

Convenience Translation

**Articles of Association  
of  
KWS SAAT SE**

**Legal form; name and registered offices of the Company  
Section 1**

- 1.1 The Company shall have the legal form of a European Company (*Societas Europaea* or SE).
- 1.2 The Company's name shall be

**KWS SAAT SE**

- 1.3 The Company shall have its registered offices in Einbeck Germany.

**Purpose of the Company  
Section 2**

- 2.1 The purpose of the Company is breeding, multiplication and use of all types of crops, production and distribution of seed, agriculture and horticulture and distribution of their products and all types of use for them as food and fodder, production of chemical products for use in agriculture and horticulture and of fertilizers, production and distribution of agricultural equipment, and production and distribution of sugar and confectionery and their distribution, including all by-products.
- 2.2 The Company may run operating plants and farms on its own and/or leased areas.
- 2.3 The Company is authorized to carve out significant parts of its operations and/or business segments, sell them, transfer them to subsidiaries or joint ventures and confine itself to discharging the tasks of a group holding company.
- 2.4 The Company may set up branches in Germany and abroad, establish and participate in companies of any type and legal form within the scope of its purpose as defined by the Articles of Association and enter into company agreements of any nature.

**Capital stock and shares  
Section 3**

The capital stock of KWS SAAT AG shall be €19,800,000.00 and shall be divided into 6,600,000 bearer shares. Shareholders shall not be entitled to certification of their shareholding. The capital stock of €19,800,000.00 has been contributed by conversion of KWS SAAT AG into a European Company (*Societas Europaea* or SE).

**Announcements and notifications**  
**Section 4**

- 4.1 Announcements of the Company shall be published in the Federal Official Gazette, unless the law stipulates a different mandatory form.
- 4.2 Information can also be sent to shareholders by data communications, subject to the conditions specified by law.

**Dual system; management and supervisory bodies of the Company**  
**Section 5**

- 5.1 The Company shall have a dual system of management and supervision, consisting of a management body (Executive Board) and a supervisory body (Supervisory Board).
- 5.2 The management and supervisory bodies of the Company shall be:
  - 1. The Executive Board
  - 2. The Supervisory Board
  - 3. The Annual Shareholders' Meeting

**Executive Board**  
**Section 6**

The Executive Board shall consist of at least two persons. The Supervisory Board shall appoint the members of the Executive Board and define their number. Members of the Executive Board shall be appointed by the Supervisory Board for a maximum period of six years. They can be reappointed or their term of office can be renewed.

**Section 7**

- 7.1 The Executive Board shall represent the Company in court and out of court.
- 7.2 If only one member of the Executive Board has been appointed, he or she shall represent the Company on his or her own. If the Executive Board consists of more than one person, the Company shall be legally represented by two Executive Board members or by one Executive Board member together with a holder of general commercial power of attorney.
- 7.3 The Executive Board shall require the consent of the Supervisory Board to undertake the following business transactions and measures:
  - a) Definition of the annual budget, including capital investment, financial and personnel planning, for the KWS Group;
  - b) The acquisition, sale or encumbrance of assets, in particular land and land rights, if the amount exceeds a value to be defined by the Supervisory Board and this measure is not specifically envisaged in the approved capital investment or financial planning;

- c) The acquisition and sale of participating interests in companies, if their amount exceeds a value to be defined by the Supervisory Board;
  - d) The issue of bonds and raising of long-term loans, if they are not specifically envisaged in the approved capital investment or financial planning;
  - e) The conclusion and modification of agreements for which the approval of the Annual Shareholders' Meeting is required under law or the Articles of Association.
- 7.4 The Supervisory Board can decide that other types of business transactions or measures above and beyond those specified in (3) above shall require its approval.

### **Supervisory Board Section 8**

- 8.1 The Supervisory Board shall consist of six members.
- 8.2 Four members shall be elected by the Annual Shareholders' Meeting, without the meeting being bound by nominations (shareholder representatives). Two members shall be elected by the Annual Shareholders' Meeting at the nomination of the employees (employee representatives); the Annual Shareholders' Meeting shall be bound by the nominations of the employees in this regard. If an agreement regarding the involvement of employees in the SE is concluded in accordance with the Act on the Participation of Employees in a European Company (*SE-Beteiligungsgesetz (SEBG)*) and stipulates a different appointment procedure for the employee representatives on the Supervisory Board, the employee representatives shall be appointed in accordance with the agreed procedure.
- 8.3 Members of the Supervisory Board shall be appointed for the period of time up to the end of the Annual Shareholders' Meeting that ratifies their acts for the fourth fiscal year as of the start of their term of office, not including the fiscal year in which their term of office commences. Contrary to the above, the members of the first Supervisory Board of KWS SAAT SE shall be appointed for the period of time up to the end of the Annual Shareholders' Meeting that ratifies the acts of the Supervisory Board for the fiscal year 2016/2017. However, members of the Supervisory Board shall never be appointed for a term longer than six years. Supervisory Board members may be reelected.
- 8.4 Elections of substitutes for retired members shall be made for the remainder of the term of office of the retired member.
- 8.5 A substitute member can be elected for each shareholder representative and shall become a member of the Supervisory Board if the Supervisory Board member in question retires prior to the end of his or her term of office. The statutory regulations or the regulations concluded in this respect in an agreement in accordance with (2) Sentence 2 above shall apply to employee representatives. The office of a substitute member shall end no later than when the term of office of the retired Supervisory Board member ends.
- 8.6 A member of the Supervisory Board may resign from office at any time, even without an important reason.

8.7 The following shareholder representatives on the Company's first Supervisory Board shall be appointed for the term of the first Supervisory Board defined in (3) above:

- Dr. Drs. h.c. Andreas J. Büchting, Einbeck, Agricultural Biologist/Economist, Chairman of the Supervisory Board of KWS SAAT AG, Einbeck,
- Dr. Arend Oetker, Berlin, Businessman, Managing Partner of Kommanditgesellschaft Dr. Arend Oetker Vermögensverwaltungsgesellschaft mbH & Co., Berlin,
- Hubertus von Baumbach, Ingelheim am Rhein, Businessman, Member of Management of Boehringer Ingelheim GmbH, Ingelheim am Rhein, and
- Cathrina Claas-Mühlhäuser, Frankfurt am Main, Businesswoman, Chairwoman of the Supervisory Board of CLAAS KGaA mbH, Harsewinkel.

### **Section 9**

9.1 The Supervisory Board shall elect a Chairperson and one or more Deputy Chairperson(s) for the duration of its term of office without undue delay after it has been appointed. If more than one Deputy Chairperson has been elected, the Supervisory Board shall decide who stands in for the Chairperson if the latter is prevented from discharging his or her duties. When standing in for the Chairperson, the Deputy Chairperson shall have the Chairperson's rights and obligations.

9.2 The Supervisory Board can appoint committees from its ranks and delegate certain tasks to them, unless such delegation is not permitted under the law.

### **Section 10**

10.1 The Chairperson and, if he or she is prevented from discharging his or her duties, the Deputy Chairperson can convene a meeting of the Supervisory Board at any time.

10.2 Any member of the Supervisory Board or the Executive Board can demand that a meeting of the Supervisory Board be convened immediately, stating the purpose and reasons for doing so. The meeting must be held within two weeks of its being convened.

### **Section 11**

11.1 Resolutions shall be adopted by the Supervisory Board at meetings chaired by the Chairperson or, if he or she is prevented from discharging his or her duties, the Deputy Chairperson. The resolutions must be recorded in minutes. The minutes must be signed by the Chairperson or, if he or she is prevented from discharging his or her duties, the Deputy Chairperson.

11.2 The Chairperson of the Supervisory Board or, if he or she is prevented from discharging his or her duties, the Deputy Chairperson may, at his or her discretion, adopt a resolution without holding a meeting by written or oral vote, by voting by fax, e-mail, telephone or electronic means of communication or a combination of the said means of communication, unless a member objects to this procedure within a

reasonable period of time set by the Chairperson or, if applicable, the Deputy Chairperson. Minutes on the resolutions adopted in this manner shall be drawn up at the next meeting.

- 11.3 The Supervisory Board shall adopt resolutions by a simple majority of the votes. If there is a tied vote, the Chairperson shall cast the deciding vote. If the Chairperson is prevented from discharging his or her duties, the Deputy Chairperson shall also be entitled to cast the deciding vote.

## **Section 12**

- 12.1 The members of the Supervisory Board shall receive a fixed annual payment of €60,000 for their work. The Chairman shall receive three times and the Deputy Chairman one-and-a-half times said amount. Members of the Supervisory Board shall receive separate payment for their work on committees; the Chairman of the Supervisory Board shall not receive additional compensation for his or her work on committees.
- 12.2 Members of the Supervisory Board who are members of a committee shall receive an additional payment of €10,000 therefor. The Chairman of a committee shall receive two times said amount. The additional compensation for members of the Audit Committee shall be €20,000. The Chairman of the Audit Committee shall receive three times said amount. Additional compensation shall be owed only for participation in one committee, namely at the amount that is the highest to which the member in question is entitled for his or her work on a committee.
- 12.3 If a person is a member of the Supervisory Board or a committee or holds the office of Chairperson or Deputy Chairperson of the Supervisory Board or Chairperson of a committee for only part of the fiscal year or if a fiscal year is shorter than the calendar year, the payment defined in 12.1 and 12.2 shall be granted only on a pro rata temporis basis.
- 12.4 The compensation shall be due and payable at the end of the fiscal year.
- 12.5 Members of the Supervisory Board shall also receive reimbursement of their expenses and the value-added tax due on their payment and on their expenses.
- 12.6 The Company shall be authorized to take out a D&O insurance policy and a legal expenses insurance policy for the members of the Supervisory Board to a reasonable scope, at market conditions and at the cost of the Company.”

## **Annual Shareholders' Meeting**

### **Section 13**

- 13.1 An Annual Shareholders' Meeting shall be held in the first half of the fiscal year and shall be convened by the Executive Board or Supervisory Board or the other persons authorized to do so under the law or the Articles of Association, stating the venue, time and agenda. It shall be convened by public notice.
- 13.2 The Annual Shareholders' Meeting of the Company shall be held at the Company's registered offices or in a German city with more than 100,000 inhabitants.
- 13.3 The period of notice for convening the Annual Shareholders' Meeting shall be as defined by the statutory regulations.

### **Section 14**

Extraordinary Shareholders' Meetings shall be convened in the same way.

### **Section 15**

- 15.1 Shareholders shall be eligible to participate in and exercise their voting rights at the Annual Shareholders' Meeting only if they register with the Company before the Annual Shareholders' Meeting and have submitted proof of their authorization to participate in the Annual Shareholders' Meeting and exercise their voting rights. Registration and the written proof of the shareholder's ownership of the shares must be received by the Company at the applicable address specified when notice is given of the Annual Shareholders' Meeting, in each case at least five days before the Annual Shareholders' Meeting. This period shall not include the day of the Annual Shareholders' Meeting and the day of receipt.
- 15.2 Proof of authorization to take part in the Annual Shareholders' Meeting and to exercise voting rights must be furnished by written proof of the shareholder's ownership of the shares from the custodial institute. This proof must be furnished in German or English. This proof must relate to the beginning of the twenty-first day before the Annual Shareholders' Meeting.
- 15.3 In addition, the notice convening the Annual Shareholders' Meeting shall state the conditions under which shareholders are permitted to take part in it.

### **Section 16**

Each share grants the holder the right to cast one vote at the Annual Shareholders' Meeting.

### **Section 17**

The Shareholders' Meetings shall be chaired by the Chairperson of the Supervisory Board or the Deputy Chairperson or a member of the Supervisory Board tasked with standing in for him or her. The Chairperson shall preside over the discussions and shall determine the sequence of the items to be discussed. The Chairperson may restrict the time allotted to shareholders to speak and ask questions to a reasonable extent.

## **Section 18**

- 18.1 Unless obligatory statutory regulations or the Articles of Association otherwise compel, resolutions shall be adopted by the Annual Shareholders' Meeting by a simple majority of the votes cast and, if the law also stipulates a majority of the capital in addition to the majority of votes, with the simple majority of the capital stock represented in adoption of the resolution. Unless mandatory statutory provisions or the Articles of Association prescribe a different majority, a simple majority of the votes cast shall be sufficient to adopt changes to the Articles of Association if at least half the capital stock is represented.
- 18.2 The Chairperson shall define the nature and sequence of the vote.

## **Fiscal year, annual financial statements, distribution of profits and reserves Section 19**

The fiscal year shall commence on July 1 of a year and end on June 30 of the next year.

## **Section 20**

- 20.1 The annual financial statements shall be approved if the Supervisory Board consents to them. The Annual Shareholders' Meeting shall approve the annual financial statements if the Supervisory Board has not given its consent to them or the Executive Board and the Supervisory Board have decided to let the Annual Shareholders' Meeting approve them.
- 20.2 The Executive Board and the Supervisory Board shall be authorized, subject to the statutory regulations, to allocate more than half of the net income for the year to other revenue reserves, as long as the other revenue reserves do not exceed half of the capital stock or would not exceed it after being allocated.
- 20.3 Shareholders' share in the profits shall be based on their share of the capital stock. In the event of a capital increase, the entitlement of new shares to profits may also be defined in a manner differing from Section 60 (2) of the German Stock Corporation Act (AktG).

## **Section 21**

- 21.1 A legal reserve amounting to one quarter of the capital stock shall be set up. One-twentieth of the net income for the year, less any losses carried forward from the previous year, shall be allocated to it until the legal reserve and the capital reserves in accordance with Section 272 (2) Nos. 1 to 3 of the German Commercial Code (HGB) together reach a quarter of the capital stock.
- 21.2 In addition, Section 150 of the German Stock Corporation Act (AktG) shall apply.

## **Section 22**

The Supervisory Board shall be authorized to decide to make amendments to the Articles of Association that only affect the wording.

**Cost of conversion**  
**Section 23**

The Company shall bear the costs related to conversion of KWS SAAT AG into an SE up to a total amount of €2,000,000.00, in particular court and notary fees, the costs of the employee involvement procedure and of the Special Negotiating Body, the costs of auditing the conversion, the costs of publication, and legal and consulting fees.

**Severability clause**  
**Section 24**

If one or more provisions of these Articles of Association are or become void or invalid in full or in part, the other provisions of the Articles of Association shall not be affected thereby.