



Agenda Items 14 and 15

Resolution on the cancellation of the existing authorization to acquire treasury shares and on the creation of a new authorization to acquire and use treasury shares pursuant to Section 71 para. (1) no. 8 AktG and on the exclusion of subscription and tender rights

Resolution on the cancellation of the existing authorization to use equity capital derivatives to acquire treasury shares and on the creation of a new authorization to use equity capital derivatives to acquire treasury shares

Report of the Management Board on agenda item 14 (Resolution on the cancellation of the existing authorization to acquire treasury shares and on the authorization to acquire treasury shares and their use pursuant to Section 71 para. (1) no. 8 AktG and on the exclusion of subscription and tender rights) and on agenda item 15 (Resolution on the cancellation of the existing authorization to use equity capital derivatives for the acquisition of treasury shares and on the creation of a new authorization to use equity capital derivatives for the acquisition of treasury shares)

The Management Board submits the following report according to Article 5 SE Regulation in conjunction with Section 71 para. (1) no. 8 sent. 5 AktG in conjunction with Section 186 para. (4) sent. 2 AktG the Management Board submits the following report in respect of agenda item 14 and agenda item 15 of the Annual General Meeting on the reasons for the authorization to exclude shareholders' subscription rights when selling treasury shares:

1. General Information

Under agenda item 14, the Management Board and the Supervisory Board propose that the Management Board be authorized, subject to the approval of the Supervisory Board, to acquire, on or before June 13, 2028, treasury shares of the Company in an amount of up to 5% of the share capital existing at the time of the adoption of the resolution by the General Meeting of Shareholders or - if this amount is lower - of the share capital existing at the time of the exercise of the authorization. This authorization is intended to create the possibility of share buybacks and the use of treasury shares. The authorization granted by the Annual General Meeting on June 16, 2022 can only be used to a limited extent due

to the issuance of convertible bonds under exclusion of subscription rights which has occurred in the meantime. The exclusion of subscription rights that occurred when the convertible bonds were issued is to be set off against the authorization to use treasury shares. A new authorization is intended to give the company all the options for using treasury shares again. The authorization also covers the use of treasury shares acquired on the basis of previous authorizations. It should be possible for treasury shares to be acquired both by the Company itself and by dependent or majority-owned companies (Group companies) or by third parties acting on behalf of the Company or on behalf of Group companies.

Under agenda item 15, the Management Board and the Supervisory Board propose that, in addition to the options provided for under agenda item 14, the Company may also use equity derivatives to acquire treasury shares.

2. *Acquisition of treasury shares*

The acquisition of treasury shares can take place through the stock exchange or by way of a public purchase or Exchange Offer. In the course of the acquisition, the principle of equal treatment of shareholders according to Art. 9 (1) lit. c) (ii) SE Regulation in conjunction with Section 53a AktG is to be complied with. The proposed acquisition through the stock exchange or by way of a public purchase or Exchange Offer takes account thereof. If in the course of a public purchase or Exchange Offer the number of shares offered exceeds the purchase volume intended by the Company, the acquisition or exchange takes place proportionately in the relationship of the shares offered per shareholder. However, irrespective of the shares offered by the shareholder a purchase or exchange of a minor number of up to one hundred (100) shares per shareholder can be preferred. Shares with a tender price set by the shareholder at which the shareholder is prepared to sell the shares to the Company and which is higher than the purchase price set by the Company will not be considered for acquisition; this applies analogously in the case of an exchange ratio determined by the shareholder, at which the Company would have to deliver and transfer more exchange shares for Company shares than at the exchange ratio determined by the Company.

3. Utilization of acquired treasury shares and exclusion of subscription rights

The Management Board is to be authorized to use the treasury shares, in addition to a sale via the stock exchange or by means of an offer to all shareholders, for all purposes permitted by law, in particular also in the following manner:

a) The proposed authorization provides that shares of the Company acquired by it can be redeemed without any further resolution by the General Meeting or can also be resold through the stock exchange or by public offer to all shareholders. The redemption of the Company's treasury shares leads in principle to the reduction of the Company's share capital. However, the Management Board is also authorized to redeem treasury shares without reducing the share capital according to Article 5 SE Regulation in conjunction with Section 237 para. (3) no. 3 AktG. This would increase the proportion of the share capital of the remaining shares in accordance with Article 5 SE Regulation in conjunction with Section 8 para. (3) AktG (calculated nominal amount). In both of the sales methods stated, the principle of equal treatment under stock corporation law will be complied with.

b) In addition, the Management Board (or the Supervisory Board, if members of the Management Board are affected) shall be able to use treasury shares in connection with various remuneration or bonus programs. The compensation or bonus programs serve as targeted incentives for the program participants and are, at the same time, intended to bind them to the Company:

aa) They may be granted for purchase and/or transferred to persons who are or were employed by the Company or one of its affiliated companies, as well as to members of the Company's corporate bodies or those of companies affiliated with the Company, or to companies and investment vehicles, whose direct sole economic and legal owners are the aforementioned persons, to holders of acquisition rights, in particular from call options issued (also by the legal predecessors of the Company), to holders of virtual options as well as performance shares (also in the form of restricted stock units) which are or were issued by the Company, the legal predecessors of the Company or their subsidiaries (in particular also in connection with share-based payment programs or employee participation programs), may be offered and/or transferred for purchase. The shareholders' subscription rights are excluded to this respect.

- bb) They may be transferred to persons who are or were in an employment relationship with the Company or one of its affiliates on the basis of commitments in connection with the employment relationship (in particular also in connection with share-based payment programs or employee participation programs). The shareholders' subscription rights are excluded in this respect.
- c) In addition, the intention is also to make it possible for the Management Board to offer and transfer treasury shares as consideration in the course of mergers or the acquisition of companies, plants, company parts, or interests with the approval of the Supervisory Board. The shareholders' subscription rights are excluded to this respect. The authorization proposed for this reason is intended to strengthen the Company for competition regarding attractive acquisitions and to enable it to react rapidly, flexibly and without impairing liquidity to acquisition opportunities arising. The proposed exclusion of subscription rights of shareholders takes account of this. The decision whether in any particular case the Company's own shares from an authorized capital will be used is made by the Management Board, guided solely by the interests of the Company and the shareholders. In valuing the treasury shares and the consideration for them, the Management Board will ensure that the interests of the shareholders are adequately protected. In this regard, the Management Board will take into account the stock exchange price of the shares of the Company; no schematic linking to a stock exchange price is intended, in particular so that negotiation results cannot again be questioned due to fluctuations in the stock exchange price.
- d) It is intended that the Management Board be enabled with the consent of the Supervisory Board to sell acquired shares of the Company for cash to third parties with the exclusion of the subscription rights of the shareholders if the sale price for each share does not significantly fall below the stock exchange price of shares of the Company at the time of the sale. This authorization makes use of the option for simplified exclusion of subscription rights permitted under Article 5 SE Regulation in conjunction with Section 71 para. (1) no. 8 sent. 5 AktG in analogous application of Section 186 para. (3) sent. 4 AktG. The Management Board is thereby placed in a position to be able rapidly and flexibly, to take advantage of the opportunities of favorable stock exchange situations, and achieve, through setting a price in line with market conditions, the highest possible resale price and thereby usually achieve strengthening of equity capital or access to a new group of

investors. The authorization is subject to the shares issued with exclusion of subscription rights not exceeding a total of 5% of the share capital, whether at the time of the resolution or at the time of the use of the authorization. Shares which are issued during the term of the resale authorization in direct or analogous application of Section 186 para. (3) sent. 4 AktG are to be credited against this limit. Shares issued or to be issued to service convertible bonds or bonds with warrants or profit rights with conversion or option rights or conversion or option obligations which are to be issued on the basis of the conversion price valid at the time of the resolution of the Management Board on the utilization of the authorization shall also be included in the calculation to the extent that these bonds or participation rights are issued during the term of this authorization under exclusion of subscription rights in accordance with Article 5 SE Regulation in conjunction with Section 186 para. (3) sent. 4 AktG. The asset and voting interests of the shareholders will be reasonably protected by this manner of sale of the Company's own shares. In principle, shareholders have the possibility to maintain their proportionate participation on comparable conditions by purchasing shares through the stock exchange.

e) In addition, the Company is also intended to be able to use its own shares to service acquisition obligations or acquisition rights to shares of the Company out of and in connection with conversion or option bonds or profit rights with conversion and option rights or conversion and option obligations issued by the Company or one of its Group companies. For this purpose, the subscription right of shareholders must be excluded. This applies even in the case of a sale of the Company's own shares by public offer to all shareholders for the possibility of granting creditors of such instruments subscription rights to shares to the extent to which they would be entitled if the relevant conversion or option rights had already been exercised (protection against dilution). This authorization is subject to the condition that the shares issued with the exclusion of subscription rights may not exceed a total of 5% of the share capital, whether at the time of the resolution or at the time of exercise of the authorization. Shares which are issued during the term of the resale authorization in direct or analogous application of Article 5 SE Regulation in conjunction with Section 186 para. (3) sent. 4 AktG are to be credited against this limit. Shares issued or to be issued to service convertible bonds or bonds with warrants or profit rights with conversion or option rights or which are to be issued on the basis of the conversion price valid at the time of the resolution of the Management Board

on the utilization of the authorization shall also be included in the calculation to the extent that these bonds or participation rights are issued during the term of this authorization under exclusion of subscription rights in accordance with Article 5 SE Regulation in conjunction with Section 186 para. (3) sent. 4 AktG.

The use of the authorizations contained in letters b) to e) above may not exceed a total pro rata amount of 5% of the Company's share capital, either at the time of the resolution by the General Meeting on the above authorizations or - if this amount is lower - at the time of the use of these authorizations. This 5% limit shall include those shares that were issued during the term of the authorizations contained in letters b) to e) from authorized capital or from conditional capital excluding shareholders' subscription rights. Shares issued to service bonds (including profit-sharing rights) with conversion or option rights or a conversion obligation (or a combination of these instruments) or which are to be issued on the basis of the conversion price valid at the time of the resolution of the Management Board on the utilization of the authorization shall also be counted towards this limit, provided that the bonds or profit sharing rights were issued during the term of the authorizations contained in letters b) to e) above with the exclusion of shareholders' subscription rights.

4. Utilization of treasury shares acquired under equity derivatives

The acquisition of treasury shares using derivatives in the form of put or call options or a combination of both may only be affected via option transactions with a financial institution or via the stock exchange at near-market conditions. In order to avoid a dilution effect, the acquisition of treasury shares using derivatives in the form of put or call options or a combination of both is also limited to a maximum of treasury shares up to a total of 5% of the capital stock, with the treasury shares acquired through derivatives counting towards the maximum limit of 5% of the Company's capital stock when acquiring and holding treasury shares.

As the price for the options (option price) is determined close to the market price, the shareholders not participating in the option transactions also suffer no disadvantage in terms of value. At the same time, this option to agree on equity derivatives enables the Company to take advantage of market opportunities that arise at short notice and to enter into corresponding equity derivatives.



The shareholders - applying Article 5 SE Regulation *mutatis mutandis* in conjunction with Section 186 para. (3) sent. 4 AktG - do not have a right to conclude such option transactions with the Company. Shareholders have a right to tender their shares only insofar as the Company is obligated to purchase the shares from them under the derivative transactions. Any further right to tender shares is excluded.

This exclusion is necessary to enable the utilization of equity derivatives in connection with the repurchase of treasury shares and the achievement of associated benefits for the Company. It would not be feasible to conclude corresponding equity derivatives with all shareholders.

With regard to the use of treasury shares acquired on the basis of equity derivatives, there are no differences to the uses proposed in agenda item 14. With regard to the justification of the exclusion of shareholders' subscription rights in the use of the shares, reference is therefore made to the part under item 3. of this report.

The Management Board will report at the next Annual General Meeting in each case according to Article 5 SE Regulation in conjunction with Section 71 para. (3) sent. 1 AktG on any exercise of this authorization.

The Management Board

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