

**Annual General Shareholders' Meeting 2019
of Deutsche Pfandbriefbank AG
on 7 June 2019**

Information concerning shareholders' rights pursuant to sections 122 (2), 126 (1), 127, 131 (1) of the German Stock Corporation Act (Aktiengesetz, "AktG")

1. Requests for amendments to the agenda as per section 122 (2) of the AktG

Pursuant to section 122 (2) of the AktG, shareholders whose combined shareholdings add up to a twentieth of the share capital, or reach the proportionate amount of € 500,000.00 of the Company's share capital (corresponding to 176,767 shares), may request that certain items be included in the agenda and communicated. Each new item to be added must be accompanied by an explanation or a proposal. Such a request must be addressed, in writing, to the Management Board of Deutsche Pfandbriefbank AG, Freisinger Str. 5, 85716 Unterschleißheim. The Company must receive such a request by Tuesday, 7 May 2019, 24:00 hours (CEST) at the latest.

Amendments to the agenda that require communication (unless they were already communicated with the convocation) will be published, without undue delay following receipt of the request, in the German Federal Gazette and in such other media that can be assumed to distribute information throughout the entire European Union. In addition, they will also be published on our website www.pfandbriefbank.com/investoren/hauptversammlung/, and communicated to the shareholders in accordance with section 125 (1) sentence 3 of the AktG.

The shareholders' rights that the provisions of the AktG are based on are as follows:

Section 122 Convocation on the request of a minority

- (1) ¹The Annual General Meeting is to be convened if shareholders whose combined shareholdings add up to one twentieth of the share capital request this in writing, stating the purpose and reasons for the convocation; the request must be addressed to the Management Board. ²The Articles of Association may require another form of request, or make the right to request the calling of an Annual General Meeting dependent on a smaller shareholding in the registered share capital. ³Applicants must prove that they have held the shares for at least 90 days prior to the day when the request is received, and that they will hold the shares until the Management Board decides on the request. ⁴Section 121 (7) applies mutatis mutandis.
- (2) ¹Shareholders whose combined shareholdings add up to one twentieth of the share capital, or reach the proportionate amount of € 500,000.00 of the Company's share capital, may request that certain items be included in the agenda and communicated. ²Each new item to be added must be accompanied by an explanation or a proposal. ³Any request within the meaning of sentence 1 must be received by the Company no less than 24 days, in the case of listed companies no less than 30 days, prior to the meeting; the day of receipt shall not be included in the calculation.
- (3) ¹If the request is not fulfilled, the court may authorise the shareholders who submitted the request to convene the Annual General Meeting, or to communicate the item. ²The court may simultaneously determine the Chairman of the Meeting. ³The authorisation must be indicated in the convening or communication. ⁴An appeal is admissible against this decision. ⁵Applicants must prove that they will hold the shares until the court's decision.
- (4) The Company bears the costs of the Annual General Meeting and, in the case that (3) occurs, also the litigation costs if the court finds for the claimant.

Section 121 General provisions (excerpt)

- (7) ¹When determining deadlines and dates which are counted backwards from the date of the Meeting, the day of the Meeting shall not be included in the calculation of such deadlines and dates. ²Postponing to, or bringing forward from, a Sunday, Saturday or a public holiday to a preceding or following business day is not permissible. ³Sections 187 to 193 of the German Civil Code (Bürgerliches Gesetzbuch) shall not apply analogously. ⁴For unlisted companies, the Articles of Association may determine a different calculation of the deadline.

Section 70 Calculation of shareholding period

¹Where exercising the rights of a share depends on the shareholder having been in possession of the share for a specific time period, a claim to transfer of ownership against a credit institution, financial services provider or a company acting as per section 53 (1) sentence 1 or section 53b (1) sentence 1 or 53b (7) of the German Banking Act (Kreditwesengesetz, "KWG") shall be deemed equivalent to ownership. ²The shareholding period of a predecessor in title is ascribed to the shareholder if the latter acquired the share free of charge, from his trustee, as universal successor, in the event of the liquidation of a Community, or a portfolio transfer pursuant to section 13 of the Ger-

man Insurance Supervision Act (*Versicherungsaufsichtsgesetz*) or section 14 of the German Home Loan Savings Associations Act (*Gesetz über Bausparkassen*).

2. Counter-proposals and nominations according to sections 126 (1), 127 of the AktG

Each shareholder is entitled to lodge counter-proposals in response to resolutions proposed on the agenda items, or to nominate any person or institution to be appointed as a member of the Supervisory Board, or as auditor.

If the counter-proposals pursuant to section 126 (1) of the AktG are to be made available by the Company prior to the Annual General Meeting, they must be sent to the Company, including an explanatory remark, no later than 14 days prior to the Annual General Meeting (the day of receipt is not counted), i.e. by Thursday, 23 May 2019, 24:00 hours (CEST), either by post to the address Deutsche Pfandbriefbank AG, Investor Relations, Attn. Mr Michael Heuber, Freisinger Straße 5, 85716 Unterschleißheim, Germany, or via fax to +49-89-2880-10319. Counter-proposals sent to other addresses need not be made available.

The time of receipt of a counter-proposal in the Company's mailroom is decisive for meeting the deadline. In the case that one of exclusions in accordance with section 126 (2) of the AktG applies, a counter-proposal need not be made available. Substantiations also not need be made accessible where they exceed 5,000 characters in total.

Subject to section 126 (2), (3) of the AktG, shareholders' counter-proposals that are to be made available will be published at www.pfandbriefbank.com/hauptversammlung/ together with the shareholder's name and an explanatory remark, as well as any related statements by the management.

According to section 127 of the AktG, these rules also apply, *mutatis mutandis*, to shareholder nominations for the appointment of members of the Supervisory Board or of auditors. Such nominations must also be sent to the Company exclusively by post to the address Deutsche Pfandbriefbank AG, Investor Relations, Attn. Mr Michael Heuber, Freisinger Straße 5, 85716 Unterschleißheim, Germany, or via fax to +49-89-2880-10319. Such nominations need not be justified. In addition to the grounds defined in section 126 (2) of the AktG, a nomination needs not be made available by the Management Board inter alia if the nomination does not contain name, executed profession and residence of the candidate. Nominations for the election of Supervisory Board members need not be made available if they do not include details on the membership of the proposed candidates for election to the Supervisory Board in other statutory supervisory boards within the meaning of section 125 (1) sentence 5 of the AktG.

The right of every shareholder to table counter-proposals or submit nominations regarding the various items of the agenda at the Annual General Meeting without having sent them to the Company previously shall remain unaffected. Please note that even those counter-proposals or nominations submitted to the Company in good time will only be taken into consideration at the Annual General Meeting if they are made or presented orally.

The shareholders' rights that the provisions of the AktG are based on – which also determine in which cases counter-proposals and nominations need not be made available – are as follows:

Section 126 Motions by shareholders

(1) ¹Motions by shareholders, including the shareholder's name, the substantiation and any statement by the management, shall be made available to the entitled parties listed in section 125 (1) to (3), provided that the requirements stated therein are met, if the shareholder has forwarded a counter-proposal to a proposal of the Management Board and the Supervisory Board on a particular agenda item, including its substantiation, no less than 14 days prior to the Company's Meeting to the address specified in the invitation for this purpose.

²The day of receipt shall not be included in the calculation of the deadline. ³For listed companies, the information to be made available must be accessible via the Company's website. ⁴Section 125 (3) shall apply *mutatis mutandis*.

(2) ¹Counter-proposals and their substantiation do not need to be made available if

1. the Management Board would incur criminal liability by doing so;
2. the counter-proposal would result in the passing of a resolution by the Annual General Meeting that is in contravention of the law or the Articles of Association;
3. material points of the substantiation contain manifestly incorrect or misleading information, or insults;
4. a counter-proposal of the shareholder that is based on the same issue has already been made available to a Company's Annual General Meeting pursuant to section 125;
5. the same counter-proposal of the shareholder, including essentially the same substantiation, was made available to at least two of the Company's Annual General Meetings over the past five years pursuant to section 125, and less than one-twentieth of the share capital represented at the Annual General Meeting voted in favour of such counter-proposal;

6. where the shareholder indicates that he does not wish to attend the Annual General Meeting in person or to be represented by a proxy; or
7. where, at two Annual General Meetings during the past two years, the shareholder failed, in person or by proxy, to bring forward the counter-proposal previously communicated by him.

²Substantiations of a counter-proposal need not be made accessible if they exceed 5,000 characters in total.

- (3) Where several shareholders bring forward counter-proposals with regard to the same item to be resolved, the Management Board may combine the counter-proposals and their substantiations.

Section 127 Nominations by shareholders

¹Section 126 shall apply, *mutatis mutandis*, to shareholder nominations for the appointment of members of the Supervisory Board or of auditors. ²Such a nomination need not be justified. ³Furthermore, the Management Board need not make said nomination accessible if such nomination does not include the information specified in section 124 (3) sentence 4 and section 125 (1) sentence 5. ⁴The Management Board shall add the following information to a shareholder nomination for the appointment of Supervisory Board members of a listed company to which the Co-Determination Act (*Mitbestimmungsgesetz*), the Coal, Iron and Steel Industry Co-Determination Act (*Montan-Mitbestimmungsgesetz*, "Montan-MitbestG") or the Co-Determination Amendment Act (*Mitbestimmungsergänzungsgesetz*) applies – must include:

1. Note on the requirements of section 96 (2);
2. Disclosure of whether objections were raised against total fulfillment as set out in section 96 (2) sentence 3; and
3. Disclosure of how many seats within the Supervisory Board have to be taken by female and male members in order to fulfil the mandatory minimum quota pursuant to section 96 (2) sentence 1.

Section 124 Publication of amendment motions; proposals for resolutions [excerpt]

- (3) ¹When announcing a Meeting, the Management Board and Supervisory Board, in the case of the election of Supervisory Board members or auditors, only the Supervisory Board, must make proposals for resolution on each agenda item to be decided on by the Annual General Meeting. ²In the case of listed companies within the meaning of section 264d of the German Commercial Code (*Handelsgesetzbuch*, "HGB"), CRR credit institutions as per section 1 (3d) sentence 1 of the KWG, with the exception of institutions set out in section 2 (1) no. 1 and 2 of the KWG, or insurance companies within the meaning of section 2 (1) of the Council Directive 91/674/EEC, the proposal submitted by the Supervisory Board for the appointment of an auditor is to be based on the recommendation of the Audit Committee. ³Sentence 1 does not apply if the Annual General Meeting is bound to nominations as set out in section 6 of the *Montan-MitbestG* when electing Supervisory Board members, or if the agenda item to be decided on has been added to the agenda on the request of a minority. ⁴Nominations of Supervisory Board members or auditors must include name, executed profession and residence of the candidate. ⁵If the Supervisory Board is to include employees as members of the Supervisory Board, resolutions passed by the Supervisory Board on nominations for the election of Supervisory Board members only require the majority of votes cast by the shareholder representatives on the Supervisory Board; section 8 of the *Montan-MitbestG* shall remain unaffected.

Section 125 Notifications for Shareholders and Supervisory Board members

- (1) ¹The Management Board has to inform credit institutions and shareholders' associations which exercised voting rights for shareholders in the last Annual General Meeting, or which have requested to be notified about the convocation of the Annual General Meeting, no less than 21 days prior to the Meeting. ²The day of notification shall not be included in the calculation of the deadline. ³In the event that the agenda is to be amended pursuant to section 122 (2), listed companies must notify the entitled parties of the amended agenda. ⁴The notification must include the information that voting rights may be exercised by way of authorised representatives, including shareholders' associations. ⁵For listed companies, nominations for the election of Supervisory Board members shall include details on the membership of the proposed candidates for election to the Supervisory Board in other statutory supervisory boards, as well as on any offices held in similar governing bodies of commercial enterprises within Germany or abroad.
- (2) ¹The Management Board must provide the same notification to shareholders who request it, or to those shareholders who are named as shareholders in the Company's share register at the beginning of the 14th day before the Meeting. ²The Articles of Association may restrict the means of transmission to electronic communication.
- (3) Every Supervisory Board member may request that the Management Board send him the same notifications.

- (4) *Every Supervisory Board member and every shareholder must be informed about the resolutions decided upon at the Annual General Meeting if they so request.*
- (5) *Financial services providers and companies acting as per section 53 (1) sentence 1 or section 53b (1) sentence 1 or 53b (7) of the KWG are seen as equivalents to credit institutions.*

Section 96 Composition of the Supervisory Board (excerpt)

- (2) *¹Supervisory boards of listed companies for which the Co-Determination Act, the Coal, Iron and Steel Industry Co-Determination Act or the Co-Determination Amendment Act apply shall be composed of at least 30% female and at least 30% male members. ²The Supervisory Board must adhere to the mandatory minimum quota as a whole. ³In the case that shareholder or employee representatives – based on a majority vote before the election – inform the Chairman of the Supervisory Board that they object the total fulfilment, the mandatory minimum quota must be fulfilled separately by shareholder and employee representatives. ⁴The figures must be rounded up or down to the nearest whole number of persons. ⁵Should, in case of total fulfilment, the higher quota of female members within one side be reduced subsequently to the extent that it contradicts total fulfilment, it does not affect the validity of the respective other side's composition. ⁶The process of electing members to the Supervisory Board by the Annual General Meeting, and the delegation to the Supervisory Board which are carried out in breach of the mandatory minimum quota are void. ⁷In the event that an election is declared void due to other reasons, elections carried out in the meantime do not violate the mandatory minimum quota. ⁸The Acts on Co-Determination as mentioned in sentence 1 shall apply to the election of employee representatives to the Supervisory Board.*

3. Right to disclosure pursuant to section 131 (1) of the AktG

In accordance with section 131 (1) of the AktG, every shareholder may request that the Management Board provides information on the Company's affairs at the Annual General Meeting, to the extent that such information is necessary to make a reasonable assessment of an agenda item, and provided that no privilege of non-disclosure applies. The Management Board's disclosure obligation also relates to the legal and commercial relationships between the Company and its affiliated companies. The duty of disclosure also includes information on the position of Deutsche Pfandbriefbank Group and of the companies included in the consolidated financial statements of Deutsche Pfandbriefbank AG.

The provisions of the AktG on which those shareholders' rights are based – which also determine the preconditions allowing the Management Board to abstain from making the disclosure – are as follows:

Section 131 Shareholders' right to disclosure

- (1) *¹Every shareholder may request that the Management Board provide information on the Company's affairs at the Annual General Meeting, to the extent that such information is necessary to make a reasonable assessment of the relevant agenda item. ²The disclosure obligation also relates to the legal and commercial relationships between the Company and an affiliated company. ³Where a Company avails itself of the relief provided under section 266 (1) sentence 3, section 276 or section 288 of the HGB, every shareholder may request that, at the Annual General Meeting resolving on the annual financial statements, the annual financial statements be presented to him in the form they would have been presented had the relief not applied. ⁴The disclosure obligation of the parent company's Management Board (section 290 (1) and (2) of the HGB) at the Annual General Meeting, at which the consolidated financial statements and the group management report are presented, also extends to the position of the Group and of the companies included in the Group's consolidated financial statements.*
- (2) *¹The disclosure must adhere to the principles of a conscientious and true accounting. ²The Articles of Association or the Internal Regulations pursuant to section 129 may authorise the Chairman of the Meeting to set reasonable time limits for shareholders exercising their right to ask questions or to speak; they may also contain further stipulations in this regard;*
- (3) *¹The Management Board may refuse to disclose information:*
1. *to the extent the provision of such a disclosure could, in accordance with prudent commercial judgement, have a serious adverse effect on the Company or one of its affiliated companies;*
 2. *to the extent such disclosure relates to tax valuations or the amount of specific taxes;*
 3. *regarding the difference between the carrying amount of items in the balance sheet and the actual higher value of such items, unless the Annual General Meeting adopts the annual financial statements;*
 4. *regarding accounting and evaluation policies, provided that the specification of these policies in the notes is sufficient to present a true and fair view of the Company's net assets, financial position and re-*

sults of operations within the meaning of section 264 (2) of the HGB; this does not apply if the Annual General Meeting adopts the annual financial statements;

5. to the extent the Management Board would incur criminal liability by making the requested disclosure;
6. to the extent, with regard to a credit institution or financial services institution, no information is required as to the accounting and evaluation policies used nor as to any offsets made in the annual financial statements, management report, consolidated financial statements or the group management report;
7. to the extent the requested information has been continuously available on the Company's website for a duration of no less than seven days prior to the commencement of the Annual General Meeting.

²Disclosure cannot be refused for any other reasons.

- (4) ¹Where a shareholder has been given information outside the Annual General Meeting, in his capacity as a shareholder, this information must be given to any other shareholder at the Annual General Meeting, upon such shareholder's request, even if such information is not necessary to make a reasonable assessment of the relevant agenda item. ²The Management Board may not refuse disclosure as set out in (3) sentence 1 to 4. ³Sentences 1 and 2 do not apply if the information is disclosed by a subsidiary (section 290 (1) and (2) of the HGB), a joint venture (section 310 (1) of the HGB), or an associated company (section 311 (1) of the HGB) to a parent company (section 290 (1) and (2) of the HGB) for the purposes of such entity's inclusion in the consolidated financial statements of the parent company, and provided that the information is required for this purpose.
- (5) Where a shareholder is refused information, said shareholder may request that his query and the reason for the refusal are recorded in the minutes of the Meeting.

The Chairman of the Meeting is authorised to take various measures with respect to conduct and order at the Annual General Meeting. This also includes limiting the shareholders' rights to speak or ask questions. The underlying rules as per the Articles of Association of Deutsche Pfandbriefbank AG are as follows:

Section 16 Chairing the Annual General Meeting

- (1) The Chairman of the Supervisory Board or another person (not necessarily a member of the Supervisory Board) determined by him, shall chair the Annual General Meeting. If neither the Chairman of the Supervisory Board nor the specific person appointed by the former attend the Meeting, or if the Chairman of the Supervisory Board does not appoint anyone, the eldest member of the shareholder representatives on the Supervisory Board present shall chair the Meeting. If no shareholder representative on the Supervisory Board is present, the Chairman of the Meeting shall be elected by the Annual General Meeting.
- (2) The Chairman shall conduct the Annual General Meeting. He may change the order of agenda items in comparison to the order specified in the announced agenda. The Chairman shall also determine the manner how resolutions are passed. The Chairman shall be authorised to set reasonable time limits for shareholders exercising their right to ask questions or to speak. In particular at the beginning or during the Annual General Meeting, the Chairman shall be entitled to reasonably determine the timeframe for the entire proceedings of the Meeting, the debate on the agenda items, as well as the individual inquiries and verbal contributions.