Regarding agenda item 12:

Executive Board's report to the Annual General Meeting on the cancellation of the existing authorisation and the granting of a new authorisation to acquire treasury shares using derivatives, including use under exclusion of subscription rights pursuant to sections 71 (1) No. 8 sentence 5, 186 (4) sentence 2 AktG

In addition to the possibilities of acquiring treasury shares provided for in the resolutions on agenda item 11, the company shall also be authorised to acquire treasury shares by using put options, call options, forward purchases or a combination of these instruments (hereinafter also referred to collectively as "derivatives"). This is intended to give the company the opportunity to optimally structure a redemption of treasury shares and thus grants the company greater flexibility in designing a redemption strategy. However, this option only supplements the authorisation proposed under agenda item 11. An extension of the scope of the redemption option as a whole is consequently not associated with this. It may be advantageous for the company to sell put options or to acquire call options instead of directly acquiring shares in the company. In addition, it may be advantageous to acquire treasury shares by way of forward purchases or by using a combination of put options, call options and/or forward purchases, i.e. various derivatives. The authorisation proposed under agenda item 12 will also enable the company to reliably plan future measures that require the issue of shares.

When issuing put options, the company grants the acquirer of the put option the right to sell shares in the company to the company at a price specified in the put option (exercise price). In return, the company receives an option premium which corresponds to the value of the disposal right, taking into account, among other things, the exercise price, the term of the option and the volatility of the company's shares. If the put option is exercised, the option premium paid by the acquirer of the put options reduces the total consideration paid by the company for the acquisition of the share. Exercising the put option only makes economic sense for the owner of the warrant if the price of the company's shares is below the exercise price at the time of exercise, because he/she can then sell the share at the higher exercise price. From the company's point of view, repurchasing shares using put options offers the advantage that the exercise price is already fixed when the option transaction is concluded, while the liquidity is only drawn on the exercise date. In addition, the acquisition costs for the shares are reduced by the option premium collected. If the owner of the warrant does not exercise the warrant because the share price on the exercise date is higher than the exercise price, the company cannot acquire any treasury shares in this way, but retains the option premium received.

When acquiring a call option, the company receives the right to purchase a predetermined number of shares in the company at a predetermined price (exercise price) from the seller of the warrant against payment of an option premium. Exercising the call option makes economic sense for the company if the price of the company's shares is above the exercise price, as it can then buy the shares from the option writer at a lower exercise price. In this way, the company hedges against rising share prices. In addition, the company's liquidity is not affected as the fixed purchase price for the shares does not have to be paid until the call option is exercised.

In a forward purchase, the company agrees with the forward seller to purchase the shares on a specified future date. The purchase is made at a forward rate fixed at the time that the forward purchase is concluded. When the date is reached, the company pays the forward seller the forward price and the forward seller delivers the shares in return.

The company may combine the use of different types of derivatives and therefore is not limited to using only one of the types of derivatives outlined here.

The acquisition of treasury shares using derivatives is only intended to supplement the instruments of share redemption. This is already made clear by the separate limit to 5% of the share capital existing at the time of the resolution of the Annual General Meeting on this authorisation. The authorisation proposed under agenda item 12 does not lead to an extension of the maximum limit for the acquisition of treasury shares of up to a total of 10% of the share capital existing at the time of the resolution as provided for in the proposed resolutions under agenda item 11. Instead, it merely opens up additional options for any acquisition modalities within the specified acquisition framework. The specifications for the design of the derivatives and the specifications for the shares suitable for delivery ensure that the principle of equal treatment of shareholders is also taken into account in this form of acquisition.

The authorisation is granted for five years. The maturities of the individual derivatives may not, however, exceed 18 months. This takes into account, on the one hand, the practical need not to have to resubmit the supplement to be granted under TOP 12 of the authorisation under TOP 11 for resolution at every ordinary Annual General Meeting. On the other hand, the maximum term of each individual derivative is significantly less than the statutory maximum term for an authorising resolution pursuant to section 71 (1) no. 8 AktG. This ensures that the time limits for obligations arising from the individual option transactions are appropriate. The derivatives shall end on 12 July 2028 at the latest and shall be structured in such a way that the acquisition of treasury shares by the exercise or settlement of the derivatives cannot take place after 12 July 2028. This ensures that the company will no longer acquire treasury shares on the basis of this supplementary authorisation after the expiry of the authorisation to acquire treasury shares which is valid until 12 July 2028.

In addition, the authorisation stipulates that the purchase price to be paid by the company for the shares of the company (in each case excluding ancillary purchase costs) shall be the exercise price or forward price agreed in the respective derivative transaction. The exercise price or forward price may be higher or lower than the stock exchange price of the shares of the company on the day of the conclusion of the derivative transaction, but it may not exceed the average price before the conclusion of the relevant transaction by more than 10% or fall below it by more than 10%. In doing so, the premium received or paid shall be taken into account unless it does not exceed 5% of the exercise price. In addition, the purchase price paid by the company for derivatives may not be significantly higher, and the sales price received by the company for derivatives may not be significantly lower, than the theoretical market value of the respective options on the trade date determined using recognised actuarial methods, the determination of which must take into account the agreed exercise price, among other things. The discount on the theoretical market value determined according to recognised actuarial methods for the sale of put options or the premium for the purchase of call options will, however, never exceed 5% of the determined theoretical market value of the options. Similarly, the forward price agreed by the company for forward purchases may not be significantly, i.e. not more than a maximum of 5%, above the theoretical forward price determined using recognised actuarial methods, the determination of which must take into account the current stock exchange price and the term of the forward purchase, among other things.

The determination of the option premium described above and the exercise price as well as the obligation to only service options with shares acquired in compliance with the principle of equal treatment, in particular via the stock exchange, at the current stock exchange price of the company's shares at the time of acquisition, excludes shareholders from being economically disadvantaged when acquiring treasury shares using derivatives. Since the company collects or pays a fair market price, shareholders not involved in the option transactions do not suffer any disadvantage in terms of value. This corresponds to the position of shareholders in the case of repurchasing shares on the stock exchange, where not all shareholders can actually sell shares to the company. Both the specifications for the design of the options and the specifications for the shares suitable for delivery ensure that the principle of equal treatment of shareholders is also taken completely into account in this form of acquisition. Pursuant to the legal concept underlying section 186 (3) sentence 4 AktG, it is therefore justified that the shareholders are not entitled to conclude such option transactions with the company. This enables the company to conclude option transactions at short notice and gives it the necessary flexibility to react quickly to specific market situations.

In the case of the acquisition of treasury shares using derivatives, the shareholders shall only be entitled to tender their shares to the extent that the company is obliged to accept the shares from them as a result of the derivatives. Otherwise, the use of derivatives in the context of the repurchase of treasury shares would not be possible and it would not be possible to achieve the associated benefits for the company. After careful consideration of the interests of the shareholders and the interests of the company, the Executive Board considers the non-granting or restriction of the right to tender to be justified due to the advantages resulting from the use of derivatives for the company.

The treasury shares acquired through the use of derivatives may be used in particular for the purposes resolved by the Annual General Meeting under agenda item 11 c) and d). In this context, the subscription right may be excluded under the conditions specified in that provision. The statements contained in the Executive Board's report to the Annual General Meeting on agenda item 11 shall apply accordingly.

The currently existing authorisation resolved by the Annual General Meeting on 18 July 2019 under item 9 to acquire treasury shares using derivatives shall end when the new authorisation takes effect.

The Executive Board will report to the Annual General Meeting on any use of the authorisation to acquire treasury shares, including through the use of derivatives.