

Report of the Management Board to the General Shareholders' Meeting

1. Report of the Management Board to the Annual General Shareholders' Meeting on Agenda items 11, 12 and 13 in accordance with section 186 (4) sentence 2 of the German Stock Corporation Act (*Aktengesetz*, "*AktG*") in conjunction with section 203 (1), (2) sentence 2 AktG

The Management Board and the Supervisory Board propose to the Annual General Shareholders' Meeting to be held on 5 June 2025 under Agenda item 11, Agenda item 12 and Agenda item 13 that the former Authorized Capital 2020/I and the former Authorized Capital 2020/II be replaced by an Authorized Capital 2025/I, an Authorized Capital 2025/II and an Authorized Capital 2025/III. It is intended that the issue of new shares under the Authorized Capital 2025/I, the Authorized Capital 2025/II and the Authorized Capital 2025/III may in each case also be carried out under exclusion of the subscription right. The Management Board therefore renders the following report in accordance with section 186 (4) sentence 2 AktG in conjunction with section 203 (1), (2) sentence 2 AktG on the reasons for the exclusion of the subscription right:

The Company currently has authorized capital that will expire and thereby be void as soon as on 27 May 2025 (Authorized Capital 2020/I pursuant to section 4 (4) of the Articles of Association and Authorized Capital 2020/II pursuant to section 4 (4a) of the Articles of Association). The Company does not maintain further authorized capital. To give the Management Board the necessary flexibility for capital measures (if any), the authorizations for the Management Board to increase the share capital shall be renewed. Hence, instead of two authorizations to increase the share capital, three authorizations for capital increases in the amounts of EUR 76,075,211.94, EUR 38,037,605.97 and EUR 38,037,605.97, respectively (*i.e.*, in total up to EUR 152,150,423.88), having a term in each case until (and including) 4 June 2030, shall be granted (Authorized Capital 2025/I pursuant to Agenda item 11, Authorized Capital 2025/II pursuant to Agenda item 12 and Authorized Capital 2025/III pursuant to Agenda item 13). Thus, the Management Board will be able to adjust the Company's equity capital base on short notice to the commercial and legal requirements over the entire term of the authorization of five years. Taken together, the two new authorizations correspond, in total, to 40% of the existing share capital and, thus, fall 10 percentage points short of the statutory permissible amount of authorized capital. This considers the shareholders' interest in limiting the risk of dilution, which could result from the utilization of the authorized capital and excluding subscription rights or if the subscription rights are not exercised.

The possibilities for excluding the subscription right explained below essentially correspond to the currently existing Authorized Capital 2020/I and Authorized Capital 2020/II. The new shares which may be issued based on the authorizations to be resolved under Agenda items 11, 12 and 13 will generally be offered to the shareholders for subscription. To facilitate the implementation, the statutory subscription right pursuant to section 186 (5) AktG may also be granted in such a way that the new shares are acquired by one or more credit institutions, securities institutions or companies equivalent to these pursuant to section 186 (5) sentence 1 AktG with the obligation to offer such shares to the shareholders for subscription (indirect subscription right).

However, in the case of the Authorized Capital 2025/I, the Authorized Capital 2025/II and the Authorized Capital 2025/III, the shareholders' subscription right may also be excluded – subject to the approval of the Supervisory Board - in the cases explained below.

a) Exclusion of the subscription right for fractional amounts (Agenda items 11, 12 and 13)

The exclusion of the subscription right for fractional amounts serves to ensure a practicable subscription ratio. Without this possibility, the technical implementation of the issuance could, under certain circumstances, be considerably more difficult. In addition, the costs of trading in subscription rights for fractional amounts would not be in reasonable proportion to the benefit for the shareholders, and, as the exclusion of the subscription right is limited to fractional amounts in this case, the possible dilution effect is minimal, as a rule. Any fractional amounts will be realized at the stock exchange or in any other way in the best interest of the Company.

b) Exclusion of the subscription right for the issue of employee shares (Agenda items 11 and 13)

The authorization includes the possibility to exclude the subscription right to the extent the shares are issued as so-called employee shares to members of the Management Board, to employees of the Company or its group companies within the meaning of section 18 (1) AktG or members of their management up to a pro-rata amount of the

share capital of EUR 2,852,820.45. The issue price will be determined based on the stock exchange price of the Company's share. In the case of employee shares, a discount customary for employee shares may be granted which must be in reasonable proportion to the benefit of an employee share program for the Company as well as to any applicable blocking period or to a minimum holding period to be agreed. The issuance of employee shares to managers and employees is an important instrument for ensuring loyalty and motivation of managers and employees. It also promotes their willingness to share responsibility. The Management Board considers the exclusion of the subscription right for the purpose of issuing employee shares to be objectively justified and appropriate for the shareholders, also considering any potential dilution effect, particularly in view of the volume limitation to a maximum of EUR 2,852,820.45. Insofar as new shares are to be issued to members of the Company's Management Board, the granting of the shares is not decided upon by the Management Board, but (in accordance with the division of responsibilities under stock corporation law) by the Company's Supervisory Board.

c) Exclusion of the subscription right for the benefit of the holders or creditors of conversion or option rights that have already been issued or will be issued (Agenda items 11, 12 and 13)

The exclusion of the subscription right for the benefit of the holders or creditors of conversion or option rights issued or still to be issued by the Company or its group companies within the meaning of section 18 AktG provides for the possibility that, in the event that this authorization is used, the option and/or conversion price need not be reduced in accordance with the so-called anti-dilution provisions under the terms and conditions of the convertible bonds or options, as applicable. To facilitate placement, the terms and conditions of option and/or convertible bonds are usually provided with dilution protection, which, in addition to the possibility of reducing the option or conversion price, provides that the holders or creditors of the option and/or convertible bonds can be granted a subscription right to new shares in subsequent capital increases in such amount in which they would be entitled to such right after exercise of the conversion or option right. The authorization enables the Management Board to choose between both alternatives carefully considering the interests involved when using the Authorized Capital 2025/I, the Authorized Capital 2025/II and the Authorized Capital 2025/III.

d) Exclusion of the subscription right for capital increases against contributions in kind (Agenda item 12)

The authorization to exclude the shareholders' subscription right in the event of a capital increase against contributions in kind enables the Management Board to offer shares of the Company, for example in the context of business combinations or for the purpose of acquiring (also indirectly) companies or parts thereof, participations in companies or other assets. This enables the Management Board to quickly react to favourable offers or opportunities in the national or international market and use the possibilities for acquisition with the necessary flexibility. Favourable opportunities for obtaining external financing notwithstanding, providing shares from authorized capital as consideration in a company acquisition often represents a reasonable and attractive option as it helps to preserve liquidity, and is often even expressly requested by the seller. The possibility of using own shares from authorized capital as acquisition currency gives the Company the necessary leeway to seize acquisition opportunities quickly and flexibly without having to use the stock exchange. Since such an acquisition is usually made at short notice, it cannot usually be resolved by the Annual General Shareholders' Meeting, which only takes place once a year; moreover, there is usually no time to convene an Extraordinary General Shareholders' Meeting in such cases because statutory deadlines must be adhered to. Instead, what is necessary is authorized capital that can be accessed quickly and flexibly by the Management Board.

The proposed authorization to exclude the shareholders' subscription right is therefore in the interest of the Company and its shareholders. The shareholders will not suffer any significant economic disadvantage, as the issuance of shares against contribution in kind is subject to the condition that the value of the contribution in kind is in reasonable proportion to the value of the shares. When determining the valuation ratio, the Management Board will ensure that the interests of the Company and its shareholders are adequately considered and that the Company receives an appropriate consideration for the new shares. For this purpose, it will consider the stock exchange price of the Company's shares and be supported by external expertise, insofar as this is possible and necessary in each individual case.

The authorization to exclude shareholders' subscription rights in the event of a capital increase against contributions in kind is also intended to enable the Company to issue shares to members of the Management Board, employees of the Company and its group companies within the meaning of section 18 (1) AktG or members of their

management against contribution of claims for variable remuneration components, bonuses or similar claims against the Company or group companies. The option to issue shares against the contribution of variable remuneration components to the entitled group of persons is in the interest of the Company and its shareholders. It offers the possibility of a performance-related remuneration which does not burden the Company's liquidity, takes account of its risks and strengthens its equity. At the same time, the issue of shares to employees and managers strengthens identification with the company and the entitled persons assume financial co-responsibility. Such employee participation in the Company is also desired by the legislator and is therefore facilitated in several ways. When determining the issue price, a slight discount from the stock exchange price may be made at most to offer employees an incentive to contribute variable remuneration components to the Company.

Within the framework permitted by section 204 (3) sentence 1 AktG, the option to cover the contribution to be made on the new shares from the part of the annual profit that the Management Board and Supervisory Board could allocate to other retained earnings in accordance with section 58 (2) AktG should also be granted. This facilitates the processing of the share issuance and corresponds to the fact that in these cases the issuance has remuneration character.

For the issuance of new shares from the Authorized Capital 2025/II for the purposes of involving employees and executives in remuneration or employee share programs, it is necessary to exclude the shareholders' subscription rights. Otherwise, the benefits sought by the programs and the share-based remuneration would not be achievable for the Company and its shareholders. After weighing up the circumstances mentioned, including the restrictions described above, the Management Board considers the exclusion of subscription rights in the cases mentioned to be objectively justified and appropriate towards the shareholders, even considering a possible dilution effect.

e) Exclusion of subscription right for cash capital increases pursuant to section 203 (1), section 186 (3) sentence 4 AktG (Agenda item 12)

Furthermore, the authorization also includes the possibility to exclude the subscription right of the shareholders in the case of cash capital increases pursuant to section 203 (1), section 186 (3) sentence 4 AktG provided that the issue price of the new shares does not significantly fall below the stock exchange price for the shares. This authorization enables the Company to exploit favourable stock market conditions flexibly even at very short notice and to cover any capital needs by quickly placing new shares. The exclusion of the subscription right is the only measure that enables the Company to act quickly and to place shares at prices approximate to the stock exchange price, *i.e.*, without the discount customary for subscription rights issues. Without the time-consuming and costly processing of a subscription right, a higher inflow of funds can usually be achieved. In addition, a capital increase against contribution in cash excluding subscription rights can be used to attract new shareholder groups. The interests of the shareholders are protected by capital increases against contribution in cash under exclusion of the subscription right pursuant to section 203 (1), section 186 (3) sentence 4 AktG in that they must not exceed 10% of the share capital existing either at the time of the resolution on this authorization by the Annual General Shareholders' Meeting or at the time the authorization takes effect or at the time it is exercised. This means that, even in the event of several capital increases within the authorization period, the subscription right may be excluded based on this authorization in aggregate for no more than 10% of the share capital. When calculating the 10% limit, the pro-rata amount of the share capital must be considered which is attributable to shares that are issued to service conversion or option rights or conversion or option obligations arising from bonds or profit participation rights issued in analogous application of section 186 (3) sentence 4 AktG under exclusion of the subscription right during the term of this authorization. Furthermore, shares newly issued by the Company during the term of this authorization and shares which the Company acquires during the term of this authorization and sells thereafter must be considered, in each case if and to the extent that the subscription right is excluded pursuant to and in analogous application of section 186 (3) sentence 4 AktG. This will ensure that no shares are issued from the Authorized Capital 2025/II under exclusion of the subscription right pursuant to section 203 (1), section 186 (3) sentence 4 AktG if this would result in the exclusion of shareholders' subscription rights for a total of more than 10% of the share capital under the simplified exclusion of the subscription right.

If this option for a capital increase is exercised, the Management Board will limit any discount of the issue price compared to the stock exchange price to an anticipated maximum of 3%, but in any case, no more than 5%. This considers the shareholders' need for protection against dilution of their shareholding. It is thus ensured that, in

compliance with the legal interpretation of section 203 (1), section 186 (3) sentence 4 AktG, the shareholders' interests in terms of asset and voting right protection are appropriately safeguarded when the Authorized Capital 2025/II under exclusion of the shareholders' subscription right is used.

f) Exclusion of subscription rights when implementing stock dividends (Agenda item 12)

With the approval of the Supervisory Board, the subscription right should also be able to be excluded when implementing stock dividends (also known as "scrip dividends"). This should enable the Company to distribute a stock dividend under optimal conditions. In the case of a stock dividend, shareholders are offered the option of contributing all or part of their claim to payment of the dividend, which arose from the resolution on the appropriation of profits at the Annual General Shareholders' Meeting, to the Company as a contribution in kind to receive new shares in the Company in return. The distribution of a stock dividend can be carried out as a subscription rights issue, in particular in compliance with the provisions of section 186 (1) AktG (minimum subscription period of two weeks) and section 186 (2) AktG (announcement of the issuance amount no later than three days before the end of the subscription period). In individual cases, depending on the capital market situation, it may be preferable to structure the distribution of a stock dividend in such a way that the Management Board offers all shareholders who are entitled to a dividend new shares for subscription against payment of their dividend entitlement, in compliance with the general principle of equal treatment (section 53a AktG), and thus economically grants the shareholders a subscription right, but legally excludes the shareholders' subscription right to new shares altogether. Such an exclusion of the subscription right enables the distribution of the stock dividend without the aforementioned restrictions of section 186 (1) and (2) AktG and, thus, under more flexible conditions. An exclusion of subscription rights may also be necessary if not all shareholders are entitled to dividends for a financial year. Because the new shares are offered to all shareholders and excess dividend amounts are settled by paying the dividend in cash, an exclusion of subscription rights in such a case appears to be justified and appropriate.

g) Volume limits and crediting (Agenda items 11, 12 and 13)

The authorizations to exclude the subscription right for the issue of shares to members of the Management Board, to employees of the Company and its group companies within the meaning of section 18 (1) AktG or to members of their management against cash contributions (employee shares pursuant to Agenda items 11 and 13) may only be used up to a total maximum amount of 0.75% of the share capital existing at the time of the resolution by the Annual General Shareholders' Meeting. When calculating the 0.75% limit, the pro-rata amount of the share capital must be taken into account that is attributable to shares issued or sold during the term of this authorization under another authorization to members of the Management Board, employees of the Company or its group companies within the meaning of section 18 (1) AktG or members of their management against contributions in cash or in kind under exclusion of the subscription right of the shareholders.

The authorizations to exclude the subscription right for the issue of shares to members of the Management Board, employees of the Company and its group companies within the meaning of section 18 (1) AktG or members of their management against contributions in kind by contributing claims for variable remuneration components, bonuses or similar claims against the Company or its group companies within the meaning of section 18 (1) AktG (Agenda item 12) may only be used up to a maximum total amount of 0.75% of the share capital existing at the time of the resolution by the Annual General Shareholders' Meeting. When calculating the 0.75% limit, the pro-rata amount of the share capital must be taken into account that is attributable to shares issued or sold during the term of the authorization under another authorization to members of the Management Board, employees of the Company or its group companies within the meaning of section 18 (1) AktG or members of their management against contributions in cash or in kind under exclusion of the subscription rights of the shareholders.

The pro-rata amount of the share capital represented by shares issued under the authorization to be resolved under Agenda item 12 against contributions in cash or in kind under exclusion of the subscription right must not exceed 10% of the share capital existing at the time of the resolution by the Annual General Shareholders' Meeting. This capital limit additionally protects the shareholders against dilution of their shareholding. Subject to any new authorization to exclude the subscription right that may be resolved by a subsequent Annual General Shareholders' Meeting, the Management Board will also take into account any issue of shares or financial instruments with conversion or option rights or obligations based on other authorizations granted to the Management Board under exclusion of

the shareholders' subscription right, provided that it will use the authorizations for corporate actions granted to it under exclusion of the shareholders' subscription right only to implement an increase of the share capital by a maximum of 10% of the share capital existing at the time the resolution is adopted by the Annual General Shareholders' Meeting.

There are currently no specific plans to use the new Authorized Capital 2025/I, the new Authorized Capital 2025/II and the new Authorized Capital 2025/III. Corresponding anticipatory resolutions with the possibility to exclude the subscription right are common practice nationally and internationally. The Management Board will in each case carefully examine whether the exercise of the Authorized Capital 2025/I, the Authorized Capital 2025/II and the Authorized Capital 2025/III, and in particular an exclusion of the subscription right is in the interest of the Company and its shareholders. If the proposed authorization is used, the Management Board will report on this at the next Annual General Shareholders' Meeting.

2. Report of the Management Board to the Annual General Shareholders' Meeting on Agenda item 14 in accordance with section 221 (4) sentence 2 AktG in conjunction with section 186 (4) AktG

The European capital requirements pursuant to Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (Capital Requirements Regulation – “CRR”) are of considerable importance for credit institutions. They require that credit institutions have adequate capital resources and contain, among others, specific rules for the recognition of Additional Tier 1 Capital (“AT 1 Capital”), according to which credit institutions may issue bonds with special regulatory characteristics to ensure potential loss participation. In addition to so-called Common Equity Tier 1 Capital (share capital and reserves), such instruments can form an indispensable component of the Company's capital resources. The issuance of profit participation rights and other hybrid bonds (hereinafter also referred to jointly as “financial instruments”) presents attractive opportunities in this respect and supplements the possibilities for corporate financing by authorized capital.

Although the Company currently has sufficient equity capital and only requires an authorization in limited amount for the issue of the above-mentioned financial instruments, it is important that it therefore has and will continue to have in the future the necessary discretionary powers to procure further equity capital at any time and in accordance with the market situation. A strong capital base and adequate regulatory capital resources are the basis for the Company's business development. An adequate scope of discretion to make new issues ensures that the Company can react quickly and flexibly to any additional capital requirements imposed by regulatory authorities, which may be ordered at short notice.

In this context, account is taken of the fact that the possibility of issuing financial instruments with conversion or option rights or obligations is only of minor significance for the Company. This possibility will therefore – as under the former authorization dated 28 May 2020 - not be included in the new Authorization.

The financial instruments will generally be offered to the shareholders for subscription. To facilitate the implementation, the statutory subscription right pursuant to section 221 (4) in conjunction with section 186 (5) sentence 1 AktG is to be granted in such a way that the financial instruments are acquired by one or more credit institutions, securities institutions or companies equivalent to these pursuant to section 186 (5) sentence 1 AktG with the obligation to offer such financial instruments to the shareholders for subscription (indirect subscription right within the meaning of section 186 (5) AktG).

However, the Management Board is also to be authorized, subject to the approval of the Supervisory Board, to exclude the statutory subscription right of shareholders to the financial instruments in the cases explained below:

a) Exclusion of subscription rights for fractional amounts

The exclusion of subscription rights for fractional amounts helps to provide a practical subscription ratio. Without this option, the technical implementation of the issue would be considerably more difficult. In addition, the costs of trading subscription rights for fractional amounts would not be reasonable in relation to the benefit for shareholders, and any possible dilution effect is generally small due to the restriction to fractional amounts. Any fractional amounts will be utilized in the best possible way for the Company via the stock exchange or in another way.

b) Exclusion of subscription rights for the benefit of holders of conversion or option rights already issued

The exclusion of the subscription right in favor of the holders or creditors of conversion or option rights that have been or will be issued by the Company or group companies within the meaning of section 18 AktG opens up the possibility of not having to reduce the conversion or option price in accordance with the so-called anti-dilution clauses of the conversion or option terms and conditions if this authorization is used. To facilitate placement, the terms and conditions of option and/or convertible bonds are usually equipped with anti-dilution protection, which, in addition to the possibility of reducing the option or conversion price, provides that the holders or creditors of the option and/or convertible bonds can be granted a subscription right to new shares in subsequent capital increases, as they would be entitled to after exercising the conversion or option right. The authorization gives the Management Board the opportunity to choose between the two alternatives when exercising the authorization to issue bonds, after carefully weighing up the interests.

c) Exclusion of subscription rights to place the financial instruments at a price close to the market price

The Management Board is also authorized, subject to the approval of the Supervisory Board, to completely exclude the shareholders' subscription right if the financial instruments are issued against cash payment at a price which is not significantly lower than the market value of such financial instruments. This is intended to ensure that the pricing results in the economic value of a subscription right being close to zero, so that no or only an insignificant economic disadvantage arises for the shareholders. At the same time, this enables the Company to quickly seize favorable market opportunities on a short-term basis and, by determining the conditions in accordance with prevailing market terms, to achieve better terms regarding interest rates and issue price of the financial instruments. If the subscription rights were not excluded, any such market-oriented determination of the conditions and smooth placement would not be possible.

However, the financial instruments may provide for certain equity-like features to comply with banking regulatory requirements (e.g. no final maturity, possibility of write-down). This risk is accounted for in the form of increased coupon payments, which may lead to a reduction in the Company's dividend capacity. However, this is offset by considerable financial disadvantages which may arise for the Company if the subscription right cannot be excluded when raising equity capital through the issue of such financial instruments. These disadvantages may outweigh the potential impairment of the Company's dividend capacity, which the Management Board and Supervisory Board must consider when deciding on the exclusion of subscription rights.

The advantage of an issue of financial instruments with such an exclusion of subscription rights for the Company - and thus indirectly for its shareholders - is that, in contrast to an issue with subscription rights, the issue price can only be fixed immediately prior to placement, thus avoiding an increased risk of price or interest rate changes and maximizing the issue proceeds in the interest of all shareholders without safety margins or without paying an interest rate above market level. At the same time, the exclusion of subscription rights enables the Company to react quickly and flexibly to any requirements imposed by regulatory authorities. Among other things, regulators also have the authority to order capital requirements that exceed the requirements of the CRR in individual cases, e.g. within the scope of bank stress tests, at short notice. Even under these circumstances, flexible and short-term raising of Additional Tier 1 capital at the most favorable conditions is necessary.

d) Exclusion of subscription rights in the case of indirect issues

If financial instruments are issued indirectly via group companies within the meaning of section 18 AktG, it may be necessary to first issue financial instruments to the group company so that it can place corresponding financial instruments with investors. For this purpose, the statutory subscription right must be excluded to ensure that the financial instruments of the Company can be fully acquired by the group company within the meaning of section 18 AktG. Without the exclusion of the subscription right, an indirect issue would not be feasible. This exclusion is not detrimental to the shareholders, as they remain entitled to subscribe to the financial instruments issued by the group company itself (subject to the exclusion of subscription rights in the cases listed above). Furthermore, the transferability to third parties of the financial instruments issued to the group company is excluded, so that the financial instruments can only be issued in the framework of an indirect issue. An exclusion of the subscription right regarding the financial instruments issued by the group company may be justified in accordance with the above considerations.

for direct issues - for placement at prices close to the market price. In addition to the decision of the management of the group company, this exclusion of subscription rights requires the decision of the Management Board subject to the approval of the Supervisory Board of the Company.

e) Exclusion of subscription rights in the case of the issue of the financial instruments against contributions in kind

In addition, the shareholders' subscription rights may be excluded if the financial instruments are issued against contributions in kind. This enables the Management Board, subject to the approval of the Supervisory Board, to use the authorization to grant holders of bonds or profit participation rights or other certified or non-certified monetary claims against the Company, affiliated companies or other third parties, in whole or in part, financial instruments of the Company in lieu of cash payment. This gives the Company the opportunity to create additional Tier 1 capital in the context of measures to improve its capital structure. In each individual case, the Management Board will carefully examine whether the issue price of the new financial instruments is in reasonable proportion to the value of the monetary claims to be acquired. The issue price of the new financial instruments will be determined by the Management Board subject to the approval of the Supervisory Board, taking into consideration the interests of the Company and its shareholders.

There are currently no specific plans to make use of the proposed authorization. The Management Board will carefully examine each individual case and will make use of the authorization to exclude the subscription right only if the exclusion of the subscription right is justified in the individual case in the best interests of the Company and its shareholders at the time the financial instruments are issued and if the exclusion is covered by the authorization. The Management Board will report on the use of the authorization at the next Annual General Shareholders' Meeting.

3. Report of the Management Board to the Annual General Shareholders' Meeting on Agenda item 15 in accordance with sections 71 (1) sentence 1 no. 8, 186 (4) AktG

Under Agenda item 15, the Management Board is to be authorized to acquire and make use of own shares.

a) Acquisition of own shares

It is intended that own shares may first be acquired on the stock exchange or by way of a public purchase offer made to all shareholders. When acquiring own shares, the principle of equal treatment pursuant to section 53a AktG must be observed. The proposed acquisition of the shares via the stock exchange or a multilateral trading system in the meaning of section 2 (6) of the German Stock Exchange Act (*Börsengesetz*, "**BörsG**"), through a public purchase offer, by way of a public invitation to submit sales offers or by way of a public exchange offer for shares takes this principle into account. The acquisition should also be carried out by group companies of the Company within the meaning of section 18 AktG or on behalf of the Company or its group company. In the event of a public purchase offer, a public invitation to submit sales offers or a public exchange offer for shares, the number of shares offered by the shareholders may exceed the number of shares intended to be acquired by the Company. In this case, offers must be accepted based on certain quotas. Priority may then be given to small offers or small parts of offers of up to a maximum of 50 shares. The objective is to avoid fractional amounts in determining the quotas to be acquired and small residual amounts and thus to simplify the technical procedure of the share repurchase. This also makes it possible to avoid de facto disadvantages to small shareholders. In addition, the shares can be acquired in proportion to the number of shares offered (tender quota) rather than in proportion to the number of shares held in the Company (shareholding quota) because this permits the acquisition process to be technically handled on a commercially reasonable scale. The Management Board believes that the inherent exclusion of any potential further tender rights of the shareholders is objectively justified and reasonable towards the shareholders.

b) Use of acquired own shares and exclusion of the subscription right

Under Agenda item 15, the Management Board is further authorized to resell shares acquired. The option of reselling own shares can be used to regenerate own funds.

Besides the sale through the stock exchange or by way of an offer to all shareholders – both of which already ensure equal treatment of the shareholders under the legal definition – the resolution proposal is aimed at enabling the

Company to offer shares also as consideration for the acquisition of companies, participations in companies or other assets under exclusion of the subscription right. This is to put the Company in the position to react fast and successfully on national and international markets in case of favorable offers or other opportunities of acquiring companies, participations in companies or other assets. It is not uncommon that the negotiations result in the necessity to provide consideration not in money but in shares. The authorization takes account of this. When defining the valuation ratios, the Management Board will ensure that the interests of the shareholders are appropriately safeguarded. Generally, when determining the value of the shares granted as consideration, the Management Board will use the stock exchange price of the Company's shares as a point of reference. The authorization does not provide for a schematic link to the stock exchange price, specifically in order not to jeopardize the successful outcome of negotiations because of fluctuations of the stock exchange price.

Furthermore, the authorization provides for the option, when selling the shares by way of an offer to all shareholders, to partially exclude the shareholders' subscription right for the benefit of the holders of option rights, convertible bonds and convertible profit participation rights issued by the Company and its group companies within the meaning of section 18 (1) AktG. The rationale behind this is that, according to market practice, the terms and conditions of the convertible and option bonds provide that, in case of a subscription offer to the Company's shareholders for new shares, the conversion or option price is to be reduced subject to an anti-dilution provision if the holders of conversion or option rights are not at the same time granted a subscription right for shares in the amount in which they would be entitled to such right after exercising the conversion or option right or after fulfilling the respective conversion obligation. The proposed option to exclude the subscription right allows the Management Board in such situations to choose between these two types of structure.

In addition, the authorization provides for the option for the Management Board and, if members of the Management Board of the Company are to be offered shares, for the Supervisory Board, to issue shares as shares to members of the Management Board, to employees of the Company or its group companies within the meaning of section 18 (1) AktG or to members of their management. For this purpose, the Company also has authorized capital or will create new authorized capital under an authorization to this effect. Using the Company's existing own shares instead of a capital increase or cash compensation may be reasonable under financial terms; the authorization is intended to increase flexibility in this regard. In this context, the use of acquired own shares also enables effective control of any price risk that might otherwise exist. As far as shares are to be offered, promised or granted to employees of the Company and its group companies within the meaning of section 18 (1) AktG or members of their management, the Management Board may grant benefits that are customary for employee shares and which have to be proportionate to the Company's benefits of an employee share program and, if applicable, to an existing lock-up period or a to be agreed upon minimum holding period. For the Supervisory Board, the authorization shall primarily include the possibility to offer, promise and transfer own shares to members of the Management Board of the Company within the framework of remuneration regulations. This is also intended to create the prerequisite for granting shares to members of the Company's Management Board as variable remuneration components instead of a cash payment. The Supervisory Board determines the further details within the scope of its legal competencies. This use of acquired shares also requires a corresponding exclusion of the shareholders' subscription right.

Furthermore, it is intended to enable the management, also with a view to the resale of the shares acquired under this authorization for cash consideration, to exclude the subscription right in accordance with section 71 (1) no. 8 AktG in conjunction with section 186 (3) sentence 4 AktG. This possibility provided by law to exclude the subscription right offers the management the opportunity to seize favorable stock market situations on a short-term basis and, by determining the price in accordance with prevailing market terms, to achieve the highest-possible issue price and thus the largest possible addition to the Company's capital resources. Precisely this opportunity is particularly important given the special capital requirements for banks. The use of this opportunity also for own shares opens ways to strengthen the Company's capital structure also in less receptive markets. The authorization ensures that, based on section 186 (3) sentence 4 AktG, shares may be sold under the authorization only in the scope and up to the limit of 10% of the share capital specified therein under exclusion of the shareholders' subscription right. When calculating the 10% limit, shares have to be taken into account that have been issued in direct or analogous application of section 186 (3) sentence 4 AktG during the term of this authorization under the simplified exclusion of the subscription right or that have been sold after repurchasing. When calculating the 10% limit, those shares have also to be considered that are to be issued to service conversion or option rights or conversion or option obligations arising

from convertible or option bonds or profit participation rights to the extent these bonds or profit participation rights were issued in analogous application of section 186 (3) sentence 4 AktG during the term of the authorization. The fact that the shares can only be sold at a price that is not substantially lower than the relevant stock exchange price of the Company's shares gives due consideration to the principle of protecting the shareholders' anti-dilution interests. The final purchase price for the Company's own shares will be determined shortly before the sale. The management will seek to keep any discount from the stock exchange price as low as possible. Any such discount will presumably not exceed 3% and will in any event be limited to a maximum of 5%. The fact that the stock exchange price must be used as a point of reference for the issue price ensures that the financial and voting interests of shareholders will remain appropriately safeguarded. Shareholders may acquire the number of shares required to maintain their shareholding quota at almost identical conditions on the stock exchange.

c) Cancellation of acquired own shares

Finally, the authorization also permits the cancellation of acquired own shares. Cancellation may be effected either in such a manner that the issued share capital of the Company is reduced upon cancellation or, without reducing the issued share capital, by a simple cancellation of the redeemed shares resulting simultaneously in an increase in the pro-rata amount of the share capital attributable to the remaining shares. The rights of the shareholders will not be prejudiced in either of the cases.