

Notice of the Annual Shareholders' Meeting

KWS SAAT SE

Einbeck

- ISIN DE 0007074007 -

- Securities identification number 707400 -

The Company's Executive Board hereby invites you to the

Annual Shareholders' Meeting

on Friday, December 14, 2018, at 11 a.m. Central European Time (CET),

in the PS.Halle at the PS.SPEICHER, Tiedexer Tor 3, 37574 Einbeck, Germany.

Agenda of the Annual Shareholders' Meeting

1. Presentation of the approved financial statements of KWS SAAT SE, the financial statements of the KWS Group (consolidated financial statements) approved by the Supervisory Board, the Combined Management Report for KWS SAAT SE and the KWS Group (Group Management Report) for the fiscal year from July 1, 2017, to June 30, 2018, the Report of the Supervisory Board and the Explanatory Report by the Executive Board on the disclosures in accordance with Section 289a (1) and Section 315a (1) of the German Commercial Code (HGB)
2. Resolution on the appropriation of the net retained profit
3. Resolution on the ratification of the acts of the Executive Board
4. Resolution on the ratification of the acts of the Supervisory Board
5. Election of the independent auditor of the financial statements and the independent auditor of the consolidated financial statements for the fiscal year 2018/2019
6. Resolution on approval of the Control and Profit and Loss Transfer Agreement between the Company and KWS Berlin GmbH
7. Resolution on a stock split at a ratio of 1:5 by way of a capital increase from company funds by four times the amount of the existing capital stock by conversion of partial amounts from the revenue reserves and on an amendment to Section 3 of the Articles of Association
8. Resolution on the change in the Company's legal form to that of a partnership limited by shares, which will be joined by KWS SE
9. Election of the Supervisory Board of KWS SAAT SE & Co. KGaA
10. Resolution on approval of the merger of KWS Services West S.L.U. with the Company

Proposed resolutions and explanations on the agenda

Re item 1 on the agenda:

Presentation of the approved financial statements of KWS SAAT SE, the financial statements of the KWS Group (consolidated financial statements) approved by the Supervisory Board, the Combined Management Report for KWS SAAT SE and the KWS Group (Group Management Report) for the fiscal year from July 1, 2017, to June 30, 2018, the Report of the Supervisory Board and the Explanatory Report by the Executive Board on the disclosures in accordance with Section 289a (1) and Section 315a (1) of the German Commercial Code (HGB)

These documents and the proposal on appropriation of the net retained profit can be obtained from the Company's Internet site at www.kws.com/shareholders-meeting as of the day this Annual Shareholders' Meeting is convened. They will also be available at the Annual Shareholders' Meeting.

The Supervisory Board gave its consent to the annual financial statements of KWS SAAT SE as of June 30, 2018, and the annual financial statements of the KWS Group (consolidated financial statements) as of June 30, 2018, both of which were prepared by the Executive Board; they are thereby approved in accordance with Section 172 of the German Stock Corporation Act (AktG). Under Section 173 of the German Stock Corporation Act (AktG), the annual financial statements of KWS SAAT SE and the annual financial statements of the KWS Group (consolidated financial statements) do not therefore have to be approved by the Annual Shareholders' Meeting, which means there is no proposed resolution on item 1 on the agenda.

Re item 2 on the agenda:

Resolution on the appropriation of the net retained profit

The Executive Board and the Supervisory Board propose utilizing the net retained profit of €22,172,000.00 from the net income of KWS SAAT SE for 2017/2018 as follows:

Distribution of a dividend of €3.20 for each of the total of 6,600,000 shares	€21,120,000.00
Net profit brought forward	<u>€1,052,000.00</u>
Net retained profit	<u>€22,172,000.00</u>

The dividend will be paid on December 19, 2018.

Re item 3 on the agenda:

Resolution on the ratification of the acts of the Executive Board

The Supervisory Board and the Executive Board propose ratifying the acts of the members of the Executive Board of KWS SAAT SE in 2017/2018 for said fiscal year.

Re item 4 on the agenda:

Resolution on the ratification of the acts of the Supervisory Board

The Executive Board and the Supervisory Board propose ratifying the acts of the members of the Supervisory Board of KWS SAAT SE in 2017/2018 for said fiscal year.

Re item 5 on the agenda:

Election of the independent auditor of the financial statements and the independent auditor of the consolidated financial statements for the fiscal year 2018/2019

As recommended by the Audit Committee, the Supervisory Board proposes appointing Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Hanover, as the independent auditor of the financial statements and the consolidated financial statements for the fiscal year 2018/2019.

Declaration by the personally liable partner who will join the partnership limited by shares as part of the change in legal form:

The Executive Board and the Supervisory Board point out in relation to item 8 on the agenda (Resolution on the change in the Company's legal form to that of a partnership limited by shares, which will be joined by KWS SE) that, pursuant to Section 197 Sentence 1 of the German Transformation Act (UmwG) in conjunction with Section 30 (1) of the German Stock Corporation Act (AktG), KWS SE, Munich (registered in the commercial register of the local court in Munich under the entry number HRB 242486) has to appoint the independent auditor for the first full or short fiscal year in its function as personally liable partner of KWS SAAT SE & Co. KGaA, if the company formation rules contained in the German Stock Corporation Act (AktG) are applied in accordance with Section 245 (2) Sentence 1 of the German Transformation Act (UmwG), Section 197 of the German Transformation Act (UmwG) and Section 30 (1) of the German Stock Corporation Act (AktG). The following declaration of KWS SE is therefore to be recorded by a notary in connection with the resolution to convert the Company's legal form under item 8 on the agenda:

“The independent auditor of the financial statements and the independent auditor of the consolidated financial statements for the fiscal year 2018/2019 ending June 30, 2019, elected by the Annual Shareholders' Meeting on December 14, 2018, under item 5 on the agenda shall be retained as the auditors after the change in the legal form of KWS SAAT SE to that of a partnership limited by shares, as proposed to the Annual Shareholders' Meeting on December 8, 2018, under item 8 a) on the agenda, take effect.”

Re item 6 on the agenda:

Resolution on approval of the Control and Profit and Loss Transfer Agreement between the Company and KWS Berlin GmbH

KWS SAAT SE (the controlling company) and KWS Berlin GmbH, Berlin, (the controlled company) concluded a Control and Profit and Loss Transfer Agreement on August 15, 2018. KWS SAAT SE holds all the shares in KWS Berlin GmbH. In particular, the agreement establishes an integrated inter-company relationship for income tax (i.e. corporation income tax and trade tax) purposes between KWS SAAT SE and KWS Berlin GmbH. The Control and Profit and Loss Transfer Agreement must be approved by KWS SAAT SE's Annual Shareholders' Meeting to be effective. The Shareholders' Meeting of KWS Berlin GmbH has already approved the agreement on September 3, 2018.

The text of the Control and Profit and Loss Transfer Agreement dated August 15, 2018, is presented in **Annex 1** to this Notice of the Annual Shareholders' Meeting. **Annex 1** is part of this Notice of the Annual Shareholders' Meeting and is printed at the end of it.

The Control and Profit and Loss Transfer Agreement does not have to be examined by a contract auditor, since all the shares in KWS Berlin GmbH are held by KWS SAAT SE.

The Executive Board of KWS SAAT SE and management of KWS Berlin GmbH have submitted a joint report in accordance with Section 293a of the German Stock Corporation

Act (AktG), which explains the Control and Profit and Loss Transfer Agreement in more detail and gives the reasons for it.

The Control and Profit and Loss Transfer Agreement of KWS SAAT SE with KWS Berlin GmbH, the financial statements and consolidated financial statements and the Combined Management Reports and Group Management Reports of KWS SAAT SE for the last three fiscal years 2015/2016, 2016/2017 and 2017/2018, the opening balance sheet of KWS Berlin GmbH (formerly: LINDENOVUM GmbH), which was founded under the memorandum of association dated September 4, 2017, the financial statements of KWS Berlin GmbH at June 30, 2018 (short fiscal year) and the joint report of the Executive Board of KWS SAAT SE and management of KWS Berlin GmbH in accordance with Section 293a of the German Stock Corporation Act (AktG) can be obtained from the Company's Internet site at www.kws.com/shareholders-meeting as of the day this Annual Shareholders' Meeting is convened. The above documents will also be available during the Annual Shareholders' Meeting.

The Executive Board and the Supervisory Board propose adopting the following resolution:

The Control and Profit and Loss Transfer Agreement dated August 15, 2018, between KWS SAAT SE and KWS Berlin GMBH, as presented in **Annex 1** to this Notice of the Annual Shareholders' Meeting, is approved.

Re item 7 on the agenda:

Resolution on a stock split at a ratio of 1:5 by way of a capital increase from company funds by four times the amount of the existing capital stock by conversion of partial amounts from the revenue reserves and on an amendment to Section 3 of the Articles of Association

In order to increase the fungibility of KWS SAAT SE's share, a stock split at the ratio of 1:5 is to be carried out, as a result of which each shareholder will hold five shares instead of one, i.e. the number of shares to which the shareholders are entitled will increase five-fold, with no change to the Company's value and without any additional cash payment having to be made. The stock split is to be implemented in legal terms by way of a capital increase from company funds. Under that, every shareholder is to receive an additional four new shares for each existing share held in KWS SAAT SE, without the shareholder having to make any additional cash payment for them. As a result, each shareholder will then hold five shares instead of one, namely one old share and four new ones. The number of shares will therefore be increased five-fold in this way. Unlike in a statutory stock split where the capital stock is reclassified, however, the capital stock remains unchanged. Instead the capital stock increases as a result of the capital increase from company funds; in the present case, partial amounts from the other revenue reserves within the meaning of Section 272 (3) Sentence 2 of the German Commercial Code (HGB) are to be converted into capital stock. However, the pro-rata share of each share in the capital stock will remain unchanged.

The Executive Board and the Supervisory Board propose adopting the following resolution:

The Company's capital stock shall be increased from company funds by €79,200,000.00 from €19,800,000.00 to €99,000,000.00 by converting into capital stock a partial amount of €79,200,000.00 from the other revenue reserves (within the meaning of Section 272 (3) Sentence 2 of the German Commercial Code (HGB)), which are carried in the annual balance sheet at June 30, 2018, and total €232,179,198.21. The capital increase shall be carried out by issuing 26,400,000 new bearer shares. The shareholders shall be entitled to the new shares in the ratio 1:4. The shares shall share in profits as of the beginning of fiscal year 2018/2019.

This resolution is based on the annual balance sheet of the Company at June 31, 2018, as approved by the Executive Board and Supervisory Board. The balance sheet has been audited by the independent auditor Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Hanover, and awarded an unqualified audit certificate.

Section 3 Sentence 1 of KWS SAAT SE's Articles of Association is reworded as follows:

"The capital stock shall be €99,000,000.00 and shall be divided into 33,000,000 bearer shares."

If the capital increase from company funds and the related amendment to Section 3 of KWS SAAT SE's Articles of Association are not registered in the commercial register before the change in form proposed in item 8 on the agenda, KWS SAAT SE's Articles of Association shall not be reworded, but instead Section 3 (1) of the Articles of Association of KWS SAAT SE & Co. KGaA shall be reworded as above.

This resolution shall be ineffective if the capital increase from company funds has not been registered in the commercial register by June 30, 2019.

Re item 8 on the agenda:

Resolution on the change in the Company's legal form to that of a partnership limited by shares, which will be joined by KWS SE

KWS SAAT SE is to be converted into a partnership limited by shares by way of a change in form under the provisions of the German Transformation Act (UmwG). The aim of the change in form is to sustainably strengthen the Company's continuing growth strategy. As a partnership limited by shares (KGaA), KWS will be able to leverage future growth opportunities with greater agility and flexibility and raise the equity required for that, without losing the Company's character as a listed family business. As part of the change in form, KWS SE, Munich, registered in the commercial register of the local court in Munich under the entry number HRB 242486, will join the Company as a general partner. The shares in KWS SE will mainly be held by companies whose shareholders come from the shareholder families Büchting and Arend Oetker.

In connection with the change in form from KWS SAAT SE to a partnership limited by shares (KGaA), KWS Services West S.L.U., Spain, is to be merged with the Company as part of a cross-border merger. This cross-border merger is to take place at the same time as the change in form and become legally effective together with the change in form. Its objective is to simplify the group's structure. The cross-border merger will also enable the Company to retain its tried-and-proven governance structure – with a Supervisory Board consisting of six members, two of whom are employee representatives – after the change in form. That ensures that employee representatives from other Member States of the European Union and signatory states to the Agreement on the European Economic Area will still be able to be members of the Company's Supervisory Board in the future.

Since the Company holds all the shares in KWS Services West S.L.U., no resolution by the Annual Shareholders' Meeting of KWS SAAT SE is required for the cross-border merger pursuant to Section 122a of the German Transformation Act (UmwG) in conjunction with Section 62 (1) of the German Transformation Act (UmwG). The only exception is if shareholders whose combined shares account for one-twentieth of the Company's capital stock submit a request by the due time in accordance with Section 62 (2) of the German Transformation Act (UmwG). If such a minority of shareholders submits a request to that effect by the due time in accordance with Section 62 (2) of the German Transformation Act (UmwG), the Executive Board and the Supervisory Board will put the resolution on approval of the merger proposed under item 10 on the agenda to a vote. The joint merger plan of the

Company and KWS Services West S.L.U. Is enclosed as **Annex 4** to this Notice of the Annual Shareholders' Meeting.

A detailed legal and economic explanation of the change in form and the reasons for it, and in particular the future stakes of the shareholders, is contained in the Transformation Report issued by the Executive Board of KWS SAAT SE in accordance with Section 192 of the German Transformation Act (UmwG); this report, as well as the financial statements and consolidated financial statements and the Combined Management Reports and Group Management Reports of KWS SAAT SE for the last three fiscal years 2015/2016, 2016/2017 and 2017/2018 can be obtained from the Company's Internet site at www.kws.com/shareholders-meeting as of the day this Annual Shareholders' Meeting is convened. The above documents will also be available during the Annual Shareholders' Meeting.

a) Resolution on the conversion with a change of legal form of KWS SAAT SE to KWS SAAT SE & Co. KGaA

The Executive Board and the Supervisory Board propose adopting the following resolution:

- (1) KWS SAAT SE shall be converted into a partnership limited by shares (KGaA) by way of a change in form under the provisions of the German Transformation Act (Sections 190 et seq., Section 226 and Sections 238 et seq. UmwG).
- (2) The legal entity with the new legal form shall bear the name KWS SAAT SE & Co. KGaA and have its registered office in Einbeck.
- (3) The Articles of Association of KWS SAAT SE & Co. KGaA, which are part of this resolution on conversion of the legal form, are hereby approved, in accordance with Subsection (4) below, with the wording as specified in **Annex 2** to the Notice of the Annual Shareholders' Meeting.
- (4) The entire capital stock of KWS SAAT SE at the time the change in form is registered in the commercial register shall become the capital stock of KWS SAAT SE & Co. KGaA. The Articles of Association of KWS SAAT SE & Co. KGaA enclosed as **Annex 2** to the Notice of the Annual Shareholders' Meeting assume that the Annual Shareholders' Meeting adopts the stock split at a ratio of 1:5 by way of a capital increase from company funds proposed under item 7 on the agenda and the related amendment to Section 3 of the Articles of Association and that the capital increase from company funds and the related amendment to Section 3 of the Articles of Association are registered in the commercial register of KWS SAAT SE and so become effective before the change in form, with the result that the Company's capital stock immediately before the change in form is €99,000,000.00 and is divided into 33,000,000 bearer shares.

If the resolution proposed under item 7 on the agenda is not adopted or the capital increase from company funds and the related amendment to Section 3 of the Articles of Association are not registered in the commercial register before the change in form, Section 3 (1) and (4) in the Articles of Association of KWS SAAT SE & Co. KGaA enclosed as **Annex 2** to the Notice of the Annual Shareholders' Meeting shall be amended accordingly. In that case, Section 3 (1) of the Articles of Association of KWS SAAT SE & Co. KGaA shall read as follows:

"The capital stock shall be €19,800,000.00 and shall be divided into 6,600,000 bearer shares."

In that case, Section 3 (4) of the Articles of Association of KWS SAAT SE & Co. KGaA shall read as follows:

“The capital stock of €19,800,000.00 existing at the time the Company is converted into a partnership limited by shares was contributed by conversion of KWS SAAT SE into the legal form of a partnership limited by shares (KGaA).”

- (5) The shareholders who are shareholders of KWS SAAT SE at the time the change in form is registered in the commercial register shall become limited partners in KWS SAAT SE & Co. KGaA. They shall participate in KWS SAAT SE & Co. KGaA to the same extent and with the same number of shares as they did immediately before KWS SAAT SE's change in form took effect. The part of the capital stock mathematically attributable to each share shall remain the same as it was immediately before the change in form took effect. That shall apply regardless of whether the capital increase from company funds described under Subsection (4) has been registered in the commercial register beforehand. If KWS SAAT SE holds treasury shares at the time the change in form is registered in the commercial registry, they shall become treasury shares of KWS SAAT SE & Co. KGaA.
- (6) The personally liable partner of KWS SAAT SE & Co. KGaA shall be KWS SE, Munich, registered in the commercial register of the local court in Munich under the entry number HRB 242486. After the change in KWS SAAT SE's form has been registered in the commercial register, KWS SE will move its registered office to Einbeck. Under Section 245 (2) of the German Transformation Act (UmwG), the personally liable partner shall assume the legal position of the founder of the legal entity with the new legal form if the company formation rules contained in the German Stock Corporation Act (AktG) are applied. As part of the change in form, the personally liable partner shall not receive any participating interest, and in particular no equity interest in KWS SAAT SE & Co. KGaA above or beyond its capacity as a general partner. It shall not have a share in the assets or participate in the profits or losses of KWS SAAT SE & Co. KGaA.
- (7) Special rights

Reference is made to the following circumstances purely by way of precaution, also regardless of whether rights within the meaning of Section 194 (1) No. 5 of the German Transformation Act (UmwG) are affected.

Personally liable partner

KWS SE will join KWS SAAT SE & Co. KGaA as the sole personally liable partner and have the rights and obligations as defined under the law and the Articles of Association. Büchting Beteiligungsgesellschaft mbH and RETOKE Management GmbH each have a stake of 40% and Husabe Verwaltungs GmbH has a stake of 20% in KWS SE. Dr. Drs. h.c. Andreas J. Büchting, currently a member of the Supervisory Board of KWS SAAT SE, is a shareholder of Büchting Beteiligungsgesellschaft mbH. Dr. Marie Th. Schnell, currently a member of the Supervisory Board of KWS SAAT SE, is a shareholder of RETOKE Management GmbH. The sole shareholder of Husabe Verwaltungs GmbH is Hubertus von Baumbach, who was a member of the Supervisory Board of KWS SAAT SE until December 2017. Dr. Gunnar Felix Büchting, who is likewise a shareholder of Büchting Beteiligungsgesellschaft mbH, was appointed as a member of the Executive Board of KWS SE and as a member of the Executive Board of KWS SAAT SE effective January 1, 2019.

Büchting Beteiligungsgesellschaft mbH, RETOKE Holding Vermögensverwaltungsgesellschaft mbH & Co. KG, whose sole personally liable partner is RETOKE Management GmbH, Dr. Drs. h.c. Andreas J. Büchting and Dr. Marie Th. Schnell hold shares in KWS SAAT SE which, together with the voting rights that can be ascribed to them in accordance with Section 34 of the German Securities Trading Act (WpHG), account for a total of approximately 54.5% of the voting rights in KWS SAAT SE. The percentage of voting shares directly held by Dr. Gunnar Felix Büchting in KWS SAAT SE is below the notification thresholds stipulated in the German Securities Trading Act (WpHG).

The personally liable partner shall in particular be authorized to manage the business of and represent KWS SAAT SE & Co. KGaA. The management authority of KWS SE shall also include extraordinary management measures. The right of the limited partners to object to extraordinary management measures in accordance with Section 164 second half of Sentence 1 of the German Commercial Code (HGB) shall be excluded (Section 7 (2) of the Articles of Association of KWS SAAT SE & Co. KGaA – **Annex 2** to the Notice of the Annual Shareholders' Meeting).

In accordance with the statutory provision in Section 285 (2) Sentence 1 of the German Stock Corporation Act (AktG), resolutions by the Annual Shareholders' Meeting of KWS SAAT SE & Co. KGaA shall require the approval of the personally liable partner to the extent that they relate to matters which in the case of a limited partnership require the consent of the personally liable partner and the limited partners. In accordance with the statutory provision in Section 286 (1) Sentence 2 the German Stock Corporation Act (AktG), resolutions by the Annual Shareholders' Meeting to approve the annual financial statements shall also require the approval of the personally liable partner to be effective.

In exchange for assuming management of KWS SAAT SE & Co. KGaA and liability, the personally liable partner shall receive annual compensation of €30,000.00 from KWS SAAT SE & Co. KGaA, regardless of whether the latter makes a profit or loss, in accordance with Section 7 (3) of the Articles of Association of KWS SAAT SE & Co. KGaA (**Annex 2** to the Notice of the Annual Shareholders' Meeting). The personally liable partner shall also be compensated for all expenses it incurs in connection with management of the business of KWS SAAT SE & Co. KGaA, including the compensation for the members of management and supervisory bodies at KWS SE, in accordance with Section 7 (4) of the Articles of Association of KWS SAAT SE & Co. KGaA (**Annex 2** to the Notice of the Annual Shareholders' Meeting).

Members of management and supervisory bodies

The current members of the Executive Board of KWS SAAT SE are also members of KWS SE's Executive Board. They are Dr. Hagen Duenbostel (Chief Executive Officer), Dr. Léon Broers, Dr. Peter Hofmann and Eva Kienle. In addition, Dr. Gunnar Felix Büchting was appointed as a member of the Executive Board of KWS SE and as a member of the Executive Board of KWS SAAT SE effective January 1, 2019. Moreover, the current shareholder representatives on the Supervisory Board of KWS SAAT SE were also elected as members of KWS SE's Supervisory Board. They are Dr. Drs. h.c. Andreas J. Büchting (Chairman), Dr. Marie Th. Schnell (Deputy Chairwoman), Victor W. Balli and Cathrina Claas-Mühlhäuser.

In addition, it is proposed under item 9 on the agenda that the Annual Shareholders' Meeting on December 14, 2018, elect the four current shareholder representatives on the Supervisory Board of KWS SAAT to the Supervisory Board of KWS SAAT SE & Co. KGaA.

- (8) An offer of compensation in accordance with Section 207 of the German Transformation Act (UmwG) does not have to be issued pursuant to Section 250 of the German Transformation Act (UmwG).
- (9) Consequences of the change in form for employees and their representative bodies

The following presents the consequences of the change in form for employees and their representative bodies and the measures envisaged in this regard (including details on the procedure for involving employees in connection with the planned cross-border merger of KWS Services West S.L.U. with the Company):

The change in form and cross-border merger do not have any effects on employees of KWS SAAT SE and their employment relationships. The change in form and the cross-border merger do not entail any change in employer for employees of KWS SAAT SE; the employment contacts of employees will remain in effect without modification. The employer's authority to issue instructions will be exercised by the Company, represented by the Executive Board of the personally liable partner, KWS SE, after the change in form and cross-border merger of KWS Services West S.L.U. with the Company. This will not result in any changes for employees of KWS SAAT SE.

The continued existence and composition of the Works Councils and other employee representative bodies, as well as their rights and powers, will not change as a result of the change in form and cross-border merger of KWS Services West S.L.U. with the Company. All company agreements will remain in effect in their previous form without modification. The change in form and the cross-border merger will also not result in any changes as regards the commitment of the Company and its subsidiaries (with the exception of KWS Services West S.L.U., which will cease to exist as a result of the cross-border merger) to existing obligations under collective agreements.

The change in form and the cross-border merger of KWS Services West S.L.U. with the Company will have the following effects on employees' representative bodies and on participation of employees on the Company's Supervisory Board:

The existing SE Works Council of KWS SAAT SE (termed the EUROPEAN EMPLOYEE COMMITTEE) is tied to the SE's legal form, with the result that in principle it will cease to exist when the change in form and the cross-border merger become effective. Since KWS is a group that operates throughout the European Community and its controlling company has its registered offices in Germany, a European Works Council can be established in accordance with the provisions of the Act on European Works Councils (EBRG) instead of the existing SE Works Council ("EUROPEAN EMPLOYEE COMMITTEE"). The Company intends to conclude an agreement with the employee representatives on continuing the EUROPEAN EMPLOYEE COMMITTEE on a voluntary basis or on turning it into a European Works Council.

The change in form will mean a change as regards employee participation at the board level. Employee participation on the Supervisory Board of KWS SAAT SE is based on the provisions of the Act on the Participation of Employees in a European Company (SEBG) and the Agreement on Employee Involvement at KWS SAAT SE dated March 16, 2015 (**Agreement on Employee Involvement**). There is one-third participation of employees on KWS SAAT SE's Supervisory Board, which consists of four shareholder representatives and two employee representatives. Under the Agreement on Employee Involvement, one employee representative on the Company's Supervisory Board shall in principle be employed in a Member State other

than Germany. Pursuant to a transitional provision in the Agreement on Employee Involvement, the two current employee representatives on the Supervisory Board of KWS SAAT SE are employed in Germany. The change in form from KWS SAAT SE to a partnership limited by shares (KGaA) would in principle mean that employee participation at the board level would no longer be governed by the Agreement on Employee Involvement, but by the provisions of the applicable German co-determination law (the German Act on One-Third Participation of Employees in the Supervisory Board (*Drittelbeteiligungsgesetz*) or the German Co-determination Act (*Mitbestimmungsgesetz*)). If a partnership limited by shares (KGaA) usually has more than 500, but usually no more than 2,000 domestic employees, such as is the case at present with KWS SAAT SE, the German Act on One-Third Participation of Employees in the Supervisory Board (*Drittelbeteiligungsgesetz*) applies in principle to the partnership limited by shares (KGaA) and a Supervisory Board in which two-thirds of the members are shareholder representatives and the remaining third is made up of employee representatives would have to be established. Under the applicable German co-determination laws, only those employees of the KWS Group who are employed in Germany would be eligible to stand for election as and vote for employee representatives on the Supervisory Board of KWS SAAT SE & Co. KGaA.

In connection with the Company's change in form to a partnership limited by shares (KGaA), KWS Services West S.L.U., Spain, is to be merged with the Company as part of a cross-border merger. The Company holds all the shares in KWS Services West S.L.U. KWS Services West S.L.U. currently has approximately 28 employees. For employees of KWS Services West S.L.U., the cross-border merger entails a business transfer within the meaning of Council Directive 2001/23/EC of 12 March 2001 on the approximation of the laws of the Member States relating to the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of undertakings or businesses (Transfer of Undertakings Directive), as a result of which all employees of KWS Services West S.L.U. become by law employees of the Company at the time the cross-border merger becomes effective, in accordance with the relevant act to implement the Directive on Business Transfers in Spain, i.e. Article 44 of the Royal Decree 2/2015 of October 23, 2015, by which the Spanish Workers' Statute was approved. The Company's Barcelona branch will assume full liability for all claims and acquire all rights arising from the employment contracts with the employees being transferred. The employment relationships with the employees being transferred will also be subject to Spanish law after the business transfer and the relevant worker protection regulations will still apply.

No measures that have a negative impact for employees of KWS Services West S.L.U. are planned as part of the cross-border merger.

KWS Services West S.L.U. has a Works Council under Spanish law (*Delegados de personal*) at its Barcelona location. The cross-border merger will not have any effects on this Works Council. The Works Council will remain in existence at the branch in Barcelona after the cross-border merger.

The cross-border merger is to become effective together with the change in form.

The cross-border merger will mean that employee participation at the board level at the Company is governed not by the provisions of applicable German co-determination law, but by the provisions of the German Act on Employee Co-Determination in Cross-Border Mergers (MgVG). If, as planned, the cross-border merger becomes effective together with the change in form, the applicable German co-determination laws will not apply. Accordingly, the Supervisory Board at the

Company will not be formed in accordance with the applicable German co-determination laws, but in accordance with the provisions of the German Act on Employee Co-Determination in Cross-Border Mergers (MgVG) after the change in form and cross-border merger become effective. The German Act on Employee Co-Determination in Cross-Border Mergers (MgVG) regulates employee participation in the management and supervisory bodies of the Company resulting from the cross-border merger. The act's objective is to safeguard the participation rights employees have acquired at companies involved in a cross-border merger.

A procedure for involving employees (**employee involvement procedure**) must be conducted in principle in connection with a cross-border merger. The objective of the employee involvement procedure is basically to conclude an agreement on employee participation in a company's supervisory body between the managements of the companies involved in the cross-border merger and a Special Negotiating Body that represents the interests of employees. Participation means here the influence of employees on a company's affairs by exercising the right to elect or appoint some of the members of the supervisory or management body of the company or to exercise the right to recommend or reject appointment of some or all members of the supervisory or management body of the company (Section 2 (7) of the German Act on Employee Co-Determination in Cross-Border Mergers (MgVG)). If no agreement is reached by the end of the negotiating period defined in the German Act on Employee Co-Determination in Cross-Border Mergers (MgVG), the statutory default solution applies and ensures employee participation by operation of law ("participation by operation of law").

In the present case, the employee involvement procedure will be initiated – probably on November 9, 2018 – with publication of the notification of the KWS Group employees in the Member States and their representative bodies and the request for them to establish the Special Negotiating Body.

Under the provisions of the German Act on Employee Co-Determination in Cross-Border Mergers (MgVG), managements of the companies involved in the cross-border merger, i.e. the Executive Board of the Company and management of KWS Services West S.L.U., can decide to apply the provisions on participation by operation of law without prior negotiations with a Special Negotiating Body as soon as the company resulting from the cross-border merger is registered in the commercial register (Section 23 (1) Sentence 1 No. 3 MgVG). The further requirement, namely that at least one-third of all employees of the Company, KWS Services West S.L.U. and the affected subsidiaries are entitled to participation rights before the company resulting from the cross-border merger is registered in the commercial register (Section 23 (1) Sentence 2 No. 1 MgVG), is met here. In the case of participation by operation of law, participation at the board level is defined by the provisions in Sections 23 et seq. of the German Act on Employee Co-Determination in Cross-Border Mergers (MgVG). In particular, they contain regulations on the scope of participation, the distribution of seats among the employee representatives, the removal of employee representatives, contesting the election of employee representatives, and the legal status of employee representatives.

Pursuant to Section 23 (1) Sentence 1 No. 3 of the German Act on Employee Co-Determination in Cross-Border Mergers (MgVG), the Company's Executive Board and the management of KWS Services West S.L.U. decided on October 24, 2018, to apply the provisions on participation by operation of law without prior negotiations to the company resulting from the cross-border merger as soon as the cross-border merger is registered in the commercial register. Consequently, no negotiations with a Special Negotiating Body have to be initiated. However, that does mean that later

conclusion of an agreement on employee involvement on a voluntary basis is ruled out. The Company intends to initiate negotiations with the Special Negotiating Body in order to conclude an agreement on employee involvement on a voluntary basis.

Under Section 24 (1) of the German Act on Employee Co-Determination in Cross-Border Mergers (MgVG), the proportionate number of employee representatives on the supervisory body of the company resulting from the cross-border merger is determined, under the statutory default solution, on the basis of the highest proportion of employee representatives that existed on one of the supervisory bodies of the companies involved in the cross-border merger before the cross-border merger. Since KWS Services West S.L.U. is not subject to participation at the board level, the proportionate distribution of Supervisory Board seats between the shareholder representatives and employee representatives at the acquiring company ("transferee") following the cross-border merger is determined on the basis of the proportion of employee representatives at the transferee before the cross-border merger became effective.

Since there is one-third participation of employees in KWS SAAT SE's Supervisory Board and the change in form and cross-border merger are to be carried out simultaneously, one-third of the members of the Supervisory Board of the company resulting from the cross-border merger will be employee representatives. The result is therefore that the principle of one-third participation applying at KWS SAAT SE will be continued on the Supervisory Board of KWS SAAT SE & Co. KGaA after the change in form and cross-border merger.

The size of the Supervisory Board at the company resulting from the cross-border merger is defined in the Articles of Association of KWS SAAT SE & Co. KGaA within the limits of Section 278 (3) in conjunction with Section 95 AktG of the German Stock Corporation Act (AktG). The Articles of Association of KWS SAAT SE & Co. KGaA, which have to be approved as part of the resolution on conversion of the legal form, specify that the Supervisory Board consists of six members, unless statutory regulations stipulate that a different number of members is mandatory; four members of the Supervisory Board are elected by the Annual Shareholders' Meeting in accordance with the provisions of the German Stock Corporation Act (AktG) and two members of the Supervisory Board are elected by the employees.

The German Act on Employee Co-Determination in Cross-Border Mergers (MgVG) stipulates that a Special Negotiating Body distributes the number of seats held by employee representatives on the Supervisory Board over the Member States of the European Union and signatory states to the Agreement on the European Economic Area (**Member States**) in which members are to be elected or appointed (Section 25 (1) Sentence 1 MgVG). The distribution depends on the proportion of employees in the individual Member States at the company resulting from the cross-border merger, its subsidiaries and business establishments (Section 25 (1) Sentence 2 MgVG). If employees from one or more Member States do not receive a seat as part of this pro-rata distribution, the Special Negotiating Body must allocate the final seat to be distributed to a Member State that has not been awarded one up to then (Section 25 (1) Sentence 3 MgVG).

Since the Company's Executive Board and the management of KWS Services West S.L.U. decided on October 24, 2018, that the provisions on participation by operation of law are to apply without prior negotiations as soon as the company resulting from the cross-border merger is registered in the commercial register, this Special Negotiating Body (SNB) must basically be established only for the purpose of

distributing the seats; however, the Company intends to initiate negotiations with the aim of concluding an agreement on employee involvement on a voluntary basis.

A Member State's employee representatives on the Supervisory Board of the Company will be determined on the basis of the national regulations of the Member State in question. Given the current headcount, one seat for employee representatives would be allocated to employees at the KWS Group in Germany. If the statutory default solution were applied, the other seat would be allocated by the Special Negotiating Body to the Member State in which the second-highest number of employees work for the KWS Group. Given the current headcount, that would be France if the statutory default solution were applied. The employee representative allocated to Germany would be elected by an electoral body composed of members of the highest Works Council bodies (in this case the members of the Central Works Council of the Company). The employee representative allocated to France would be elected in a direct ballot by the employees of the KWS Group in France. An agreement on employee involvement concluded on a voluntary basis may stipulate a different distribution of the seats for the employee representatives and a different procedure for electing the employee representatives.

The provisions on participation by operation of law under the German Act on Employee Co-Determination in Cross-Border Mergers (MgVG) apply as of when the cross-border merger is registered in the commercial register.

Irrespective of the fact that the size and composition of the Supervisory Board would not change compared to the Supervisory Board of KWS SAAT SE as a result of the cross-border merger, the change in form will mean that all offices of the existing Supervisory Board members will end. All members of the Supervisory Board, i.e. the employee representatives as well, will have to be reelected. The election of the shareholder representatives is envisaged under item 9 on the agenda of the Company's Annual Shareholders' Meeting on December 14, 2018.

In connection with the change in form, there are otherwise no other envisaged measures within the meaning of Section 194 (1) No. 7 of the German Transformation Act (UmwG) that might have effects on employees of KWS SAAT SE.

- (10) The offices of the Supervisory Board members of KWS SAAT SE will end when the change in form becomes effective.
- b) Consent of KWS SE to the change in form, its joining KWS SAAT SE & Co. KGaA as the personally liable partner, and approval of the Articles of Association of KWS SAAT SE & Co. KGaA by KWS SE

Pursuant to Section 240 (2) and Section 221 of the German Transformation Act (UmwG), KWS SE as the future personally liable partner must consent to the change in form, declare that it is joining KWS SAAT SE & Co. KGaA, and approve the latter's Articles of Association. A declaration that KWS SE consents to the change in form, is joining KWS SAAT SE & Co. KGaA, and approves the Articles of Association must be recorded by a notary in accordance with Section 193 (3) Sentence 1 and Section 221 Sentence 1 of the German Transformation Act (UmwG). The following declaration of KWS SE to that effect is to be recorded by a notary:

"KWS SE, which is to assume the status of the sole personally liable partner at KWS SAAT SE & Co. KGaA, hereby consents to the change in form and declares that it is joining KWS SAAT SE & Co. KGaA as the personally liable partner. In addition, KWS SE hereby approves the Articles of Association of KWS SAAT SE & Co. KGaA adopted under item 8 a) on the

agenda of the Annual Shareholders' Meeting on December 14, 2018, with the wording as stated in **Annex 2** to the Notice of the above Annual Shareholders' Meeting and with any amendments resulting from the resolution under item 8 a) on the agenda of the above Annual Shareholders' Meeting and including any later redrafting of Section 3 (1) of the Articles of Association of KWS SAAT SE & Co. KGaA resulting from the resolution under item 7 on the agenda of the above Annual Shareholders' Meeting."

A resolution on this does not have to be adopted by the Annual Shareholders' Meeting.

c) Declaration by KWS SE on the retention of the independent auditor of the financial statements and the independent auditor of the consolidated financial statements for the fiscal year 2018/2019

Pursuant to Section 197 Sentence 1 of the German Transformation Act (UmwG) in conjunction with Section 30 (1) of the German Stock Corporation Act (AktG), KWS SE has to appoint the independent auditor for the first full or short fiscal year in its function as personally liable partner of KWS SAAT SE & Co. KGaA, if the company formation rules contained in the German Stock Corporation Act (AktG) are applied (Section 245 (2) Sentence 1 of the German Transformation Act (UmwG), Section 197 of the German Transformation Act (UmwG) and Section 30 (1) of the German Stock Corporation Act (AktG)). The following declaration of KWS SE is therefore to be recorded by a notary in connection with the resolution to convert the Company's legal form under item 8 a) on the agenda:

"The independent auditor of the financial statements and the independent auditor of the consolidated financial statements for the fiscal year 2018/2019 ending June 30, 2019, elected by the Annual Shareholders' Meeting on December 14, 2018, under item 5 on the agenda shall be retained as the auditors after the change in the legal form of KWS SAAT SE to that of a partnership limited by shares, as proposed to the Annual Shareholders' Meeting on December 8, 2018, under item 8 a) on the agenda, take effect."

A resolution on this does not have to be adopted by the Annual Shareholders' Meeting.

Re item 9 on the agenda:

Election of the Supervisory Board of KWS SAAT SE & Co. KGaA

The Company's Supervisory Board will be composed in accordance with other regulations than those currently applicable when its change in legal form to that of a partnership limited by shares as proposed under item 8 on the agenda becomes effective. When the change in form takes effect, the offices of the existing Supervisory Board members will therefore end by operation of law, which means that it will be necessary to hold new elections for the members of the Supervisory Board of the legal entity with the new legal form, i.e. KWS SAAT SE & Co. KGaA.

The Supervisory Board of KWS SAAT SE is currently composed of six members, namely four members representing the shareholders and two members representing the employees, in accordance with Article 40 paragraph 2 and paragraph 3 of Council Regulation (EC) No. 2157/2001 ("SE Regulation"), Section 17 of the SE Implementation Act (SEAG), Section 21 (3) of the Act on the Participation of Employees in a European Company (SEBG), Section 11 (2) of the Agreement on Employee Involvement at KWS SAAT SE (**Agreement on Employee Involvement**) dated March 16, 2015, and Section 8 of the Articles of Association of KWS SAAT SE. In accordance with Section 12 (a) and Section 15 et seq. of the Agreement on Employee Involvement and Section 8 (2) of the Articles of Association of KWS SAAT SE, the employee representatives are to be elected by free, secret and direct election by all KWS employees (within the meaning of the Agreement on Employee Involvement) in

the European Union (EU) and the other signatory states to the Agreement on the European Economic Area in which the SE Regulation and Directive 2001/86/EC (SE Directive) apply.

In accordance with Sections 24 and 25 of the German Act on Employee Co-Determination in Cross-Border Mergers (MgVG) and Section 8 (2) of the Articles of Association of KWS SAAT SE & Co. KGaA enclosed as **Annex 2**, the Supervisory Board will consist of four shareholder representatives and two employee representatives when the change in form becomes effective. The provisions of the German Act on Employee Co-Determination in Cross-Border Mergers (MgVG) are applicable, because KWS Services West S.L.U. will be merged with the Company at the same time as the change in form and the managements of KWS Services West S.L.U. and KWS SAAT SE have decided in accordance with Section 23 (1) Sentence 1 No. 3 of the German Act on Employee Co-Determination in Cross-Border Mergers (MgVG) that the provisions on participation by operation of law without prior negotiations with a Special Negotiating Body are to be applicable as soon as the change in form and cross-border merger become effective. Irrespectively of that, a Special Negotiating Body is nevertheless to be formed in order to agree on the arrangements for election of the employee representatives on the Supervisory Board of KWS SAAT SE & Co. KGaA after the change in form and cross-border merger become effective.

In accordance with Section 8 (3) of the Articles of Association of KWS SAAT SE & Co. KGaA enclosed as **Annex 2**, members of the Supervisory Board are to 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; the Annual Shareholders' Meeting can define a shorter term of office as part of the election. Supervisory Board members may be reelected.

In view of the fact that all current members of the Supervisory Board of KWS SAAT SE – who are all now being nominated for election to the Supervisory Board of KWS SAAT SE & Co. KGaA – were only just elected by the last Annual Shareholders' Meeting on December 14, 2017, the members of the Supervisory Board of KWS SAAT SE & Co. KGaA are to be appointed only for the period of time up to the end of the Annual Shareholders' Meeting that ratifies their acts for fiscal year 2021/2022.

The Supervisory Board therefore proposes electing the following persons as shareholder representatives to the Supervisory Board of KWS SAAT SE & Co. KGaA for a period of time up to the end of the Annual Shareholders' Meeting that ratifies their acts for fiscal year 2021/2022:

1. Dr. Drs. h.c. Andreas J. Büchting, Einbeck / Germany, Agricultural Biologist, Chairman of the Supervisory Board of KWS SAAT SE, Einbeck, Germany
2. Mr. Victor W. Balli, Oberrieden, Switzerland, Chemical Engineer, Member of the Board of Directors of Givaudan SA, Vernier, Switzerland
3. Ms. Cathrina Claas-Mühlhäuser, Frankfurt am Main, Germany, Businesswoman, Chairwoman of the Supervisory Board of CLAAS KGaA mbH, Harsewinkel, Germany
4. Dr. Marie Th. Schnell, Munich, Germany, Doctor of Communications, Munich, Germany

The Annual Shareholders' Meeting is to be allowed to elect the new Supervisory Board by way of separate ballots.

If the proposed candidates are elected to the Supervisory Board, Dr. Drs. H.c. Andreas J. Büchting is to be elected as Chairman of the Supervisory Board and Mr. Victor W. Balli, who fulfills the qualifications as an independent financial expert within the meaning of Clause

5.3.2 Paragraph 3 of the German Corporate Governance Code (**DCGK**), as Chairman of the Audit Committee.

Disclosures in accordance with Section 125 (1) Sentence 5 of the German Stock Corporation Act (AktG)

1. Dr. Drs. h.c. Andreas J. Büchting is a member of the following other legally mandated Supervisory Board:

Chairman of the Supervisory Board of KWS SE, Munich

He is not a member of comparable German and foreign oversight boards of a business enterprise.

2. Mr. Victor W. Balli is a member of the following other legally mandated Supervisory Board:

Member of the Supervisory Board of KWS SE, Munich

He is a member of the following comparable foreign oversight boards of a business enterprise:

Member of the Board of Directors of Givaudan SA, Vernier, Switzerland,

Member of the Supervisory Board of Louis Dreyfus Company Holdings B.V., Rotterdam, Netherlands,

Member of the Executive Board of CEVA Logistics AG, Baar, Switzerland.

3. Ms. Cathrina Claas-Mühlhäuser is a member of the following other legally mandated Supervisory Boards:

Member of the Supervisory Board of KWS SE, Munich (already elected a member of the Supervisory Board; her term of office commences when the new version of KWS SE's Articles of Association adopted by the Annual Shareholders' Meeting of KWS SE on October 23, 2018, became effective),

Chairwoman of the Supervisory Board of CLAAS KGaA mbH, Harsewinkel.

She is a member of the following comparable German oversight boards of a business enterprise:

Deputy Chairwoman of the Shareholders' Committee of CLAAS KGaA mbH, Harsewinkel.

4. Dr. Marie Th. Schnell is a member of the following other legally mandated Supervisory Boards:

Deputy Chairwoman of the Supervisory Board of KWS SE, Munich,

Deputy Chairwoman of the Supervisory Board of DR. SCHNELL GmbH & Co. KGaA., Munich.

She is not a member of comparable German and foreign oversight boards of a business enterprise.

All candidates proposed by the Supervisory Board are already members of the Supervisory Board of KWS SAAT SE; Dr. Drs. h.c. Büchting is its Chairman and Dr. Schnell is its Deputy Chairwoman.

Disclosures in accordance with Clause 5.4.1 Paragraphs 4 to 6 of the German Corporate Governance Code:

Dr. Drs. H.c. Andreas J. Büchting is related to eleven shareholders who have a material interest in the Company and a member of the Executive Board or co-shareholder at three other shareholders that have a material interest in the Company, namely Büchting Beteiligungsgesellschaft mbH, Hanover, and two foundations. These shareholders with a material interest, who hold around 54.5% of the voting shares in the Company, either directly or indirectly through allocation of voting rights, and whose voting rights can be ascribed to him, are specified in the Combined Management Report of the KWS Group for 2017/2018 on page 63 of the Annual Report. Büchting Beteiligungsgesellschaft mbH, Hanover, also holds 40% of the voting shares in KWS SE, which will become the personally liable partner of KWS SAAT SE & Co. KGaA when the change in form proposed under item 8 on the agenda becomes effective. Dr. Drs. h.c. Andreas J. Büchting is also related to Dr. Gunnar Felix Büchting, who was appointed as a member of the Executive Board of KWS SAAT SE and of KWS SE effective January 1, 2019.

Dr. Marie Th. Schnell is related to five shareholders who have a material interest in the Company. These shareholders with a material interest, who hold around 54.5% or – in the case of Dr. Arend Oetker – around 54.6% of the voting shares in the Company, either directly or indirectly through allocation of voting rights, and whose shares can be ascribed to an amount of 54.5% to Dr. Marie Th. Schnell, are specified in the Combined Management Report of the KWS Group for 2017/2018 on page 63 of the Annual Report. Dr. Marie Th. Schnell holds 19% of the limited partner's shares in a further shareholder, RETOKE Holding Vermögensverwaltungsgesellschaft mbH & Co. KG, Bad Schwartau, which holds 27% of the shares in KWS SAAT SE. She is also a shareholder of RETOKE Management GmbH, which holds 40% of the voting shares in KWS SE; KWS SE will become the sole personally liable partner of KWS SAAT SE & Co. KGaA when the change in form proposed under item 8 on the agenda becomes effective.

All of the proposed candidates have already been elected as members of the Supervisory Board of KWS SE, which will become the personally liable partner of KWS SAAT SE & Co. KGaA when the change in form proposed under item 8 on the agenda becomes effective.

To the knowledge of the Supervisory Board, there are no further personal or business relationships between the persons proposed for election to the Supervisory Board and the Company, the management bodies of the Company and shareholders with a material interest in the Company that Clause 5.4.1 Paragraphs 6 to 8 of the German Corporate Governance Code recommends to be disclosed.

The Supervisory Board has satisfied itself that all the candidates have the time expected for them to discharge their duties as members of the Supervisory Board (or as its Chairman in the case of Dr. Andreas J. Büchting). In choosing the candidates, the Supervisory Board has taken into account its current targets for its composition, in particular in relation to the number of independent members and the ratio of female members on the Supervisory Board, and also striven to ensure that they satisfy the profile of skills and expertise for the Supervisory Board as a whole.

The candidates' résumés have been printed in **Annex 3** at the end of the Notice of the Annual Shareholders' Meeting; the annex is also part of this Notice of the Annual Shareholders' Meeting. The résumés can also be obtained at the Company's Internet site at www.kws.com/shareholders-meeting.

Re item 10 on the agenda:

Resolution on approval of the merger of KWS Services West S.L.U. with the Company

KWS SAAT SE holds all the shares in KWS Services West S.L.U., a sole shareholder private limited company (*sociedad limitada unipersonal*), incorporated and existing under Spanish law, having its registered office in Barcelona, Spain, and registered with the commercial register of Barcelona (*Registro Mercantil de Barcelona*) under volume (*tomo*) 43911, page (*folio*) 74, sheet (*hoja*) B-441644 and C.I.F number B-66099706. KWS SAAT SE drew up a joint merger plan with KWS Services West S.L.U. on October 24, 2018. The transferee under this joint merger plan is KWS SAAT SE, which will operate under the name KWS SAAT SE & Co. KGaA after the change in form proposed under item 8 on the agenda becomes effective. The transferor is KWS Services West S.L.U.

The purpose of the cross-border merger is to simplify the group's structure. The KWS Group is currently carrying out group-wide restructuring, as part of which the functions of the regional European service companies are being merged and pooled at the central locations Einbeck and Berlin. As a result of that, KWS Services West S.L.U. will no longer have any commercial importance. Since a cross-border merger is involved, it will also enable the Company to retain its tried-and-proven governance structure – with a Supervisory Board consisting of six members, two of whom are employee representatives – after the change in form. That ensures that employee representatives from other Member States of the European Union and signatory states to the Agreement on the European Economic Area will still be able to be members of the Company's Supervisory Board in the future.

The joint merger will not become effective until its existence is registered in the commercial register of the Company as the transferee. Since KWS SAAT SE is the sole shareholder of KWS Services West S.L.U., no resolution by the Annual Shareholders' Meeting of KWS SAAT SE approving the merger is required pursuant to Section 122a (2) in conjunction with Section 62 (1) Sentence 1 of the German Transformation Act (UmwG). However, Section 122a (2) in conjunction with Section 62 (2) of the German Transformation Act (UmwG) grants shareholders of the transferee whose combined shares account for one-twentieth of the capital stock the right to demand that the Shareholders' Meeting adopt a resolution to approve the merger.

The Executive Board and the Supervisory Board propose adopting the following resolution:

The joint merger plan of KWS Services West S.L.U., as the transferor, and KWS SAAT SE, as the transferee, is approved in the form drawn up on October 24, 2018.

The Executive Board and Supervisory Board will put the proposed resolution to a vote only if shareholders of KWS SAAT SE whose combined shares account for one-twentieth of the capital stock of KWS SAAT SE demand by December 3, 2018, that the Shareholders' Meeting adopt a resolution to approve the merger in accordance with Section 62 (2) of the German Transformation Act (UmwG).

The joint merger plan has the following main contents:

The companies involved in the merger are defined in the preamble and under Section 1. In particular, it is noted that the acquiring company ("transferee"), KWS SAAT SE, will operate under the name KWS SAAT SE & Co. KGaA after the change in form becomes effective. The transferee has its registered offices in Einbeck, Germany. The transferor is KWS Services West S.L.U., which has its registered offices in Barcelona, Spain. The intention of the merger is also explained, as is the purpose of the merger. As already outlined at the outset, the objective of the cross-border merger is to simplify the group structure and maintain the existing governance structure with a six-member Supervisory Board at the transferee after its change in form to a partnership limited by shares (KGaA).

Under Section 2 of the joint merger plan, KWS Services West S.L.U. will transfer its assets as a whole, including all rights and obligations, by way of a merger by absorption to KWS SAAT SE, with KWS Services West S.L.U. being dissolved without liquidation.

Under Section 3 of the joint merger plan, the merger will become effective when it is registered in the commercial register of the local court in Göttingen that is responsible for KWS SAAT SE. After the merger becomes effective, the commercial activity of KWS Services West S.L.U. will be continued until all its activities have been transferred to the central service company. The assets of KWS Services West S.L.U. transferred as a result of the merger will be attributed to the Barcelona branch of the transferee for accounting purposes.

Section 4 of the joint merger plan specifies that the merger will be carried out without the transferee granting shares or without an increase in the capital stock at it, since KWS SAAT SE is the sole shareholder of KWS Services West S.L.U. It also states that, consequently, no information regarding the exchange of shares, new shares or any additional cash payments, or a merger audit, is required by law. Since the articles of association of KWS Services West S.L.U. impose on the shareholders neither any contributions (*aportaciones de industria*) nor any ancillary obligations (*prestaciones accesorias*) for the shareholders, the merger will not result in the termination of any such obligations nor in the creation of compensatory payment obligations.

Under Section 5 of the joint merger plan, the date and time as of which all the actions performed by KWS Services West S.L.U. will be treated as actions of the transferee is July 1, 2018, 00:00 hours. The balance sheets of KWS SAAT SE and KWS Services West S.L.U. that are used in order to determine the terms of the merger are the closing balance sheets at June 30, 2018. For German tax purposes, the tax transfer date is June 30, 2018, 24:00 hours.

Section 6 of the joint merger plan states that the transferee will report the assets and liabilities transferred to it from KWS Services West S.L.U. at book value in its Spanish GAAP annual financial statements. The assets and liabilities of KWS Services West S.L.U. to be transferred to the transferee in the context of the merger will be valued internally effective June 30, 2018, on the basis of the merger balance sheet of KWS Services West S.L.U., which corresponds to the balance sheet from its annual financial statements as of June 30, 2018. The plan also states that the merger is tax neutral for the shareholders of the transferor and the transferee. Section 6 of the joint merger plan also contains stipulations with regard to Spanish tax law.

In addition, Section 7 of the joint merger plan specifies that the transferee will not grant special rights to the shareholders of the companies participating in the merger or to any holders of other securities and that no such measures are being proposed either.

Under Section 8 of the joint merger plan, there is no intention to change the position or the composition of the personally liable partner ("general partner") who joins the transferee as part of the change in form or to make any changes to the composition of the Supervisory Board of KWS SAAT SE & Co. KGaA other than those mentioned in Section 12 of the joint merger plan. However, the executive position of the sole Managing Director of KWS Services West S.L.U. will end.

In accordance with Section 122c (2) No. 8 of the German Transformation Act (UmwG) and the relevant Spanish regulation, it is necessary to disclose details of any special benefits granted to the experts who audit the joint merger plan or the members of the administration, management, supervisory and controlling boards of the legal entities involved in the merger. Against that background, Section 9 of the joint merger plan stipulates that such special rights

or benefits will not be granted. Since a merger auditor is not required, no benefits in favor of an expert auditing the merger plan can be granted.

Moreover, Section 10 of the joint merger plan refers to the currently valid Articles of Association of KWS SAAT SE and the Articles of Association the transferee will have after the change in form. Both Articles of Association are attached as annexes to and so are an integral part of the joint merger plan and will not be changed as part of the merger.

Under Section 11 of the joint merger plan, the merger will have no effects on employees of the transferee. The employment relationships will remain unchanged and regulations under individual contracts of employment and collective agreements, including the applicable collective bargaining agreements, will remain in effect without modification. No change in the business establishment of employees or other organizational changes are planned as a result of the merger. The merger will not have any effects on the Works Councils at the locations Einbeck (joint business establishment with KWS Services Deutschland GmbH), Gondelsheim, Seligenstadt (Prosselheim) and Wanzleben-Börde or on the Company's Central Works Council. The employees of KWS Services West S.L.U. will by law become employees of the transferee, which will run a branch in Barcelona. The employment relationships of these employees will remain unaffected by the merger. The Works Council under Spanish law (*Delegados de personal*) which has been established for the Barcelona location of KWS Services West S.L.U. will continue to exist for the Barcelona branch of the transferee after the cross-border merger. When the change in form and cross-border merger become effective, the terms of office of the current members of the Supervisory Board of KWS SAAT SE will end. KWS Services West S.L.U. has no Supervisory Board or any other controlling bodies formed on the basis of regulations relating to employee participation. Aspects of the future composition of the Supervisory Board are described in Section 12 of the joint merger plan.

Moreover, Section 12 of the joint merger plan defines that employee participation on the supervisory body of the company resulting from the cross-border merger is governed by the provisions of the relevant Spanish and German legislation; for Germany, that is the Act on Employee Co-Determination in Cross-Border Mergers (**MgVG**). Section 12 explains that an employee involvement procedure in accordance with the provisions of the Act on Employee Co-Determination in Cross-Border Mergers (MgVG) must be conducted, since KWS SAAT SE currently has a workforce of approximately 1,473 employees and also has more than 500 employees in the six months prior to the publication of the joint merger plan and, under an employee involvement agreement within the meaning of Section 21 of the Act on the Participation of Employees in a European Company (SEBG), also has a Supervisory Board, one-third of whose members are employee representatives. The individual steps and aspects of the procedure for governing employee involvement as part of definition of their participation rights under the German Act on Employee Co-Determination in Cross-Border Mergers (MgVG) are presented in detail. Section 12 states further that the Executive Board of KWS SAAT SE and the management of KWS Services West S.L.U. decided on October 24, 2018, to apply the statutory default solution as of registration of the merger in the commercial register directly and without prior negotiations with the Special Negotiating Body (SNB) that has to be established as part of a cross-border merger pursuant to the German Act on Employee Co-Determination in Cross-Border Mergers (MgVG) and is composed of employee representatives of the KWS Group from all Member States. Under the statutory default solution, the ratio of employee representatives on the Supervisory Board of the transferee after the merger will be one-third, since KWS Services West S.L.U. does not have its own system of co-determination and there is one-third participation at the transferee. The Special Negotiating Body is responsible for distributing the seats on the Supervisory Board held by employees over the Member States in accordance with Section 25 (1) and (2) of the German Act on Employee Co-Determination in Cross-Border Mergers (MgVG). The distribution of employee seats on the Supervisory Board depends on the proportion of

employees in the individual Member States at the Company resulting from the merger, its subsidiaries and business establishments. The procedure for selecting the employee representatives on the Supervisory Board is based on the law of the respective Member State in which the Supervisory Board member is to be elected or appointed. If national law does not contain provisions for such a procedure, the Special Negotiating Body determines the employee representatives on the Supervisory Board.

Section 13 of the joint merger plan presents the conditions for exercise of the rights of creditors and minority shareholders of the transferor and transferee. The creditors of KWS Services West S.L.U. may request that the transferee provide security for their receivables within one month as from the date of proper publication of the approval of the Shareholders' Meetings of the companies involved in the merger. That is subject to the provisos that (i) the receivable already existed before the joint merger plan was deposited with the Spanish commercial registry, (ii) the creditors in question have notified the transferor of their objection to the merger within the one-month period, and (iii) the transferor has not granted any security in relation to the receivable. The creditors of KWS SAAT SE are to be provided with security insofar as they cannot demand satisfaction of their claims. That is subject to the provisos that the creditors file their claim in writing, stating the basis and the amount thereof, within six months of the day on which the registration of the merger in the register for the place of the registered office of KWS SAAT SE was published and substantiate that the fulfillment of their claims is jeopardized by the merger. The following applies as regards shareholders of KWS SAAT SE: Since KWS SAAT SE holds all shares in KWS Services West S.L.U., a resolution by the Shareholders' Meeting of KWS SAAT SE is only required by law if shareholders (and so also the minority shareholders) of KWS SAAT SE whose combined shares account for one-twentieth of KWS SAAT SE's capital stock demand that a Shareholders' Meeting be convened for the purpose of adopting a resolution to approve the merger. A deadline of no less than one month, calculated from the day of publication of the announcement in accordance with Section 62 (3) Sentence 2 of the German Transformation Act (UmwG), can be set for requesting that a Shareholders' Meeting be convened.

If the merger does not become effective by September 30, 2019, by being registered in the commercial register of the transferee, the parties are entitled to withdraw from the joint merger plan under in accordance with its Section 14.

Pursuant to Section 15 of the joint merger plan, the transferee and transferor will each bear their own costs they incur in preparing and implementing the merger. The jointly incurred costs will be borne by the transferee. The necessary costs incurred by the formation and operation of the Special Negotiating Body will be borne jointly and severally by the transferor and the acquiring company.

Section 16 of the merger plan contains a customary severability clause in the event that a provision in the joint merger plan is or becomes ineffective or impracticable or the joint merger plan has a gap. In addition, any amendments or supplements to the joint merger plan require notarial form if so required under applicable law; otherwise, they must be made in writing.

The prepared draft of the joint merger plan was submitted to the commercial register of the local court in Göttingen that is responsible for the Company before the Annual Shareholders' Meeting was convened. The impending merger and the right of shareholders in accordance with Section 62 (2) of the German Transformation Act (UmwG) will also be pointed out at the same time as the Notice of the Annual Shareholders' Meeting is published in the Federal Official Gazette on November 2, 2018.

The full text of the joint merger plan is reproduced in **Annex 4** at the end of the Notice of the Annual Shareholders' Meeting and so is part of the Notice of the Annual Shareholders'

Meeting. The joint merger plan for the cross-border merger of KWS Services West S.L.U. with KWS SAAT SE dated October 24, 2018, the merger report by KWS SAAT SE on the cross-border merger of KWS Services West S.L.U. with KWS SAAT SE (in future: KWS SAAT SE & Co. KGaA), the merger report of KWS Services West S.L.U. on the cross-border merger of KWS Services West S.L.U. with KWS SAAT SE (in future: KWS SAAT SE & Co. KGaA), the consolidated financial statements and annual financial statements, as well as the Combined Management Reports and Group Management Reports of KWS SAAT SE for the last three fiscal years 2015/2016, 2016/2017 and 2017/2018 and the annual financial statements of KWS Services West S.L.U. for the last three fiscal years 2015/2016, 2016/2017 and 2017/2018 can be obtained from the Company's Internet site at www.kws.com/shareholders-meeting as of the day this Annual Shareholders' Meeting is convened. The above documents will also be available during the Annual Shareholders' Meeting.

Since KWS SAAT SE (after the change in form: KWS SAAT SE & Co. KGaA) is the sole shareholder of KWS Services West S.L.U., a merger audit in accordance with Section 122f Sentence 1 in conjunction with Section 9 (2) of the German Transformation Act (UmwG) and preparation of a merger audit report in accordance with Section 122f in conjunction with Section 12 (3) and Section 8 (3) Sentence 1 of the German Transformation Act (UmwG) are not required.

Communications to the Annual Shareholders' Meeting

Total number of shares and voting rights:

The capital stock of the Company on the day this Annual Shareholders' Meeting is convened is split into 6,600,000 bearer shares, each of which entitles the holder to one voting right. Of these, all are authorized to vote on the day this Annual Shareholders' Meeting is convened.

Eligibility to attend the Annual Shareholders' Meeting and exercise voting rights

Eligibility to attend the Annual Shareholders' Meeting:

Under Section 15 of the Articles of Association, 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 submit proof of their authorization to participate in the Annual Shareholders' Meeting and exercise their voting rights. This proof must relate to the beginning of the twenty-first day before the Annual Shareholders' Meeting, i.e. **at 0 hours and 0 minutes CET on November 23, 2018 (the date by which proof has to be furnished)**. The registration and written proof from the custodial institute in German or English of the shareholder's ownership of the shares must be received by the Company at the latest by **midnight (CET) on December 8, 2018**, at the following address:

KWS SAAT SE, c/o C-HV AG, Gewerbepark 10, 92289 Ursensollen
or by fax: +49 96 28 92 99 871
or by e-mail: Hauptversammlung@kws.com

After the registration and proof of the shareholding have been received, the registration office will send a combined admission ticket and voting card for the Annual Shareholders' Meeting to the shareholders or the authorized agents appointed by them. So as to ensure that they receive the combined admission ticket and voting card in good time, we ask shareholders to request an admission ticket to take part in the Annual Shareholders' Meeting from their custodial institute as soon as possible. In this case, the custodial institute will perform the necessary registration work and furnish proof of the shareholding.

Only persons who have furnished the special proof of their shareholding shall be regarded as shareholders by the Company and be eligible to take part in the meeting or exercise their voting right.

Their authorization to attend or the number of votes they are entitled to cast is based solely on their shareholding on the date by which proof has to be furnished. The date by which proof has to be furnished does not constitute a cutoff date after which shares are not allowed to be sold. The authorization of shareholders to attend the meeting or the number of votes they are entitled to cast is based solely on their shareholding on the date by which proof has to be furnished, even if they sell all or part of their shares after that date. The same shall apply to shares purchased after that date. Persons who do not hold any shares on the date by which proof has to be furnished and do not become shareholders until after that date are entitled to attend or vote in accordance with their shareholding only if they obtain power of attorney or are granted authorization to exercise these rights. The date by which proof has to be furnished is of no significance regarding entitlement to dividends.

We wish to uphold the tradition of holding the Annual Shareholders' Meeting in Einbeck, albeit at a different premises this year. We therefore ask you to appreciate that, owing to the large number of registrations we again anticipate for our Annual Shareholders' Meeting, we can only issue a maximum of two admission tickets per shareholder.

Procedure for voting by proxy through an authorized agent

Shareholders who are eligible to take part in and vote at the Annual Shareholders' Meeting, but do not wish to attend in person, can also have their voting rights exercised by an authorized agent, such as a bank or an association of shareholders. This authorization must be granted and revoked, and proof of it furnished to the Company, in written form.

Proof that power of attorney has been granted can be furnished, for example, by the authorized agent presenting the power of attorney upon admission on the day of the Annual Shareholders' Meeting or by the proof being sent by post, fax or e-mail to the following address:

KWS SAAT SE, c/o C-HV AG, Gewerbepark 10, 92289 Ursensollen
or by fax: +49 96 28 92 99 871
or by e-mail: Hauptversammlung@kws.com

The above means of communication can also be used if power of attorney is granted by a declaration being issued to the Company; in this case, special proof that power of attorney has been granted is not necessary. The above means of communication can also be used to inform the Company directly that powers of attorney have been revoked.

Shareholders who wish to be represented by an authorized agent are asked to use the power of attorney form printed on the combined admission ticket and voting card. The power of attorney form can also be downloaded from the Company's Internet site at www.kws.com/shareholders-meeting. It can additionally be requested from the above address of the Company – KWS SAAT SE, c/o C-HV AG, Gewerbepark 10, 92289 Ursensollen, fax: +49 96 28 92 99 871, e-mail: Hauptversammlung@kws.com– by post, fax or e-mail.

Special requirements may apply if power of attorney is issued to a bank, an association of shareholders or a person covered by Section 135 (8) of the German Stock Corporation Act (AktG) or another equivalent institute or company as defined in Section 135 (10) in conjunction with Section 125 (5) of the German Stock Corporation Act (AktG), as well as for revocation and proof of such power of attorney; shareholders are requested in such a case to

contact the authorized agent in good time to agree on the form of the power of attorney that agent may require.

In addition, we offer shareholders who are eligible to attend and vote the option of having a proxy named by KWS SAAT SE to exercise their voting rights on their behalf and in accordance with their directive. For this to be possible, a power of attorney and directives on how to exercise the voting rights must be issued for the proxies named by the Company. The proxies named by the Company are not authorized to exercise the voting rights if they have not been given instructions on how to vote by the shareholders. The proxies named by the Company are obliged to vote in accordance with the directives issued to them. The power of attorney and instructions must be issued in written form. The form for granting power of attorney and specifying directives is printed on the combined admission ticket and voting card and is thus sent out to properly registered shareholders along with the combined admission ticket and voting card. A form can also be downloaded from the Company's Internet site at www.kws.com/shareholders-meeting. It can additionally be requested from the above address of the Company – KWS SAAT SE, c/o C-HV AG, Gewerbepark 10, 92289 Ursensollen, fax: +49 96 28 92 99 871, e-mail: Hauptversammlung@kws.com – by post, fax or e-mail.

The power of attorney and directives for a proxy named by the Company must be sent to the Company in writing at the address below:

KWS SAAT SE, c/o C-HV AG, Gewerbepark 10, 92289 Ursensollen
or by fax: +49 96 28 92 99 871
or by e-mail: Hauptversammlung@kws.com

Shareholders who wish to authorize a proxy named by the Company are requested to send the power of attorney along with their directives on how to vote by post, fax or e-mail to the above address so that they are received by the Company by **12:00 noon (CET) on December 13, 2018**, at the latest.

You can find more details on issuing a power of attorney and directives to the proxies named by the Company on the relevant forms.

Rights of shareholders

1) Requests for additions to the agenda in accordance with Article 56 of the SE Regulation, Section 50 (2) of the SE Implementation Act (SEAG) and Section 122 (2) of the German Stock Corporation Act (AktG)

Shareholders whose combined stake constitutes a pro-rata share of the capital stock of 500,000 euros (or 166,667 shares) can request that items be put on the agenda and published. Reasons or a proposed resolution must be submitted with each new item on the agenda.

The request must be sent in writing to the Executive Board and be received by the Company at least 30 days before the Annual Shareholders' Meeting, i.e. by **midnight (CET) on November 13, 2018**, at the latest. We ask you to send such requests to the following address:

KWS SAAT SE, Vorstand, HV-Büro, Grimsehlstr. 31, 37574 Einbeck.

Any requests for additions to the agenda in accordance with Article 56 of the SE Regulation, Section 50 (2) of the SE Implementation Act (SEAG) and Section 122 (2) of the German Stock Corporation Act (AktG) that are received by the Company by the due time after the Annual Shareholders' Meeting has been convened shall also be made available as soon as

they have been received by the Company on the Internet site at www.kws.com/shareholders-meeting and will be communicated to shareholders.

2) Countermotions and nominations in accordance with Sections 126 and 127 of the German Stock Corporation Act (AktG)

Countermotions by shareholders against one or more proposals by the Executive Board and/or the Supervisory Board on a specific item or several items on the agenda in accordance with Section 126 (1) of the German Stock Corporation Act (AktG) and nominations in accordance with Section 127 of the German Stock Corporation Act (AktG) must be sent only to the following address:

KWS SAAT SE, c/o C-HV AG, Gewerbepark 10, 92289 Ursensollen
or by fax: +49 96 28 92 99 871
or by e-mail: Hauptversammlung@kws.com

Countermotions and nominations sent to another address will be ignored.

Countermotions that are submitted by shareholders to resolutions proposed on items on the agenda and are received by the Company at the above address by no later than **midnight (CET) on November 29, 2018**, will be published without undue delay on the Company's Internet site at www.kws.com/shareholders-meeting, along with the name of the shareholder, any reasons for them and any statement by management. Section 126 (2) of the German Stock Corporation Act (AktG) specifies reasons where a countermotion and its reasons do not have to be disclosed. They are stated on the Company's Internet site at www.kws.com/shareholders-meeting. Countermotions are considered to have been filed only if they are put forward during the Annual Shareholders' Meeting. The right of every shareholder to put forward countermotions on different items on the agenda during the Annual Shareholders' Meeting without sending them to the Company beforehand remains unaffected.

The above comments, including the deadline for publishing nominations (receipt of them by no later than **midnight (CET) on November 29, 2018**) shall apply analogously to a nomination by a shareholder for the election of Supervisory Board members or the appointment of the independent auditor in accordance with Section 127 of the German Stock Corporation Act (AktG); the reasons for the nomination do not have to be given. In addition, the Executive Board does not have to publish the nominations in accordance with Section 127 Sentence 3 of the German Stock Corporation Act (AktG) if the nomination does not include the name of the nominated person and his or her profession and place of residence and, in the case of the election of members of the Supervisory Board, also particulars of their membership of other legally mandated Supervisory Boards within the meaning of Section 125 (1) Sentence 5 of the German Stock Corporation Act (AktG).

3) Rights to information in accordance with Section 131 (1) of the German Stock Corporation Act (AktG)

At the Annual Shareholders' Meeting, every shareholder and shareholder representative can demand information on the Company's affairs from the Executive Board, provided this information is required to permit proper assessment of the item on the agenda. The obligation to provide information also covers the legal and business relationships of the Company with an affiliated company and the situation of the group and the companies included in the consolidated financial statements. Requests for information must be submitted orally when the item on the agenda is under discussion.

The Executive Board can refuse to disclose information under certain conditions, which are defined in more detail in Section 131 (3) of the German Stock Corporation Act (AktG). A detailed presentation of the conditions under which the Executive Board can refuse to disclose information can be found on the Company's Internet site at www.kws.com/shareholders-meeting.

Further explanations

Further details of the rights of shareholders under Article 56 of the SE Regulation, Section 50 (2) of the SE Implementation Act (SEAG) and Sections 122 (2), 126, 127 and 131 (1) of the German Stock Corporation Act (AktG) can be obtained at the Company's Internet site at www.kws.com/shareholders-meeting.

Reference to the Company's Internet site

This Notice of the Annual Shareholders' Meeting and the information and documents to be made available in accordance with Section 124a of the German Stock Corporation Act (AktG) can be obtained on the Company's Internet site at www.kws.com/shareholders-meeting.

The results of votes will be published on the same Internet site after the Annual Shareholders' Meeting.

Information on data protection

As the controller within the meaning of Article 4 No. 7 of Regulation (EU) 2016/679 of 27 April 2016 ("General Data Protection Regulation"; hereinafter referred to as "GDPR"), which has been in effect since May 25, 2018, the Company processes personal data: Contact data (e.g. address, e-mail address and, if applicable, the name of the shareholder representative authorized by the shareholder in question), personal data (e.g. name, date of birth), information on the shares (e.g. number of shares, their class, type of ownership of them) and administrative data (e.g. the number of the admission ticket) on the basis of prevailing data protection regulations so as to enable shareholders and shareholder representatives to exercise their rights at the Annual Shareholders' Meeting. The Company is legally represented by the Executive Board, namely Dr. H. Duenbostel, Ms. E. Kienle, Dr. L. Broers and Dr. P. Hofmann.

The contact data for the Company as the controller is:

KWS SAAT SE
Executive Board
Grimsehlstr. 31
Postfach 1463
37555 Einbeck

If the personal data is not provided by the shareholders and shareholder representatives as part of registration for the Annual Shareholders' Meeting, the custodian bank or a third party involved in registration will send the personal data of the shareholders or shareholder representatives to the Company.

The Company is legally obliged to hold the Annual Shareholders' Meeting in accordance with the provisions of the German Stock Corporation Act (AktG). It is absolutely necessary for the personal data of shareholders to be processed so that they can take part in the Annual Shareholders' Meeting. The Company is the controller, i.e. responsible for processing the data.

The personal data of shareholders is processed for the purpose of registration for the Annual Shareholders' Meeting, creating the list of participants and voting right forms, drawing up the minutes on the Annual Shareholders' Meeting, and fulfilling the Company's obligations under the German Stock Corporation Act (AktG) after the Annual Shareholders' Meeting. The legal basis for processing the data is Article 6 (1) point (c) GDPR.

The personal data is also processed for statistical purposes, such as to present the changes in shareholder structure or trading volumes. The legal basis for processing the personal data is Article 6 (1) point (c) and (4) GDPR.

In principle, personal data is not transferred to third parties by the Company. By way of exception, third parties commissioned with helping to stage the Annual Shareholders' Meeting are provided by the Company with personal data that is required for the commissioned service to be performed. They process the data solely in accordance with the Company's instructions. Such third parties are, for example, service providers for annual shareholders' meetings, such as annual shareholders' meeting agencies, attorneys or auditors.

Subject to any statutory regulations that come into effect after the Annual Shareholders' Meeting, the Company stores the personal data in accordance with current statutory retention obligations for a period of ten years, starting at the end of the year in which the Annual Shareholders' Meeting was held. The personal data may be stored longer in individual cases if the data must still be processed further in order to handle motions, decisions or legal proceedings related to the Annual Shareholders' Meeting.

Reference is made to the explanations in the section "Rights of shareholders" as regards the transmission of personal data to third parties as part of the announcement of shareholders' requests for amendments to the agenda and countermotions and nominations by shareholders.

The shareholders and shareholder representatives have the rights specified in Chapter III of the GDPR, namely the right to access the data and obtain information in accordance with Article 15 GDPR, the right to demand rectification of inaccurate or incomplete personal data without undue delay in accordance with Article 16 GDPR, the right to demand erasure of personal data without undue delay in accordance with Article 17 GDPR, the right to demand restriction of processing of personal data in accordance with Article 18 GDPR, and the right to receive the personal data in a format complying with statutory requirements and to transmit that data to another controller without hindrance in accordance with Article 20 GDPR (right to data portability).

You can exercise these rights via-à-vis the Company free of charge by contacting it at:

KWS SAAT SE
Executive Board
Grimsehlstr. 31
Postfach 1463
37555 Einbeck
E-mail address: datenschutz@kws.com

In addition, shareholders and shareholder representatives have a right under Article 77 GDPR to lodge a complaint, in particular with the data protection supervisory authority responsible for the domicile or permanent residence of the shareholder or shareholder representative or for the federal state in which the alleged infringement has been committed.

You can contact our company Data Protection Officer at:

KWS SAAT SE
Data Protection Officer
Grimsehlstr. 31
Postfach 1463
37555 Einbeck
E-mail address: datenschutz@kws.com

When the change in legal form of the Company to that of a partnership limited by shares proposed under item 8 on the agenda at the Annual Shareholders' Meeting on February 14, 2018, becomes effective, the addendum indicating the Company's legal form in its name will also change; the Company will then operate under the name KWS SAAT SE & Co. KGaA. However, the above contact addresses (the postal address and e-mail addresses) that can be used to exercise rights, submit questions on data protection, etc., will otherwise remain the same.

Information on data protection can also be found at the Company's Internet site at www.kws.com/shareholders-meeting.

Einbeck, November 2018

THE EXECUTIVE BOARD

H. Duenbostel

L. Broers

P. Hofmann

E. Kienle

Annex 1:

Control and Profit and Loss Transfer Agreement of the Company with KWS Berlin GmbH

The Control and Profit and Loss Transfer Agreement dated August 15, 2018, reads as follows:

This **Control and Profit and Loss Transfer Agreement** (hereinafter referred to as the “**Agreement**”) is hereby concluded on August 15, 2018, between the following Parties:

- (1) KWS SAAT SE, Einbeck, registered in the commercial register of the local court in Göttingen under the entry number HRB 204567 (“**KWS SAAT**”)
- (2) KWS Berlin GmbH, Berlin, registered in the commercial register of the local court in Berlin (Charlottenburg) under the entry number HRB 191429 B (“**KWS BERLIN**”)

(KWS SAAT and KWS BERLIN hereinafter jointly referred to as the “**Parties**”)

Preamble

KWS SAAT has been the sole shareholder of KWS BERLIN without interruption since the beginning of the current fiscal year of KWS BERLIN; it is therefore entitled to the majority of voting rights from the shares in KWS BERLIN (financial integration) and there are no outside shareholders.

With regard to the existing financial integration of KWS BERLIN in KWS SAAT, the following Control and Profit and Loss Transfer Agreement is concluded in order to establish an integrated inter-company relationship within the meaning of Sections 14 and 17 of the German Corporation Income Tax Law (KStG):

1. Management and power to direct

- 1.1 KWS BERLIN shall place management of its company in the hands of KWS SAAT.
- 1.2 KWS SAAT shall be authorized to issue instructions to the management of KWS BERLIN in accordance with Section 308 of the German Stock Corporation Act (AktG) relating to organizational, economic, technical, financial and personnel matters through its representative bodies or persons authorized to do so by its representative bodies. An instruction can be issued generally or in relation to a specific individual case.
- 1.3 Management of KWS BERLIN is obliged to obey instructions from KWS SAAT within the scope of the statutory regulations.
- 1.4 Instructions can be issued in writing, by data communications (including by e-mail), or verbally. If an instruction is issued verbally, it must be confirmed by management of KWS BERLIN in writing or by data communications (including by e-mail) without undue delay.
- 1.5 An instruction to modify, preserve or terminate this agreement cannot be issued.

2. Rights to obtain information and to inspect documents

- 2.1 KWS SAAT can demand at any time that KWS BERLIN provide it with all requested information on legal, business, financial, personnel and administrative matters of KWS BERLIN. Without prejudice to the rights agreed above, KWS BERLIN shall report regularly on its business development, in particular on significant business transactions.

2.2 In addition, KWS SAAT can inspect the books and business documents of KWS BERLIN at any time, either itself or through an expert with a professional duty of confidentiality.

3. Transfer of profits

3.1 The provisions of Section 301 of the German Stock Corporation Act (AktG) in its respectively valid version shall apply to the transfer of profits.

3.2 KWS BERLIN undertakes to transfer its entire profit, as calculated on the basis of the provisions of German commercial law, to KWS SAAT. The net income for the year, excluding the profit to be transferred, minus any loss carried forward from the previous year and the amount barred from distribution in accordance with Section 268 (8) of the German Commercial Code (HGB), shall be transferred, subject to the setup or reversal of reserves in accordance with Sections 3.3 and 3.4. The profit to be transferred shall not exceed the amount specified in Section 301 of the German Stock Corporation Act (AktG) in its respectively valid version.

3.3 With the consent of KWS SAAT, KWS BERLIN can allocate amounts from the net income for the year to the revenue reserves (Section 272 (3) of the German Commercial Code (HGB)), with the exception of the legal reserves, to the extent permissible under German commercial law and economically justified in accordance with prudent business practice. If permitted under the law, other revenue reserves set up during the term of this Agreement shall be reversed at the request of KWS SAAT and transferred as profit.

3.4 Amounts from the reversal of revenue reserves and from net retained profits that were formed or generated before this Agreement took effect, as well as capital reserves in accordance with Section 272 (2) Nos. 1 to 4 of the German Commercial Code (HGB) (irrespective of whether they were set up before or during the term of this Agreement), shall not be transferred.

3.5 The obligation to transfer profits shall apply for the first time to the entire profit for the fiscal year of KWS BERLIN in which this Agreement becomes effective in accordance with Section 6.

3.6 KWS SAAT can demand payments on account on the anticipated profit to be transferred, if and insofar that is permitted under the law.

3.7 If this Agreement is terminated for an important reason in accordance with Section 6.4, KWS BERLIN shall only be obliged to transfer the pro-rata profit that has accrued up to the end of the Agreement under German commercial law.

4. Assumption of losses

4.1 The provisions of Section 302 of the German Stock Corporation Act (AktG) in its respectively valid version shall apply to the assumption of losses by KWS SAAT.

4.2 The obligation to assume losses shall apply for the first time to the assumption of losses for the fiscal year of KWS BERLIN in which this Agreement becomes effective in accordance with Section 6.

5. Annual financial statements

5.1 KWS BERLIN shall prepare its annual financial statements in such a way that the profit or loss is carried respectively as a liability to or a receivable from KWS SAAT.

- 5.2 The annual financial statements of KWS BERLIN shall be submitted to KWS SAAT for information, examination and agreement before being approved.
- 5.3 The annual financial statements of KWS BERLIN shall be prepared and approved before the annual financial statements of KWS SAAT.
- 5.4 If the fiscal year of KWS BERLIN ends at the same time as the fiscal year of KWS SAAT, the profit/loss of KWS BERLIN shall nevertheless be included in the annual financial statements of KWS SAAT for the same fiscal year.

6. Effective date, term and termination of the Agreement

- 6.1 This Agreement shall not become effective until approved by the Shareholders' Meeting of KWS SAAT and the Shareholders' Meeting of KWS BERLIN.
- 6.2 This Agreement shall become effective when it is registered in the commercial register of KWS BERLIN. With the exception of the authorization to manage KWS BERLIN and issue instructions defined in Section 1, it shall apply retroactively as of the start of the fiscal year of KWS BERLIN in which the Agreement is registered in the commercial register of KWS BERLIN.
- 6.3 This Agreement shall be concluded for an indefinite period of time and can be terminated for the first time effective midnight on June 30, 2023, with a period of notice of three months to the end of the fiscal year of KWS BERLIN. This shall also apply mutatis mutandis to any cancellation of the Agreement by mutual consent.
- 6.4 The right to terminate the Agreement without notice for an important reason shall remain unaffected thereby. An important reason shall be in particular:
- (a) Conclusion of an agreement relating to the sale or other form of disposal of shares in KWS BERLIN to an extent that means that the conditions for financial integration of KWS BERLIN in KWS SAAT SE in accordance with the requirements until tax law no longer exist, in particular if KWS SAAT no longer holds the majority of shares in KWS BERLIN;
 - (b) If the participating interest in the integrated inter-company relationship is contributed, hived off or carved out by KWS SAAT;
 - (c) The conversion, merger, break-up or liquidation of KWS SAAT or KWS BERLIN or similar legal acts;
 - (d) If an important reason exists within the meaning of Section 60 (6) of the German Corporation Income Tax Regulations (KStR) 2004 or a corresponding regulation;
 - (e) Other loss of financial integration within the meaning of Section 14 (1) No. 1 of the German Corporation Income Tax Law (KStG).
- 6.5 Termination of the Agreement shall not be valid unless given in writing.

7. Security

When the Agreement ends, KWS SAAT shall be obliged to provide the creditors of KWS BERLIN with security in accordance with Section 303 of the German Stock Corporation Act (AktG).

8. Final provisions

- 8.1 Reference is made to Sections 14 and 17 of the German Corporation Income Tax Law (KStG) in their respectively valid version as regards interpretation of individual provisions of this Agreement; in particular, the dynamic reference to the obligation to assume losses shall have precedence over other contractual provisions, if the latter should conflict with it.
- 8.2 If provisions of this Agreement or a provision incorporated in it in future are or become ineffective or unworkable, in full or in part, the other provisions of the Agreement shall not be affected thereby. The same shall apply if it transpires that the Agreement has a gap. The ineffective or unworkable provision shall be replaced or the gap filled by a reasonable arrangement that, as far as legally feasible, corresponds as closely as possible to what the Parties would have wanted if they had considered the matter when this Agreement was concluded or the provision was later incorporated in it.
- 8.3 This shall also apply if a provision is ineffective due to a measure of performance or time (period or deadline) prescribed in the Agreement. In such a case, a legally permissible measure of performance or time that corresponds as closely as possible to what was intended shall be deemed to have been agreed.
- 8.4 The costs incurred by and in connection with the conclusion of this Agreement shall be borne by KWS SAAT.
- 8.5 This Agreement shall be subject to German law.

Einbeck, August 15, 2018

Signed Dr. Hagen Duenbostel
Member of the Executive Board

Signed Eva Kienle
Member of the Executive Board

for
KWS SAAT SE

Signed Rainer Krug, Managing Director

Signed Marcelo Repetto, Managing Director

for
KWS Berlin GmbH

Annex 2:

ARTICLES OF ASSOCIATION

of

KWS SAAT SE & Co. KGaA

Legal form; name and registered offices of the Company

Section 1

- 1.1 The Company shall have the legal form of a partnership limited by shares (KGaA).
- 1.2 The Company's name shall be

KWS SAAT SE & Co. KGaA

- 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 uses 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 may acquire, manage and sell shares or participating interests in investment funds, and invest the monies solely or mainly in enterprises which operate in one or more of the areas specified in Section 2.1.
- 2.4 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.
- 2.5 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

- 3.1 The capital stock shall be €99,000,000.00 and shall be divided into 33,000,000 bearer shares.
- 3.2 Shareholders shall not be entitled to certification of their shareholding.

- 3.3 The capital stock of €19,800,000.00 existing at the time the Company was converted into a European Company (*Societas Europaea* or SE) has been contributed by conversion of KWS SAAT AG's legal form into that of an SE.
- 3.4 The capital stock of €99,000,000.00 existing at the time the Company was converted into a partnership limited by shares was contributed by conversion of KWS SAAT SE into the legal form of a partnership limited by shares (KGaA).

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.

Statutes of the Company

Section 5

- 5.1 Unless otherwise specified by the Articles of Association, the Company shall consist of the personally liable partner and the shareholders (limited partners).
- 5.2 The management and supervisory bodies of the Company shall be:
1. The personally liable partner
 2. The Supervisory Board
 3. The Annual Shareholders' Meeting

Personally liable partner

Section 6

- 6.1 The personally liable partner shall be

KWS SE

with registered offices in Munich.

- 6.2 The personally liable partner has not made any special contribution. It shall not participate in the profits and losses of the Company or have a share of its assets.
- 6.3 The personally liable partner shall leave the Company if the majority of shares in the personally liable partner can no longer be held directly and/or indirectly for a time longer than 30 calendar days by persons who hold a combined total of more than 15% of the Company's capital stock directly or indirectly through a company that is dependent in accordance with Section 17 (1) of the German Stock Corporation Act (AktG) or is controlled in accordance with Section 290 (2) of the German Commercial Code (HGB). This shall not apply if all shares in the personally liable partner are held by the Company.

- 6.4 Furthermore, the personally liable partner shall leave the Company if a person who is not a family shareholder (acquiring party) obtains control over the personally liable partner directly or indirectly (acquisition of control) and does not submit to the Company's limited partners a takeover or mandatory offer in accordance with this provision and otherwise in accordance with the provisions in the German Securities Acquisition and Takeover Act (WpÜG) within three months of acquisition of control.

A family shareholder is any natural or legal person who on October 23, 2018, held more than 50% of the voting rights in KWS SAAT SE directly or indirectly, including any attributions in accordance with Section 34 of the German Securities Trading Act (WpHG), including their respective descendants within the meaning of Section 1924 (1) of the German Civil Code (BGB) and their respective partners.

Family shareholders are also

- (i) Foundations in which the majority of its board members are family shareholders;
- (ii) Non-consolidated companies in which the majority of capital shares or company shares and voting rights are held or exercised directly or indirectly by family shareholders;
- (ii) Heirs of family shareholders or other legal successors to family shareholders, where the majority of capital shares or company shares and voting rights are held or exercised directly or indirectly by family shareholders.

"Control" denotes the holding of more than 50% of the voting rights in the personally liable partner from shares that belong directly or indirectly to the acquiring party. Voting rights of shareholders of the personally liable partner and of direct or indirect partners of these shareholders with whom the acquiring party coordinates exercise of its voting rights in the Annual Shareholders' Meeting of the personal liable partner pursuant to a contractual agreement shall be attributed to the acquiring party.

If the acquiring party pays a control premium for acquisition of control, the (minimum) consideration per share computed in accordance with the provisions of the German Securities Acquisition and Takeover Act (WpÜG) shall be increased by an amount corresponding to the quotient of the control premium and the number of limited partner's shares not held by the Company.

The control premium is the difference between

- (i) the value of the total consideration agreed as part of the legal transaction by which the acquiring party gains control, including all incidental transactions connected to acquisition of control (in particular the simultaneous acquisition of shares in the personally liable partner and of limited partner's shares in the Company), and
- (ii) the sum total of:
 - if the acquiring party acquires shares in the personally liable partner as part of acquisition of control, the share in the equity reported in the balance sheet of the personally liable partner and attributable to these shares, as specified in the last annual financial statements of the personally liable partner published before the controlling influence was acquired, and

- if the party acquiring the controlling influence as part of the acquisition of controlling influence (also) acquires limited partner's shares in the Company, the product resulting from multiplication (x) of the number of limited partner's shares acquired in the Company by (y) the minimum price for the takeover or mandatory offer computed in accordance with the provisions of the German Securities Acquisition and Takeover Act (WpÜG).

If the difference is negative, the control premium shall be zero euros.

Any statutory obligation of the party acquiring the limited partner's shares in the Company and the shares of the personally liable partner to submit a takeover or mandatory offer to the limited partners of the Company shall remain unaffected.

- 6.5 The personally liable partner shall also leave the Company by means of termination. Notice of termination shall be given to all the limited partners at the Annual Shareholders' Meeting. Outside of the Annual Shareholders' Meeting, notice of termination shall be given to the Chairperson of the Supervisory Board or his/her deputy. The notice of termination shall be at least six months before the end of and effective the end of a fiscal year.
- 6.6 The other statutory grounds for the personally liable partner leaving the Company shall remain unaffected.
- 6.7 If the personally liable partner leaves the Company or it is foreseeable that the personally liable partner will leave the Company, the Supervisory Board shall be authorized and obliged to admit a stock corporation whose entire shares are held by the Company as a new personally liable partner into the Company without undue delay or at the time the personally liable partner leaves. If the personally liable partner leaves the Company without such a new personally liable partner having been admitted at the same time, the Company shall be continued by the shareholders of the Company for a transitional period. In such a case, the Supervisory Board shall appoint, without undue delay, an emergency representative who shall represent the Company until a new personally liable partner is admitted in accordance with Sentence 1 of this Section 6.7, in particular if this personally liable partner is acquired or established. The Supervisory Board shall be authorized to amend the wording of the Articles of Association to reflect the change in personally liable partner.
- 6.8 If the Company is continued in accordance with Section 6.7 or if all the shares in the personally liable partner are held directly or indirectly by the Company, an extraordinary Shareholders' Meeting or the next Annual Shareholders' Meeting shall decide on the change in the Company's legal form to an SE or stock corporation. The simple majority of votes cast shall be sufficient for the resolution on this change of form to be adopted. The personally liable partner shall be obliged to consent to such a resolution on change of form adopted by the Shareholders' Meeting.

Section 7

- 7.1 The Company shall be represented by the personally liable partner. The Supervisory Board shall represent the Company vis-à-vis the personally liable partner.
- 7.2 The personally liable partner shall be responsible for managing the Company's business. The management authority of the personally liable partner shall also include extraordinary management measures. The shareholders shall not have a right to demand that they approve extraordinary management measures in the

Shareholders' Meeting. Section 164 second half of Sentence 1 of the German Commercial Code (HGB) and Section 111 (4) Sentence 2 of the German Stock Corporation Act (AktG) shall not apply to management of the Company's business.

- 7.3 In exchange for assuming management of the Company and liability, the personally liable partner shall receive annual compensation of €30,000.00 from the Company, regardless of whether the latter makes a profit or loss.
- 7.4 The personally liable partner shall be compensated for all expenses it incurs in connection with management of the Company's business, including the compensation for the members of the Company's management and supervisory bodies. The personally liable partner shall bill its expenses every quarter; it can demand an advance.
- 7.5 The personally liable partner shall not be authorized outside its tasks at the Company to transact business for its own account or for the account of a third party.

Supervisory Board

Section 8

- 8.1 The Supervisory Board shall consist of six members, unless statutory regulations stipulate that a different number of members is mandatory.
- 8.2 Four members shall be elected by the Annual Shareholders' Meeting and two members shall be elected by the employees, unless the law stipulates otherwise.
- 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. The Annual Shareholders' Meeting can define a shorter term of office as part of the election. Supervisory Board members may be reelected.
- 8.4 Persons elected to fill the seat of members who have retired prior to the end of their term of office shall be appointed for the remainder of the term of office of the member who has retired prematurely, unless a different term of office is defined in the by-election in accordance with Subsection 8.3 Sentence 1.
- 8.5 A substitute member can be appointed at the same time as a Supervisory Board member is appointed and shall become a member of the Supervisory Board if the Supervisory Board member in question ceases his or her activity prior to the end of his or her term of office. The office of a substitute member shall end no later than when the term of office of the Supervisory Board member who ceases his or her activity ends.
- 8.6 A member of the Supervisory Board may resign from office at any time, even without an important reason.

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 personally liable partner 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 Chairperson shall receive three times and the Deputy Chairperson one-and-a-half times said amount. Members of the Supervisory Board shall receive separate payment for their work on committees; the Chairperson 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 Chairperson of a committee shall receive two times said amount. The additional compensation for members of the Audit Committee shall be €20,000. The Chairperson 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 personally liable partner 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 proof of the shareholder's ownership of the shares created in text form by 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.

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 by the Annual Shareholders' Meeting with the consent of the personally liable partner.

20.2 When the annual financial statements are prepared, the personally liable partner can, subject to the statutory regulations, 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

- 23.1 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.
- 23.2 The Company shall bear the costs related to conversion of KWS SAAT SE into KWS SAAT SE & Co. KGaA up to a total amount of €2,000,000.00, in particular court and notary fees, 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.

Annex 3:

Résumés of the candidates proposed by the Supervisory Board to the Annual Shareholders' Meeting for election to the Supervisory Board of KWS SAAT SE & Co. KGaA:

Dr. Drs. h.c. Andreas J. Büchting

Andreas J. Büchting (born in 1946), who is a citizen of Germany, studied agrobiolgy and economics at the universities of Stuttgart-Hohenheim, Ithaca, N.Y., and Berlin from 1968 to 1973. He graduated in agrobiolgy and completed his scientific education by gaining his doctorate as Dr. sc. agr. with a thesis on corn selection methods. He joined KWS in 1975 and held various positions there before being appointed in 1978 to the Executive Board, where he later assumed the post of Chief Executive Officer (as a representative of the sixth generation of the founding families). Andreas J. Büchting moved to the Company's Supervisory Board in December 2007. He has since been its Chairman. His particular interests are in the fields of evolution, ecology and music.

Victor W. Balli

Victor W. Balli (born in 1957) is a citizen of Switzerland. He gained a degree in chemistry at the Swiss Federal Institute of Technology in Zurich, where he studied from 1976 to 1981. After postgraduate studies at the University of St. Gallen, he gained a Master's degree in Economics in 1984. Alongside that, he worked as a chemistry teacher at a high school before moving to the private sector as a financial analyst and business development manager in 1985. Since then, Victor W. Balli has held leading posts, in particular as a CFO, at various international companies. His career has taken him to Milan, Princeton and New York.

Victor W. Balli was Chief Financial Officer of the world-leading cocoa and chocolate manufacturer Barry Callebaut AG from 2007 to 2018. The company, which is listed on the Swiss Exchange, employs 9,500 people in 28 countries. Victor W. Balli also contributes his expertise as a financial expert as a member of the Audit and Compensation Committee on the Board of Directors of Givaudan SA, a leading producer of flavors and fragrances. He is also a member of the Executive Board and Chairman of the Audit Committee of CEVA Logistics AG, Switzerland, and a member of the Supervisory Board and Audit Committee of Louis Dreyfus Company Holdings B.V., Netherlands.

Cathrina Claas-Mühlhäuser

Cathrina Claas-Mühlhäuser (born in 1975) is a citizen of Germany and trained as an industrial clerk and then studied business administration at the University of St. Gallen in Switzerland. After gaining a Master's degree in Business Administration, she worked in Switzerland and Chile for the international technology group ABB. Cathrina Claas-Mühlhäuser has been Deputy Chairwoman of the Shareholders' Committee of CLAAS since 2004 and has also been Chairwoman of the Supervisory Board of CLAAS KGaA mbH since 2010.

Among her other functions outside the company, she has been a member of the Supervisory Board of KWS SAAT SE since December 2007. She is also a member of the Central Advisory Board of Commerzbank AG, the Asia-Pacific Committee of German Business, and the Executive Committee of the German Committee on Eastern European Economic Relations.

Cathrina Claas-Mühlhäuser was awarded an honorary doctorate by Harper Adams University in the UK in May 2018.

Dr. Marie Th. Schnell

After completing secondary school, Marie Th. Schnell (born in 1976), who is a citizen of Germany, studied communications in Salzburg and Göteborg and completed her university education by gaining a doctorate in Zurich in 2007. She gained professional experience as assistant to the Board of Management at a large digital publishing house and as part of a trainee program in the food industry in Spain. In addition to her international activity, she was able to gain diverse experience at the companies of the Arend Oetker Group, not only in the fields of agriculture, retailing and food, but also on various shareholder bodies. She is also Deputy Chairwoman of the Supervisory Board of DR. SCHNELL GmbH & Co. KGaA, Munich.

Annex 4:

Joint Merger Plan for the Cross-Border Merger of KWS Services West S.L.U. into KWS SAAT SE

The executive board of KWS SAAT SE and the sole director of KWS Services West S.L.U. hereby draw up the following joint cross-border merger plan (the **Merger Plan**):

I. PREAMBLE

- (A) KWS SAAT SE is a European Company (*Societas Europaea*) having its registered office in Einbeck, Germany, registered with the commercial register of the Local Court of Göttingen under HRB 204567 (hereinafter **KWS SAAT SE**). Its business address is Grimsehlstraße 31, 37574 Einbeck, Germany. According to the Articles of Association (as of December 14, 2017), KWS SAAT SE's share capital amounts to EUR 19,800,000.00, divided into 6,600,000 no-par value bearer shares.
- (B) On 14 December 2018 KWS SAAT SE's annual shareholder meeting will resolve on the conversion of legal form of KWS SAAT SE into a partnership limited by shares (*Kommanditgesellschaft auf Aktien – KGaA*) (hereinafter the **Conversion**). After the Conversion has taken effect, the acquiring company will change its trade name to KWS SAAT SE & Co. KGaA (hereinafter respectively referred to as **Transferee**). The general partner of KWS SAAT SE & Co. KGaA will be KWS SE. KWS SAAT SE's annual shareholder meeting will also resolve on a capital increase from company funds by issuing new shares.. After the capital increase from company funds has taken effect, the share capital of the Transferee will amount to EUR 99,000,000.00 and will be divided into 33,000,000 no-par value bearer shares.
- (C) KWS Services West S.L.U. is a sole shareholder private limited company (*Sociedad de Responsabilidad Limitada Unipersonal*), incorporated and existing under Spanish law, having its registered office in calle Angli 31, 3^o1, 08017 Barcelona, Spain, and registered with the commercial register of Barcelona (*Registro Mercantil de Barcelona*) under volume (*tomo*) 43911, page (*folio*) 74, sheet (*hoja*) B-441644 and C.I.F number B-66099706 (hereinafter also referred to as the **Transferor**). As of the date of this Merger Plan, the share capital (*capital social*) of KWS Services West S.L.U. amounts to EUR 155,000 and is fully paid up. It is divided into 155,000 shares with a nominal value of EUR 1.00 per share, free from liens and encumbrances. The sole shareholder of KWS Services West S.L.U. is KWS SAAT SE.
- (D) The sole director of KWS Services West S.L.U. and the executive board of KWS SAAT SE intend to merge KWS Services West S.L.U. as Transferor into KWS SAAT SE as Transferee by way of a cross-border merger by absorption (the **Merger**). The Merger and the Conversion shall take effect concurrently.
- (E) The Merger is a cross-border merger and is effected in accordance with the provisions adopted in the Kingdom of Spain and in the Federal Republic of Germany for the purpose of implementing Directive (EU) 2017/1132 of the European Parliament and of the Council of 14 June 2017, relating to certain aspects of company law. In the Kingdom of Spain, the Merger is effected in accordance with articles 54 et seq. of the Spanish Law 3/2009 of 3 April 2009 on Structural Modifications of Commercial Companies (*Ley de Modificaciones Estructurales de las Sociedades Mercantiles*, hereinafter **LME**); in the Federal Republic of Germany, the Merger is effected in accordance with the provisions of the Tenth Section of the Second Part of the Second Book of the German Transformation Act (*Umwandlungsgesetz*, **UmwG**).

- (F) The purpose of the Merger is to streamline and simplify the group structure. The functions of the regional service companies in the KWS Group are being merged into a central service company. When this project is completed, KWS Services West S.L.U. will no longer have any business operations. The Merger also means that the Transferee can maintain its well-established governance structure with a supervisory board consisting of six members, two of which are employee representatives, even after the Conversion. Once the Merger has taken effect, the corporate co-determination of the Transferee will be governed by the German Act on Employee Co-Determination in Cross-border Mergers (*Gesetz über die Mitbestimmung der Arbeitnehmer bei einer grenzüberschreitenden Verschmelzung*; **MgVG**). Against this background, the Merger is to be linked with the Conversion such as that the Merger will take effect concurrently with the Conversion.
- (G) None of the merging companies is in liquidation or is the subject of insolvency or composition proceedings.

II. JOINT MERGER PLAN

1. Merging companies

- 1.1 The Transferee is KWS SAAT SE (see Preamble letters (A) and (B)).
- 1.2 The Transferor is KWS Services West S.L.U. (see preamble letter (C)).
- KWS SAAT SE is the sole shareholder of KWS Services West S.L.U.

2. Transfer of assets and liabilities by way of a cross-border merger by absorption

KWS Services West S.L.U. transfers its assets and liabilities as a whole, including all rights and obligations, by way of a cross-border merger by absorption (*grenzüberschreitende Verschmelzung durch Aufnahme*) pursuant to section 122a (2) in conjunction with sections 2 no. 1, 46 *et seq.* UmwG and articles 54 to 67 of the LME. Upon the Merger taking effect, KWS Services West S.L.U. will be dissolved and all of its assets and liabilities will be transferred to KWS SAAT by way of universal succession without liquidation (*Gesamtrechtsnachfolge ohne Abwicklung*).

3. Effectiveness of the Merger

The Merger will become effective pursuant to section 122a (2) in conjunction with section 20 UmwG and article 46 of the LME upon registration with the commercial register of the Local Court of Göttingen.

After the Merger has taken effect, the commercial activity of KWS Services West S.L.U. in Spain will be continued until all activities have been transferred to the central service company. All assets and liabilities of KWS Services West S.L.U. transferred by the Merger will be attributed to the branch in Barcelona of the Transferee for accounting purposes.

4. No consideration; dispensability of further particulars; no Merger audit; effects of the Merger on shareholder contributions

- 4.1 No shares in the Transferee will be granted in exchange for the transfer of the Transferor's assets and liabilities. KWS SAAT SE is the sole shareholder of KWS

Services West S.L.U. as Transferor. Accordingly, it is not permitted to increase the share capital of the Transferee by issuing new shares when implementing the Merger (section 122a (2) in conjunction with section 68 (1) sentence 1 no. 1 UmwG).

- 4.2 Since all shares in KWS Services West S.L.U. are held by KWS SAAT SE, the following information will not be required to be stated in the Merger Plan: (i) information regarding the exchange ratio and any additional cash payments pursuant to section 122c (2) no. 2 UmwG and article 49.1 of the LME, (ii) information regarding the transfer of new shares of the Transferee pursuant to section 122c (2) no. 3 UmwG and (iii) the date from which the newly issued shares will entitle the holder to a share in the profits pursuant to section 122c (2) no. 5 UmwG and article 49.1 of the LME.

For the same reason, pursuant to section 122f sentence 1 in conjunction with section 9 (2) UmwG and article 49.1.2^o LME, a merger audit according to section 9 (1) UmwG respectively article 34 of the LME is not required.

- 4.3 Since the articles of association of KWS Services West S.L.U. impose on the shareholders neither any contributions (*aportaciones de industria*) nor any ancillary obligations (*prestaciones accesorias*), the Merger shall not result in the termination of any such obligations nor in the creation of compensatory payment obligations pursuant to article 31.3^a LME of the LME.

5. Merger closing date; tax transfer date; balance sheet dates

- 5.1 The date and time as of which the actions performed by the Transferor will be treated as actions of the Transferee is 1 July 2018, 00:00 hrs (Merger Closing Date within the meaning of section 122c (2) no. 6 UmwG and article 31.7 of the LME).
- 5.2 For German tax purposes, the tax transfer date is 30 June 2018, 24:00 hrs. For Spanish tax purposes, the tax transfer date is 1 July 2018, 00:00 hrs.
- 5.3 The dates of the balance sheets that are used in order to determine the terms of the Merger are 30 June 2018 for the Transferee pursuant to section 122c (2) no. 12 UmwG and 30 June 2018 for KWS Services West S.L.U. as the Transferor pursuant to articles 31.10 and 36 of the LME.

6. Information on the valuation of the assets and liabilities of the merging companies

- 6.1 The Transferee will report the assets and liabilities transferred to it from KWS Services West S.L.U. at book value in its German GAAP annual financial statements (valuation information pursuant to section 122c (2) no. 11 UmwG and article 31.9^a of the LME).
- 6.2 The internal valuation of the assets, liabilities and the equity of KWS Services West S.L.U. to be transferred to the Transferee in the context of the Merger as of 30 June 2018 amounts to EUR 1,028,509 (assets), EUR 417,099 (liabilities) and EUR 611,410 (equity) which corresponds to the book value of the assets, liabilities and equity of KWS Services West S.L.U. as of the aforementioned date. For the purposes of article 31.9a of the LME, this valuation has been performed on the basis of the Merger balance sheet approved by KWS Services West S.L.U. The cut-off date of such balance sheet is the financial year end prior to the execution of the Merger Plan. Since the Merger Plan was executed prior to 30 December 2018, i.e. 24 October 2018, the relevant merger balance sheet date shall be 30 June

2018. This determination of the cut-off date according to Spanish law and the valuation performed on the basis of the Merger balance sheet approved by KWS Services West S.L.U., shall have no implications on the determination of the Merger Closing Date according to section 122c (2) no. 6 UmwG and article 31.7 LME and shall be independent thereof. The fact that the merger balance sheet shall be based on the balance sheet from the annual accounts of KWS Services West S.L.U. as per 30 June 2018 for purposes of section 36 of the LME shall not affect the fulfilment of the obligations related to the financial statements which will affect KWS Services West S.L.U. after the drawing up or the approval of the Merger Plan.

6.3 Income tax related impacts

The Merger is governed by sections 122a et seq. UmwG. Therefore, the regulations of the German Transformation Tax Act (*Umwandlungs-steuergesetz, UmwStG*) shall apply.

The Merger is tax neutral for the current shareholder, the Transferor as well as the Transferee (sections 11 to 13 UmwStG).

At level of the Transferee, a gain in the amount of the difference between the tax book value of the shares in KWS Services West S.L.U. and the tax value at which the transferred assets are to be transferred, less the merger costs, is generally not recognized for tax purposes (so-called transfer result). However, Section 8b of the Corporation Tax Act is to be applied to the extent that the profit incurred for the transfer of assets corresponds to the share of the Transferee in KWS Services West S.L.U. In this respect, the Transferee will be taxed at 5% of the transfer result.

It is not to be expected that the Transferee will generate a so-called participation correction profit (correction of a previous write-down to the going-concern value of the participation of KWS Services West S.L.U.) or a post-acquisition profit (profit from the confusion of receivables and liabilities between the participating companies or from the reversal of provisions).

Likewise, it is declared that the Merger fulfils the requirements to apply the Spanish special tax regime for mergers, spin-offs, asset transfers, share exchange and transfer of the company offices of a European corporation or cooperative corporation from a European Member State to another European Member State, pursuant to Chapter VII of Title VII of the Corporate Income Tax Law 27/2014, dated 27 November 2014; it is noted that the merger is based on valid economic reasons.

Pursuant to the previous paragraph and within the period of three months as of the registration with the Spanish commercial register of the public deed, the necessary communication to the Spanish tax authorities will be carried out to subject the transaction to the Spanish special tax regime.

6.4 VAT consequences

According to German law, the merger of KWS Services West S.L.U. into the Transferee is a sale of a going concern, hence, the transaction should not be subject to German Value Added tax. The same applies under Spanish law, therefore the merger of KWS Services West S.L.U. is not subject to Value Added tax in Spain.

The Transferor's (i.e. KWS Services West S.L.U.'s) VAT liability expires when the merger becomes effective, i.e. when the merger is registered in the commercial register of the Local Court of Göttingen. The transferring company must therefore submit its VAT returns up to this date.

7. No granting of special rights

The Transferee does not grant any rights within the meaning of section 122c (2) no. 7 UmwG and article 31.4^a of the LME to either the shareholders of the companies participating in the Merger or any holders of securities other than shares. No measures within the meaning of these provisions are being proposed either.

8. Management by KWS Management SE as general partner, composition of the supervisory board

In the course of the Conversion, KWS SE will join the Transferee as general partner. After the Merger has taken effect, it is not intended to change the position or the composition of the general partner KWS SE (the management body of the Transferee responsible after the Merger has taken effect). Furthermore, it is not intended to make any changes to the composition of the supervisory board of the Transferee other than those mentioned in Section 12.

9. No granting of special benefits

9.1 The appointment of the sole director of KWS Services West S.L.U. will end when the Merger takes effect. If the member of the management has a service or employment relationship with KWS Services West S.L.U., either in force or suspended, the employment contract will not be affected by the end of their appointment as member of the management. Special benefits within the meaning of section 122c (2) no. 8 UmwG and articles 31.5^a and 59.2.1^a of the LME have not been and will not be granted to the sole director of KWS Services West S.L.U.

9.2 No special benefits within the meaning of section 122c (2) no. 8 UmwG and articles 31.5^a and 59.2.1^a of the LME have been or will be granted to the members of the administration, management, supervisory and controlling boards of KWS SAAT SE. In this context, however, it should be noted that the position of the general partner, which will join the Company at the time when the Merger will take effect, including the position of the members of the management board and the supervisory board of the general partner, will continue to exist after the Merger has taken effect.

9.3 Since all shares in KWS Services West S.L.U. are held by KWS SAAT SE, a merger audit and the appointment of a merger auditor in accordance with section 122f sentence 1 in conjunction with section 9 (2) UmwG and article 49.2 of the LME are not required. Therefore, special benefits within the meaning of section 122c (2) no. 8 UmwG or articles 31.5^a and 59.2.1^a of the LME in favour of an expert auditing the Merger Plan cannot be granted.

10. Articles of association of KWS SAAT SE and KWS SAAT SE & Co. KGaA

10.1 The current articles of association of KWS SAAT SE are attached to this Merger Plan as Annex 2 pursuant to section 122c (2) no. 9 UmwG and article 31.8^a of the LME. At the time when the Merger will take effect, the Transferee, KWS SAAT SE & Co. KGaA, will have the Articles of Association attached as Annex 3. Reference

is made to the annexes pursuant to section 9 (1) sentence 2 of the German Notarisation Act. The mentioned annexes are an integral part of this Merger Plan.

- 10.2 The current articles of association of KWS SAAT SE and the articles of association of KWS SAAT SE & Co. KGaA that will be valid at the time when the Merger will take effect will not be amended in the context of the Merger.

11. Anticipated consequences of the Merger for employment

- 11.1 The Merger will result in a transfer of undertaking within the meaning of the Council Directive 2001/23/EC of 12 March 2001 on the approximation of the laws of the Member States relating to the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of undertakings or businesses (**Acquired Rights Directive**), by virtue of which all employees of KWS Services West S.L.U. will become employees of the Transferee by operation of law in accordance with the relevant local laws implementing the Acquired Rights Directive, in Spain i.e. Art. 44 of the Royal Decree 2/2015 of 23 October 2015 approving the Workers' Statute after the Merger has taken effect. The Transferee shall assume full liability for all claims and shall become entitled to all rights arising from the employment contracts of the transferring employees. No transfer of undertaking will occur in relation to the employees of KWS SAAT SE.
- 11.2 Neither the Merger nor the change of employer going along with the Merger, as such, will lead to a substantial change in the terms and conditions of employment as they stand when the Merger will take effect. The terms and conditions of employment of the transferring employees will be preserved in compliance with the applicable Spanish law implementing the Acquired Rights Directive.
- 11.3 KWS SAAT SE has a works council (*Betriebsrat*) at its offices in Einbeck, Grimsehlstraße 31 which has been established for this joint establishment that has been set up together with KWS Services Deutschland GmbH. Furthermore, works councils have been established at the offices in Wanzleben-Börde, Magdeburger Straße 30 for the establishment in Wanzleben-Börde, in Gondelsheim, Altenwingertweg 2 for the establishment in Gondelsheim and for the establishment in Seligenstadt, Siedlungsstraße 2, Prosselheim. There is a company works council (*Gesamtbetriebsrat*) established for KWS SAAT SE. The works council agreements (*Betriebsvereinbarungen*) executed between KWS SAAT SE and the German works councils will not be affected by the Merger and will continue to apply within their current scope of application after the Merger has taken effect. A works council within the meaning of Spanish law (*Delegados de personal*) has been established at the site in Barcelona of KWS Services West S.L.U. The Merger will not affect the employee representatives. The works council will remain for the site Barcelona of the Transferee. The existing SE works council of KWS SAAT SE, known as the "EUROPEAN EMPLOYEE COMMITTEE", is tied to the legal form of an SE, so that it generally ceases to exist as an SE works council when the transformation of legal form and the cross-border merger take effect. Since KWS is a group of companies operating throughout the European Community whose controlling company has its registered office in Germany, a European Works Council can be formed in accordance with the provisions of the European Works Councils Act (*Europäische Betriebsräte-Gesetz – EBRG*) instead of the SE Works Council previously known as the "EUROPEAN EMPLOYEE COMMITTEE". The Company intends to either conclude an agreement with employee representatives to continue the EUROPEAN EMPLOYEE COMMITTEE on a voluntary basis or to transfer it to a European Works Council.

- 11.4 The Transferee is bound by various collective bargaining agreements (*Tarifverträge*). The collective bargaining agreements will not be affected by the Merger and will continue to apply within their current scope of application after the Merger has taken effect. The same applies with regard to any collective bargaining agreements to which KWS Services West S.L.U. may be bound until the date of termination or expiry of the collective agreement or the entry into force or application of the collective bargaining agreement concluded for the branch Bracelona of the Transferee.
- 11.5 There are currently no specific measures within the meaning of Section 122 para. 2 no. 4 UmwG planned because of the Merger. In particular, based on the Merger no mass lay-offs, or site relocations are planned that may negatively impact on the interests of the employees. The Merger will not affect the application of the relevant local laws and other potential rules regarding the protection of employees against dismissal.
- 11.6 KWS SAAT SE has a one-third co-determined supervisory board. After the Conversion and the Merger have taken effect, the terms of office of the current members of the supervisory board of KWS SAAT SE will terminate. KWS Services West S.L.U. has no supervisory board or any other controlling bodies that would have been formed on the basis of rules on employee participation (*Unternehmensmitbestimmung*). The future composition of the supervisory board of the Transferee will be determined as described in Sections 8 and 12 of this Joint Merger Plan.

12. Procedures by which arrangements for the involvement of employees in the definition of their participation rights are determined

12.1 Procedure for employee involvement pursuant to the MgVG.

(a) General principles

The Merger of KWS Services West S.L.U. into the Transferee is a cross-border merger within the European Union; therefore, the Directive (EU) 2017/1132 is applicable. Employee participation on the supervisory body of the company resulting from a cross-border merger is governed by Article 133 16 of the Directive (EU) 2017/1132. In Germany, Article 133 of the Directive (EU) 2017/1132 has been implemented by the MgVG. Pursuant to Section 3 para. 1 sentence 1, the MgVG applies to a company with its registered office in Germany resulting from a cross-border merger. These conditions are met because the Transferee, will continue to have its registered seat in Germany.

According to Section 5 MgVG the provisions of the MgVG apply if

- (i.) in the six months prior to publication of the Merger Plan at least one of the companies directly involved in the Merger employs an average of more than 500 employees and a participation system within the meaning of section 2 (7) MgVG exists in this company (section 5 no. 1 MgVG), or
- (ii.) the national law applicable to the company resulting from the Merger does not provide for the same or a larger extent of employee participation as existed in the respective companies involved in the Merger (section 5 no. 2 MgVG), or
- (iii.) the national law applicable to the company resulting from the Merger does not provide the same participation rights for employees of businesses of this company in other member states as are granted to employees in the member state where

the company resulting from the Merger has its registered office (section 5 no. 3 MgVG).

(b) Specific consequences for the Merger

Since KWS SAAT SE currently has approximately 1,473 own employees and has also employed more than 500 employees in the six months prior to the publication of this plan and, in application of an employee involvement agreement within the meaning of Section 21 of the Act on the Participation of Employees in a European Company (**SEBG**), has a Supervisory Board, comprising one third employee representatives, a system of co-determination within the meaning of Section 2 para. 7 MgVG applies, so that the requirements of Section 5 no. 1 MgVG are fulfilled.

Therefore, a procedure for employee involvement pursuant to the MgVG must be conducted as follows:

(i) Initiation of the Procedure

In accordance with Section 6 MgVG, the management of KWS SAAT SE and KWS Services West S.L.U. must first inform the employees of KWS SAAT SE and its subsidiaries within the meaning of Section 2 para. 3 MgVG (**KWS Group**) respectively their representatives in the member states of the European Union and the other states party to the Agreement on the European Economic Area (**Member States**) about the merger and call upon them to form a special negotiating body (**SNB**). Pursuant to Section 6 para. 1 sentence 2 MgVG, the SNB has the task of entering into a written agreement with the management of KWS SAAT SE and KWS Services West S.L.U. on employee participation in the company resulting from the merger, a so-called co-determination agreement (**Co-Determination Agreement**). The information must contain the minimum details pursuant to Section 6 para. 3 MgVG.

Pursuant to Section 6 para. 2 sentence 3 MgVG, the information and invitation is to be sent to the employees of the KWS Group in the Member States respectively their competent representatives on 9 November 2018.

(ii) Composition of the SNB

The SNB is composed of representatives of employees from all Member States in which employees of KWS SAAT SE and its subsidiaries within the meaning of Section 2 para. 3 MgVG are employed.

Pursuant to Section 13 para. 1 MgVG, the election or appointment of the members of the special negotiating body shall take place within ten (10) weeks after the information about the planned merger and the call to form the SNB has been published.

Pursuant to Section 7 para. 1 MgVG, each Member State in which employees of the KWS Group are employed has at least one seat in the SNB. The number of seats allocated to a Member State shall be increased by one additional seat in each case if the number of employees in that Member State exceeds the threshold of 10%, 20%, 30%, etc. of all employees in the KWS Group employed in the Member States.

This results in the following allocation of seats:

Member state	Number of employees	% (rounded)	Members in SNB
Germany	1.952	65,33	7
Austria	35	1,17	1
Belgium	7	0,23	1
Bulgaria	13	0,44	1
Croatia	11	0,37	1
Czech Republic	21	0,70	1
Denmark	9	0,30	1
France	357	11,95	2
Hungary	53	1,77	1
Italy	106	3,55	1
Netherlands	32	1,07	1
Poland	106	3,55	1
Romania	120	4,02	1
Slovakia	22	0,74	1
Spain	64	2,14	1
Sweden	3	0,10	1
United Kingdom	77	2,58	1
Total	2.988	100	24

The election or appointment of the members of the SNB attributable to the Member States is governed by the legal systems of the respective Member State.

(iii) Constitution of the SNB

After expiry of the aforementioned ten-week period, the management bodies invite to the constituent meeting of the SNB in accordance with Section 14 para. 1 of the MgVG. The SNB is constituted by electing a chairperson and at least two deputies from among its members (Section 14 para. 1 sentence 2 MgVG).

(iv) Negotiation Procedure

After the SNB has been constituted, the negotiation procedure as such will commence and can be terminated as follows:

On 24 October 2018, the management bodies of KWS SAAT SE and KWS Services West S.L.U. have resolved to apply the statutory default solution directly and without prior negotiations with the SNB as of the effectiveness of the cross-border merger (Section 23 para. 1 sentence 1 no. 3 MgVG). The direct application of the statutory default rules requires that, prior to effectiveness of the Merger, at least one of the merging companies had a form of co-determination which covered

at least one third of the total number of employees of all companies participating in the Merger and concerned subsidiaries (Section 23 para. 1 sentence 2 no. 1 MgVG). This requirement is met because, due to the agreed employee involvement agreement within the meaning of Section 21 SEBG, KWS SAAT SE has a system of co-determination (see above) that affects all employees of the KWS Group in the Member States. The management bodies of KWS and KWS Services West S.L.U. have therefore chosen to opt for the statutory default rules and have communicated this decision to the employees respectively their representatives in the information letter starting the procedure. This does not preclude the conclusion of a voluntary Co-Determination Agreement at a later date. However, KWS SAAT SE and KWS Services West S.L.U. intend to enter into negotiations with the SNB and to conclude into a voluntary Co-Determination Agreement

(v) Statutory default rules

Under the statutory default rules, the share of employee representatives on the Supervisory Board of the Transferee will be one third after the Merger pursuant to Section 24 para. 1 sentence 2 MgVG, since KWS Services West S.L.U. does not have its own co-determination system and there is third co-determination in place at the Transferee when the Merger takes effect. Pursuant to Section 25 para. 1 MgVG, the SNB allocates the employee seats on the Supervisory Board to the Member States. The distribution shall be based proportionally on the share of employees employed in each Member State by the company resulting from the Merger, its subsidiaries and establishments. If, under this proportional distribution, employees from one or more Member States cannot obtain a seat, the SNB shall allocate the last seat to a Member State which has not yet been taken into account. At least one employee seat on the Supervisory Board of the Transferee is therefore allocated to a Member State other than Germany. The procedure of selecting the employee representatives on the Supervisory Board is based on the law of the respective Member State in which the Supervisory Board member is to be elected or appointed. If national law does not contain provisions for such procedure of the seats allocated to them, the SNB shall determine the employee representatives on the Supervisory Board. According to the current number of employees, one seat for the employee representatives would be allocated to the employees employed in Germany by the KWS Group. If the statutory default rules were applied, the additional seat would be allocated by the SNB to the Member State in which the second largest number of employees are employed by the KWS Group. According to the current number of employees, this would be France in the case that the statutory default rules were applied. The employee representative in Germany would be elected by an electoral body composed of members of the highest works council bodies (here the members of the central works council of the Transferee) The employee representative for France would be elected directly by the employees of the KWS Group employed in France. A voluntary Co-Determination Agreement may provide for a different distribution of the seats of the employee representatives and a different election procedure for the employee representatives.

(vi) Conclusion of a Co-Determination Agreement

In general, the content of a possible Co-Determination Agreement on the Supervisory Board of the Transferee after the merger is left to the parties' freedom of agreement. Section 22 MgVG, however, stipulates certain minimum contents that must be addressed in the co-determination agreement.

An agreement on employee participation at the Transferee must in particular contain information on the proportion of employee representatives on the Supervisory Board, the procedure according to which these employee representatives are determined, and their rights.

Furthermore, such agreement must include provisions on its scope (including the possible involvement of employees in Non-Member States), the date of its entry into force and its duration. The cases in which the agreement is to be renegotiated and the procedure to be followed should also be specified.

The conclusion of an agreement on employee participation would require a resolution of the SNB, which in principle is passed by a majority of its members, which must also represent the majority of the employees represented (Section 17 para. 2 MgVG).

12.2 Procedure for employee involvement under Spanish law

As provided by article 67 LME, the requirements for participation of employee representatives in the bodies of a company resulting from a cross-border merger are governed by separate regulations. In the event of a merger by absorption, the expression "a company resulting from a cross-border merger" refers to the Transferee. Since the Transferee has its registered office in Germany, all matters under article 67 LME should be governed by the relevant applicable German law (MgVG; see Section 12.1 of the Merger Plan).

Under Spanish law, the participation rights of employees are governed by the Act of 31/2006 of 19 October 2006 on Employee Participation in European Companies and Cooperative Societies (**Spanish Employee Participation Act**). Articles 27 to 32 of the Spanish Employee Participation Act apply to Spanish establishments of companies participating in a cross border merger when the company resulting from a cross-border merger has its registered office outside Spain. These provisions set out the procedure for the election of the Spanish SNB members and the supervisory board members as well as those members' legal warranties and rights as employee representatives. Other than that, the German regulations of the MgVG apply.

Under the Spanish Employee Participation Act, the SNB members are elected by agreement between trade unions which add up to at least a 50% of the staff representatives in Spain or by majority agreement of the staff representatives themselves. As there is only one works council established in Spain for the site Barcelona of KWS Services West S.L.U., this works council is competent for the election of the SNB-member allocated to Spain

13. **Conditions for the exercise of the rights of creditors and minority shareholders of the respective merging companies**

13.1 As a result of the Merger, all creditors of the Transferor will become creditors of the Transferee.

13.2 The following applies in relation to the position of the creditors of the Transferor:

The approval of the Merger by the shareholder meeting of the Transferee and the sole shareholder of the Transferor must be published in a newspaper of major circulation in the province of Barcelona and in the Spanish Commercial Registry Official Gazette (*Boletín Oficial del Registro Mercantil*). Under Spanish law and in line with article 44 of the LME, a creditor of the Transferor is entitled to request the

provision of security for its receivables against the Transferor within one month as from the date of publication of the approval of the Merger by the shareholder meetings if (i) such creditor's receivable already existed before the deposit of this Merger Plan with the Commercial Registry, (ii) such creditor has notified the Transferor of its objection to the Merger within the one-month period, and (iii) the Transferor has not granted any security in relation to said receivable.

13.3 The following applies in relation to the position of the creditors of the Transferee:

The Merger does not affect the legal position of the Transferee's creditors. For the Transferee the rights of the creditors result from section 122a (2) in conjunction with section 22 UmwG. Pursuant to these statutory provisions, the creditors of the Transferee are to be provided security insofar as they cannot demand satisfaction of their claims, if they file their claim in writing, stating the basis and the amount thereof, within six months of the day on which the registration of the Merger in the register for the place of the registered office of the Transferee was published in accordance with section 122a (2) in conjunction with section 19 (3) UmwG. However, the creditors will only have this right if they are able to substantiate that the fulfilment of their claims is jeopardised by the Merger. The creditors will be notified of this right in the publication of the registration of the Merger in the commercial register for the Transferee (section 122a (2) in conjunction with section 22 (1) sentence 3 UmwG). Pursuant to section 122a (2) in conjunction with section 22 (2) UmwG, creditors have no right to demand the provision of security if, in the event of insolvency, they have a right to preferential satisfaction of their claims out of a cover pool (*Deckungsmasse*) which, based on applicable law, has been created and is being monitored by a governmental agency for their protection.

13.4 Since KWS SAAT SE is the sole shareholder of KWS Services West S.L.U. and KWS Services West S.L.U. hence does not have any minority shareholders, the rights of minority shareholders are not required to be described or provided for under this Merger Plan, neither under Spanish law nor under German law.

13.5 Under German law, KWS SAAT SE's shareholders have the following rights in the context of the Merger:

Since KWS SAAT SE holds all shares in KWS Services West S.L.U., a resolution by the shareholder meeting of KWS SAAT SE in accordance with section 62 Para. 1 and 2 UmwG in conjunction with section 122a Para. 2 UmwG is only required if shareholders of KWS SAAT SE whose shares, taken together, account for one-twentieth of KWS SAAT SE's nominal share capital, demand that a shareholder meeting be convened for the purpose of adopting a resolution consenting to the Merger. The law does not provide for a time limit for such request. However, according to the unanimous opinion in the legal literature, the transferee may set a deadline for asserting the minority demand. The executive board of KWS SAAT SE has made use of this possibility and set a deadline up to 3 December 2018. In the event that the shareholder meeting of KWS SAAT SE has to decide on the Merger, the shareholders may make their consent pursuant to section 122g (1) contingent on their express ratification of the arrangements made for the co-determination rights of the employees of the acquiring or newly formed company. There are no claims to a cash compensation pursuant to Section 122i UmwG, as the Transferee is organized under German law. The shareholders will be notified of these rights in the publication of the submission of the Merger Plan by KWS SAAT SE's commercial register (section 122d sentence 2 no. 4 UmwG).

14. Reservation of right of rescission

Each party involved in the Merger is entitled to withdraw from this Merger Plan if the Merger has not been entered into the commercial register for the Transferee at the Local Court of Göttingen by 30 September 2019. Notice of rescission must be given to the respective other party by registered mail (return receipt requested) or equivalent delivery by courier service, and the officiating German notary must be notified in writing.

15. Costs

KWS SAAT SE and KWS Services West S.L.U. shall themselves bear the costs incurred in preparing and implementing the Merger. The jointly incurred costs are borne by the Transferee. The costs incurred by the formation and operation of the SNB shall be borne jointly and severally by the Transferor and the acquiring company, pursuant to Section 20 MgVG. The obligation to bear the costs includes the costs for material and personnel incurred in connection with the activities of the SNB, including the negotiations of the SNB with the management of the merging companies.

16. Miscellaneous

- 16.1 Should one or more provisions of this Merger Plan be or become ineffective, impracticable, unenforceable or ineligible for entry in the commercial register, the effectiveness of the remaining provisions of this Merger Plan shall not be affected. The same shall apply if any gaps are identified in this Merger Plan. The parties hereby undertake to replace the provision that is ineffective, impracticable, unenforceable or ineligible for entry in the commercial register or fill the gap by a provision which, to the extent legally permissible, comes as close as possible in terms of form, content, time, extent and scope to what the parties had or would have intended upon concluding this Merger Plan had they considered the issue.
- 16.2 Any amendments or supplements to this Merger Plan require notarial form if so required under applicable law. Otherwise any amendments or supplements must be made in writing. The same applies to any amendments or supplements to this clause 16.2.

Annex 1 to the Merger Plan

Valuation of the assets and liabilities of KWS Services West S.L.U. as of June 30, 2018

ASSETS	2018	2017
NONCURRENT ASSETS	98,733	132,062
Property, plant, and equipment	-	-
IT applications	-	-
Property, plant, and equipment	87,933	121,262
Land and buildings	46,429	65,914
Technical equipment and other property, plant, and equipment	41,504	55,348

Noncurrent financial assets	10,800	10,800
Other financial assets	10,800	10,800
CURRENT ASSETS	929,776	1,164,159
Trade receivables and other receivables	884,623	1,163,464
Customers, Group companies and affiliated companies	784,305	1,097,259
Various debtors	1,002	3,965
Other receivables due from public authorities	99,316	62,240
Short-term equity investments in Group companies and affiliated companies	44,711	-
Loans to companies	44,711	-
Cash and cash equivalents	442	695
Cash	442	695
TOTAL ASSETS	1,028,509	1,296,221

NET ASSETS AND LIABILITIES	2018	2017
NET ASSETS	611,410	456,478
OWN FUNDS	611,410	456,478
Capital	155,000	155,000
Subscribed capital	155,000	155,000
Reserves	301,478	84,482
Legal reserves and reserves provided for by the Articles of Association	30,148	8,448
Other reserves	271,330	76,034
Earnings for the fiscal year	154,932	216,996
NONCURRENT LIABILITIES	-	-
CURRENT LIABILITIES	417,099	839,743
Debts owed to Group companies and affiliated companies	-	192,986
Trade payables and other liabilities	415,434	646,757
Suppliers, Group companies and affiliated companies	49,969	225,756
Various creditors	107,492	53,243
Personnel (unpaid compensation)	97,197	163,432
Other liabilities due to public authorities	160,776	204,326
Short-term provisions	1,665	-
NET ASSETS AND LIABILITIES	1,028,509	1,296,221

Annex 2 to the Merger Plan

Current articles of association of KWS SAAT SE dated 14 December 2017

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.

Annex 3 to the Merger Plan

Annex 3 to the Merger Plan are the Articles of Association of KWS SAAT SE & Co. KGaA which are printed as **Annex 2** to this Notice of the Annual Shareholders' Meeting on December 18, 2018. Reference is made to this **Annex 2** to the Notice of the Annual Shareholders' Meeting.
