresses stated above for voting by post, tax or e-mail (under IV.1.a.) or
 - bb) directly to the proxy (in such a case, evidence of the proxy authorisation must be submitted to the Company in text form).

The same applies to revocation of the proxy authorisation. As soon as the proxy authorisation has been issued to the Company or evidence of the proxy authorisation has been submitted to the Company in text form, the proxy will receive an own access code, which he can use in connection with the shareholder number of the represented shareholder to exercise rights and possibilities in connection with the virtual Annual General Meeting via internet at <https://www.normagroup.com/corp/en/investors/agm/shareholder-service/>.

Shareholders and their proxies may submit evidence of the authorisation or revocation thereof in text form to the Company at one of the addresses stated above for voting by post, tax or e-mail (under IV.1.a.).

- b) Proxy authorisations can be issued and revoked **electronically via the internet** at <https://www.normagroup.com/corp/en/investors/agm/shareholder-service/> pursuant to the

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procedure determined by the Company **up to and no later than the time at which votes begin to be counted** at the virtual Annual General Meeting, too. In order to do so, an individual access code is required in addition to the shareholder number. This access code will be sent to the shareholders listed in the share register together with the Annual General Meeting documents. The possibility to revoke proxy authorisations electronically via internet also applies to proxy authorisations issued by post, fax or e-mail or for which evidence has been submitted by post, fax or e-mail.

- c) The statutory provisions, in particular section 135 German Stock Corporation Act, apply to proxy authorisations granted to intermediaries within the meaning of section 135(1) German Stock Corporation Act or other persons or institutions (such as shareholders' associations) treated as equivalent to intermediaries pursuant to section 135(8) German Stock Corporation Act as well as to the revocation and the evidence of such proxy authorisations. Please also observe any rules that may be prescribed in this regard by the authorised representatives themselves.

Intermediaries within the meaning of section 135(1) German Stock Corporation Act and other persons or institutions that are equivalent to intermediaries pursuant to section 135(8) German Stock Corporation Act (such as shareholder associations) require authorisation in order to exercise the voting rights for shares that do not belong to them, but for which they are registered as holder in the share register.

- d) If a shareholder authorises more than one person, the Company is entitled to reject one or more of them pursuant to section 134(3), sentence 2 German Stock Corporation Act.
- e) Please refer your proxies to the information on data protection which is set out in section VII. below.

3. Procedure for voting by Company proxy

Shareholders and their proxies, respectively, may also be represented by persons appointed by the Company when casting votes in connection with the virtual Annual General Meeting. The following should be noted in this regard:

- a) Company proxies may only vote on agenda items for which they have received express instructions on how to exercise the voting rights. Company proxies are obliged to vote according to the instructions given to them.
- b) Please note that Company proxies (i) cannot accept any requests to speak, to lodge objections to general meeting resolutions or to ask questions or submit motions and that they (ii) are only available to vote on such motions and candidate nominations in respect of which resolution proposals by the Management Board and/or the Supervisory Board pursuant to section 124(3) German Stock Corporation Act or by shareholders pursuant to Article 56 SE Regulation, section 50(2) SEAG, sections 124(1), 122(2), sentence 2 German Stock Corporation Act have been published in this invitation or subsequently or have been made available pursuant to sections 126, 127 German Stock Corporation Act, insofar as each of these motions and candidate nominations are vote on at the virtual Annual General Meeting.

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- c) Proxy authorisations and instructions to Company proxies may be issued, amended or revoked vis-à-vis the Company in text form, using one of the addresses listed above (under IV.1.a) for casting votes by **post, fax or e-mail** by **18:00 hrs (CEST) on 29 June 2020**. In all of these cases, the time/date of receipt of the power of proxy or instruction, of the amendment or of the revocation by the Company will be decisive.
- d) Proxy authorisations and instructions to Company proxies can be issued **electronically via the internet** at <https://www.normagroup.com/corp/en/investors/agm/shareholder-service/> **up to and no later than the time at which votes begin to be counted** at the virtual Annual General Meeting pursuant to the procedure determined by the Company. In order to do so, an individual access code is required in addition to the shareholder number. This access code will be sent to the shareholders listed in the share register together with the Annual General Meeting documents.
- e) Up to and no later than the time at which votes begin to be counted at the virtual Annual General Meeting, proxy authorisations and instructions to Company proxies already issued may be amended or revoked electronically via the internet at <https://www.normagroup.com/corp/en/investors/agm/shareholder-service/>. The shareholder number and individual access code are required to do so. This possibility also exists for proxy authorisations and instructions to Company proxies issued by post, fax or e-mail by the due date.
- f) Intermediaries within the meaning of section 135(1) German Stock Corporation Act or other persons or institutions (such as shareholders' associations) treated as equivalent to intermediaries pursuant to section 135(8) German Stock Corporation Act with proxy authorisations may also avail themselves of Company proxies appointed by the Company. Upon request, the Company will provide them with electronic means of casting votes or corresponding forms for this purpose.
- g) Should declarations issuing, amending or revoking proxy authorisations and instructions to Company proxies be received by more than one possible route of communication, namely post, fax, e-mail and electronically via the internet at <https://www.normagroup.com/corp/en/investors/agm/shareholder-service/>, then the last declaration received by the due date shall be deemed binding.
- h) Authorisation of the Company proxies appointed by the Company does not rule out casting votes by post. Casting a vote by post shall be deemed as revoking any proxy authorisations and instructions to the Company proxies appointed by the Company.
- i) Instructions to Company proxies in respect of agenda item 2 in this invitation will also apply should the proposed resolution on the appropriation of the profit be amended on account of a change in the number of shares carrying dividend rights.
- j) Should a separate vote rather than a block vote be carried out in respect of an agenda item, the instruction given in respect of this agenda item will apply analogously to each point of the separate vote.

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4. Forms for registration, proxy authorisations and postal votes

Shareholders may use the form that they receive together with the registration to register, issue proxy authorisations or cast postal votes, or they may use any method described above in sections II.1, IV.1, IV.2 and IV.3 that meets the formal requirements. Proxy authorisation forms and postal vote forms are available on the Company's website at <https://www.normagroup.com/corp/en/investors/agm/>.

If you wish to authorise an intermediary within the meaning of section 135(1) German Stock Corporation Act, or another person or institution (such as a shareholders' association) treated as equivalent to an intermediary pursuant to section 135(8) German Stock Corporation Act, please discuss the form in which the proxy authorisation is to be issued with such person or institution.

V. Shareholders' rights and possibilities

In connection with the virtual Annual General Meeting, shareholders have the following rights and possibilities. Further details are to be found on the Company's website at <https://www.normagroup.com/corp/en/investors/agm/>.

1. Additions to the agenda

Shareholders whose shares in the aggregate reach the proportional amount of EUR 500,000.00 of the share capital (which corresponds to 500,000 shares) may demand pursuant to Article 56 SE Regulation, section 50(2) SEAG that items be put on the agenda and published. Each new agenda item must be accompanied by a statement of grounds or by a proposed resolution. The request must be made in writing and sent to the following address:

NORMA Group SE
Management Board
Edisonstr. 4
63477 Maintal
Germany

It must be received by the Company at least 30 days prior to the meeting, i.e. by no later than **24:00 hrs (CEST) on 30 May 2020**.

Additional agenda items that are to be published will be published in the Federal Gazette without undue delay on receipt of the request and, pursuant to section 121(4a) German Stock Corporation Act, be forwarded for publication to such media capable of distributing the information throughout the entire European Union. They will also be made available on the Company's website at <https://www.normagroup.com/corp/en/investors/agm/> and notified to the shareholders.

2. Counter-motions; voting proposals

Each shareholder is entitled pursuant to section 126(1) German Stock Corporation Act to submit counter-motions to proposed resolutions in respect of individual agenda items. If the counter-motions are to be made available by the Company, they must be submitted at least 14 days prior to the Annual General Meeting, i.e. by no later than **24:00 hrs (CEST) on 15 June 2020**, using

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- the following address:
NORMA Group SE
Investor Relations
Edisonstr. 4
63477 Maintal
Germany or
- fax to fax number
+49 (0) 6181 61027 641 or
- the following e-mail address
ir@normagroup.com.

Counter-motions addressed in any other way and/or received after the date specified do not have to be made available.

In all cases in which a counter-motion is submitted, the date of receipt of the counter-motion by the Company will be decisive.

Shareholders' counter-motions that are to be made available will be made available together with the shareholders' names and, if applicable, the grounds for the counter-motions as well as any statements by the Management Board and the Supervisory Board in this regard on the Company's website at <https://www.normagroup.com/corp/en/investors/aggm/>. The Company may decide not to make a counter-motion and possible grounds for it available if the conditions of section 126(2) German Stock Corporation Act are met.

These provisions apply analogously, pursuant to section 127 German Stock Corporation Act, to a shareholder's nomination for the election of a member of the Supervisory Board or the auditors of the annual financial statements. In addition to the grounds listed in section 126(2) German Stock Corporation Act, the Management Board need not make a candidate nomination available if, *inter alia*, the nomination does not include the name, occupation and place of residence of the candidate. Nor does the Company have to make nominations for the election of members of the Supervisory Board available if the nomination does not include information on any positions held by the proposed candidate in other supervisory boards required by law within the meaning of section 125(1), sentence 5 German Stock Corporation Act.

3. Possibility to ask questions pursuant to section 1(2) no. 3 COVID-19 Measures Act

Pursuant to section 1(2) no. 3 COVID-19 Measures Act, shareholders and their proxies – except for Company proxies appointed by the Company – have the possibility to ask questions by means of electronic communication. This possibility is only open to shareholders and their proxies who have registered for the virtual Annual General Meeting in due time and pursuant to the stipulations specified above (under II.1.).

Questions can only be submitted electronically via the internet at <https://www.normagroup.com/corp/en/investors/aggm/shareholder-service/> by **28 June 2020, 24:00 hrs (CEST)**. In order to do so, an individual access code is required in addition to the shareholder number. This

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access code will be sent to the shareholders listed in the share register together with the Annual General Meeting documents. We request your understanding that we must reserve the right to summarize questions and to select questions for response in all shareholders' interest. Please note that the names of shareholders and proxies submitting questions may be mentioned in the context of answering the questions in the virtual Annual General Meeting, unless they have expressly objected to being named.

4. Possibility to object pursuant to section 1(2) no. 4 COVID-19 Measures Act

Pursuant to section 1(2) no. 4 COVID-19 Measures Act, and in derogation of section 245(1) German Stock Corporation Act, shareholders who have exercised their voting rights by post or proxy may file objections against resolutions of the virtual Annual General Meeting without being physically present. They may do so themselves or by proxy, except for Company proxies appointed by the Company, over the duration of the virtual Annual General Meeting on the internet at <https://www.normagroup.com/corp/en/investors/agm/shareholder-service/>. In order to do so, an individual access code is required in addition to the shareholder number. This access code will be sent to the shareholders listed in the share register together with the Annual General Meeting documents. Proxies will receive an own access code, as presented in more detail under IV.2.

VI. Information and documents on the Annual General Meeting; website

This invitation to the Annual General Meeting, the documents to be made available to the Annual General Meeting, including the information required pursuant to section 124a German Stock Corporation Act, any shareholders' motions as well as additional notes on shareholders' rights and possibilities pursuant to Article 56 SE Regulation, section 50(2) SEAG, section 122(2), section 126(1), section 127 German Stock Corporation Act and section 1(2), nos. 3, 4 COVID-19 Measures Act will be available on the Company's website at <https://www.normagroup.com/corp/en/investors/agm/> from the day on which the general meeting is convened. All documents that must be made available to the general meeting by law will also be available there during the virtual Annual General Meeting.

VII. Information on data protection

In connection with the virtual Annual General Meeting, NORMA Group SE processes, as controller within the meaning of data protection law, personal data (such as name, date of birth, address, if applicable, e-mail address, number of shares and type of share ownership) of shareholders and their proxies on the basis of applicable data protection law in order to prepare for and conduct the virtual Annual General Meeting in the form stipulated by law.

The processing of personal data is absolutely necessary for the preparation and conduct of the virtual Annual General Meeting. The legal basis for the processing of such data is Article 6(1)(c) of the General Data Protection Regulation (GDPR).

The service providers commissioned to host the Annual General Meeting only receive personal data from NORMA Group SE that are required for the performance of the commissioned service. The service providers process the data exclusively in accordance with the instructions of NORMA

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Group SE. Otherwise, personal data are provided to the shareholders and shareholder representatives in connection with the virtual Annual General Meeting within the scope of the statutory provisions. The names of shareholders and proxies submitting questions may be mentioned in the context of answering the questions in the virtual Annual General Meeting, unless they have expressly objected to being named. This data processing is necessary in order to safeguard the legitimate interest of the other shareholders to learn the names of those submitting questions and to be able to better assess the question afterwards. The legal basis for the data processing is Article 6(1)(f) GDPR.

The Company retains the personal data in connection with the virtual Annual General Meeting in accordance with the statutory duties. The data are regularly erased after three years if the data are no longer needed for possible disputes over the adoption or validity of resolutions of the Annual General Meeting.

Under the statutory requirements, the shareholders and proxies have at all times an access, rectification, restriction, objection and erasure right in relation to the processing of their personal data as well as a right to data portability pursuant to chapter III of the GDPR. The shareholders and proxies may assert these rights vis-à-vis the Company, free of charge, using the following contact information:

- NORMA Group SE
Edisonstr. 4
63477 Maintal
Germany or
- via the telephone number
+49 (0) 6181 61027 611 or
- via the e-mail address
dataprotection@normagroup.com.

Shareholders and proxies can also reach the Company's data protection officer using this contact information. In addition, the shareholders and proxies also have a right to lodge a complaint with the data protection supervisory authorities pursuant to Article 77 GDPR.

Further information on data protection has been published on the internet at <https://www.norma-group.com/corp/en/investors/agm/>.

Maintal, in May 2020

NORMA Group SE
The Management Board