

5. Approval of the compensation system for the members of the Board of Management

Section 120, Paragraph 4, Sentence 1 of the AktG (old version) provided that the Annual Stockholders' Meeting may pass a resolution approving the compensation system for members of the Board of Management. A resolution on this matter was last adopted at the Annual Stockholders' Meeting 2016.

In line with the Act on the Implementation of the Shareholder Rights Directive II (ARUG II), Section 120, Paragraph 4, Sentence 1 of the AktG was removed and a new Section 120a of the AktG was introduced. Pursuant to Section 120a, Paragraph 1 of the AktG, the stockholders' meeting of a listed company must resolve on the approval of the compensation system for the Board of Management as presented by the Supervisory Board whenever there is a material change to this system, and at least every four years. The first-time resolution on the compensation system for the members of the Board of Management must take place at the Annual Stockholders' Meeting 2021 at the latest. With a view to the changes to the compensation system for the members of the Board of Management effective January 1, 2020, as resolved by the Supervisory Board and in order to involve the stockholders in this process at an early stage, it is proposed that already the Annual Stockholders' Meeting 2020 adopt a resolution to approve the compensation system presented by the Supervisory Board – and thus before such a resolution becomes mandatory under the ARUG II.

Based on the recommendation of its Human Resources Committee, the Supervisory Board proposes that the compensation system for the members of the Board of Management effective January 1, 2020, as resolved upon by the Supervisory Board and described after agenda item 8 be approved.