

GOVERNANCE

Annual Corporate Governance Statement

pursuant to sections 289f and 315d *Handelsgesetzbuch* (HGB – German Commercial Code) with respect to Deutsche Post AG and Deutsche Post DHL Group.

Company in compliance with all recommendations of the German Corporate Governance Code

The new German Corporate Governance Code (the “Code”) entered into force in March 2020. The Board of Management and the Supervisory Board reviewed the principles, recommendations and suggestions contained therein and in December 2020 resolved to again issue an unqualified Declaration of Conformity pursuant to section 161 of the *Aktiengesetz* (AktG – German Stock Corporation Act) with respect to the new Code recommendations:


“The Board of Management and the Supervisory Board of Deutsche Post AG hereby declare that all recommendations of the Government Commission German Corporate Governance Code (DCGK) as amended on 7 February 2017 and published in the Federal Gazette on 24 April/19 May 2017 have been complied with, including after issuance of the Declaration of Conformity in December 2019, and that all recommendations of the Code as amended on 20 March 2020 and published in the Federal Gazette on 16 December 2019 shall be complied with in the future.”

The suggestions made in the Code as amended on 16 February 2019 will likewise be implemented without exception.

The current Declaration of Conformity and all Declarations of Conformity for the past five years are available on the company’s website.

Corporate governance principles and shared values


Our business relationships and activities are based upon responsible business practice that complies with applicable laws, ethical standards and international guidelines, and this also forms part of the Group’s strategy. Equally, we require our suppliers to act in this way. We encourage relationships with our shareholders, our employees and other stakeholders, whose decisions to select Deutsche Post DHL Group as a supplier, employer or investment are increasingly also based upon the requirement that we apply good corporate governance criteria.

As a Group-wide framework of policies and regulations, the  **Code of Conduct** is firmly established within the company and is applicable across all divisions and regions. The Code of Conduct was updated in the year under review. For one thing, we addressed some of the core topics from our Strategy 2025, such as sustainability and digital transformation. We also reviewed the provisions of the Code of Conduct for conformity with the Group’s broader policies and regulations. This relates to the “Anti-Corruption and Anti-Bribery” and “Human Rights” sections, for example. The Code of Conduct is based upon the principles set out in the United Nations (UN) Global Compact and the Universal Declaration of Human Rights. It is consistent with recognised legal standards, including the applicable anti-corruption legislation and agreements. We adhere to the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. As a longstanding partner of the United Nations, we also support the UN’s Sustainable Development Goals (SDGs).

The Code of Conduct also defines what is meant by diversity. Diversity and mutual respect are some of the core values that contribute to good co-operation within the Group and thus to economic success. The key criteria

for the recruitment and professional development of our employees are their skills and qualifications. Our Diversity Council discusses the strategic aspects of diversity management and divisional requirements. Its members comprise executives from the central functions and divisions and it is chaired by the Board member for Human Resources. Members also act as ambassadors for, and promote, diversity in the divisions. The members of the Board of Management and the Supervisory Board support the Group’s diversity strategy, with a particular focus upon the goal of increasing the number of women in executive positions.

Doing business includes using our expertise as a mail and logistics services group for the benefit of society and the environment, and we motivate our employees to engage personally.

Ensuring that our interactions with business partners, shareholders and the public are conducted with integrity and within the bounds of the law is vital to maintaining our reputation. This is also the foundation of Deutsche Post DHL Group’s lasting business success. Our compliance management system (CMS) focusses upon preventing corruption and anti-competitive conduct. Insights gained from compliance audits and reported violations are also used to continually improve and upgrade the CMS system,  **Compliance**.

Co-operation between the Board of Management and the Supervisory Board

As a German listed company, Deutsche Post AG is managed by the members of the Board of Management, who are appointed, advised and supervised by the members of the Supervisory Board.


The Board of Management’s rules of procedure set out the principles governing its internal organisation, management and representation, as well as co-operation between its individual members. The members of the


Board of Management manage their board departments on their own responsibility, except where decisions of particular significance and consequence for the company or the Group must be taken by the members of the Board of Management as a whole. They are required to subordinate the interests of their individual board departments to the collective interests of the company and to inform the full Board of Management about significant developments in their spheres of responsibility.

The Chair of the Board of Management conducts Board business, aligns board department activities with the company's overall goals and plans, and ensures that corporate policy is implemented. When making decisions, members of the Board of Management may not act in their own personal interest or exploit corporate business opportunities for their own benefit. Any conflicts of interest must be disclosed to the chairs of the Supervisory Board and the Board of Management without delay; the other Board of Management members must also be informed.

The Supervisory Board works with the Board of Management to ensure long-term succession planning for the Board of Management. In addition to the requirements of the *Aktiengesetz* (AktG – German Stock Corporation Act) and the German Corporate Governance Code, succession planning is based on the diversity criteria stipulated by the Supervisory Board for the Board of Management's composition and the target for the percentage of women on the Board of Management. Taking into account the specific qualifications required, the Executive Committee develops a profile, selects particularly suitable candidates from those available for interviews and submits candidate proposals to the Supervisory Board. The initial term of service for members of the Board of Management runs for no more than three years. No member of the Board of Management is a member of a supervisory board of a non-Group listed

company or exercises a comparable function. The Supervisory Board has stipulated that the term of service of Board of Management members generally should end no later than the year in which the Board of Management member reaches the age of 65. The company's D&O insurance for the members of the Board of Management provides for a deductible as set out in the AktG.

The  **rules of procedure for the Supervisory Board** include principles governing the Board's internal organisation and the work of the Supervisory Board committees as well as a catalogue of Board of Management transactions requiring approval. The Chair elected by the members from their ranks co-ordinates the work of the Supervisory Board and represents the Supervisory Board publicly. The Supervisory Board represents the company in respect of the Board of Management members. The Annual General Meeting determines the remuneration of Supervisory Board members. There are no contracts between the company and Supervisory Board members apart from those governing their Supervisory Board activities and the employment contracts with the employee representatives.

The Supervisory Board meets at least twice each half-year, often without the Board of Management present. Extraordinary Supervisory Board meetings are held whenever decisions need to be taken at short notice or particular issues require discussion. In the 2020 financial year, Supervisory Board members held six plenary meetings, 25 committee meetings and one closed meeting, as described in the  **Report of the Supervisory Board**. Some of those meetings were held as conference calls due to pandemic-related restrictions. Whenever the Supervisory Board held meetings without the participation of the full Board of Management, certain agenda items were only dealt with when the Chair of the Board of Management was present. In September, the Supervisory Board met without the Board of Management

present. The attendance rate was very high at nearly 100%. The Report of the Supervisory Board contains a breakdown of attendance by member.

The Board of Management and the Supervisory Board regularly discuss the Group's strategy, the divisions' objectives and strategies, the financial position and performance of the company and the Group, key business transactions, the progress of acquisitions and investments, compliance and compliance management, risk exposure and risk management, and all material business planning and related implementation issues. Of particular importance in the year under review were the effects of the pandemic on our employees' health and on the performance of our divisions, including the specific measures implemented by the divisions. The Board of Management informs the Supervisory Board promptly and in full about all issues of significance. The Chair of the Supervisory Board and the CEO maintain close contact about current issues.

Supervisory Board decisions are prepared in advance in separate meetings of the shareholder representatives and the employee representatives, and by the relevant committees. Each plenary Supervisory Board meeting includes a detailed report regarding the committees' work and the decisions taken. Supervisory Board members are personally responsible for ensuring they receive the training and professional development measures they need to perform their tasks. They receive appropriate support from the company in the process. One of the core elements is the annual Directors' Day, which was last held in December 2020. Speakers from within the company made presentations on current issues and developments and were available to answer questions.

Independence of shareholder representatives on the Supervisory Board

All Supervisory Board members are independent within the meaning of the German Corporate Governance Code. The number of independent Supervisory Board members therefore exceeds both the previous target of a minimum of 75% we had set for the Supervisory Board as a whole and the more ambitious target – set in December 2020 to replace the previous target – of a minimum of 60% for the group of shareholder representatives. The largest shareholder in the company, KfW Bankengruppe, currently holds 20.49% of the shares in Deutsche Post AG and therefore does not exercise control. Accordingly, Dr Jörg Kukies and Dr Günther Bräunig are also independent. None of the shareholder representatives have been on the Supervisory Board for more than twelve years. Lawrence Rosen is the only former Board of Management member with a seat on the Supervisory Board. It has been more than four years since Mr Rosen served on the Board of Management.

No Supervisory Board member exceeds the maximum age limit of 72, holds seats on governing bodies of the Group's main competitors or provides consultancy services to or maintains personal relationships with such competitors.

Effectiveness of the Supervisory Board's activities

The Supervisory Board carries out an annual review of the effectiveness of its work in plenary meetings and in the committees. This review is based upon a questionnaire, individual conversations between the Supervisory Board members and the chair and discussion in a Supervisory Board meeting, without the Board of Management. Suggestions made by individual members of the Supervisory Board are also taken up and implemented during the year. In the 2020 financial year, the Supervisory Board reviewed the efficiency of its activities in its September meeting. The

Board concluded that it had performed its monitoring and advisory duties effectively and efficiently. Constructive collaboration within the Supervisory Board and with Board of Management members in an atmosphere of trust enables duties to be performed in a proper and professional manner, as does the way in which the meetings are organised and conducted, which extends to the timely provision of decision-useful information.

Targets for the composition of the Supervisory Board (skills profile)

The Supervisory Board most recently amended the targets it had set for its composition in December 2020 to reflect Recommendation C.6 of the new German Corporate Governance Code. The target for an appropriate number of independent Supervisory Board members now relates solely to the group of shareholder representatives. The new target of 60% is higher than the figure previously set with due consideration for the group of employee representatives. The targets established also act as targets for the skills profiles sought by the Supervisory Board.

- ① When proposing candidates to the Annual General Meeting for election as Supervisory Board members, the Supervisory Board is guided purely by the best interests of the company. Subject to this requirement, the Supervisory Board aims to ensure that the independent group of shareholder representatives as defined in C.6 of the German Corporate Governance Code accounts for at least 60% of the Supervisory Board, and that at least 30% of Supervisory Board members are women.
- ② The Supervisory Board's future proposals to the Annual General Meeting will continue to consider candidates whose origins, education or professional experience equip them with international knowledge and experience.

- ③ The Supervisory Board should be in a position to collectively provide competent advice to the Board of Management on fundamental future issues; in its opinion this includes, in particular, digital transformation.
- ④ The Supervisory Board should collectively have sufficient expertise in the areas of accounting and financial statement audits. This includes knowledge of international developments in the field of accounting. Additionally, the Supervisory Board believes that the independence of its members helps guarantee the integrity of the accounting process and ensure the independence of the auditors.
- ⑤ Conflicts of interest affecting Supervisory Board members are an obstacle to providing independent advice to, and supervision of, the Board of Management. The Supervisory Board will decide how to deal with potential or actual conflicts of interest on a case-by-case basis, in accordance with the law and giving due consideration to the German Corporate Governance Code.
- ⑥ In accordance with the age limit adopted by the Supervisory Board and laid down in the rules of procedure for the Supervisory Board, proposals for the election of Supervisory Board members must ensure that their term of office ends no later than the close of the next Annual General Meeting to be held after the Supervisory Board member reaches the age of 72. As a general rule, Supervisory Board members should not serve more than three full terms of office.

The current Supervisory Board meets these targets and this skills profile. The Supervisory Board took such targets and the skills profile into account in the election proposals it made to the 2020 Annual General Meeting. It will do the same with respect to election proposals to be made to this year's Annual General Meeting.

Board of Management and Supervisory Board committees

All Board of Management members meet once a year to hold business review meetings for each division. Additional business review meetings are held per division or cross-divisional function between the CEO, the CFO and representatives of management for each division. The review meetings involve discussions of strategic initiatives, operational matters and the budgetary situation in the divisions.

The members of the Supervisory Board's committees prepare the resolutions to be taken in the plenary meetings and fulfil the duties assigned to them by the law, the company's Articles of Association and the rules of procedure for the Supervisory Board.

The Executive Committee prepares the resolutions to be taken in the plenary meetings regarding the appointment of members to the Board of Management, preparation of their service agreements (including remuneration), the system for remunerating Board of Management members, the establishment of variable remuneration targets and the review of the appropriateness of Board of Management remuneration. The Executive Committee also works on long-term succession planning for the Board of Management.

The Finance and Audit Committee reviews the company's accounts, oversees its accounting process and the effectiveness of the internal control system, risk management, internal audit and the audit of the financial statements, in particular with respect to audit quality and the independence of the auditors. It prepares the proposals of the Supervisory Board to be made to the Annual General Meeting concerning appointment of the auditor and is responsible for carrying out the selection process. The Finance and Audit Committee, moreover, deals with the audit of the non-financial statement. If the auditor is to be engaged to perform non-audit services, the committee must also

approve any such engagement. It examines corporate compliance and discusses the half-yearly financial reports and the quarterly statements with the Board of Management prior to their publication. Based upon its own assessment, the committee submits proposals for the approval of the annual and consolidated financial statements by the Supervisory Board. Since 1 January 2020, the Finance and Audit Committee has been additionally responsible for issuing findings on the required Supervisory Board approvals of significant transactions between the company and related parties.

The Chairman of the Finance and Audit Committee, Stefan Schulte, is an independent financial expert as defined in sections 100(5) and 107(4) of the AktG and in D.4 of the German Corporate Governance Code. He has no relationship with the company, its governing bodies or its shareholders that could cast doubt on his independence.

An agreement has been reached with the auditors that the Chairman of the Supervisory Board and the Chairman of the Finance and Audit Committee will be informed without delay of any potential grounds for exclusion or for impairment of the auditors' independence that arise during the audit, to the extent that any such grounds for exclusion or impairment are not immediately remedied. In addition, it has been agreed that the auditors will inform the Supervisory Board without delay of all material findings and incidents occurring in the course of the audit. Furthermore, the auditors must inform the Supervisory Board if, whilst conducting the financial statements audit, they find any facts leading to the Declaration of Conformity issued by the Board of Management and Supervisory Board being incorrect. The Audit Committee chair and the auditor regularly exchange information both at meetings and at other times.

The Strategy Committee prepares the Supervisory Board's strategy discussions and regularly discusses the

competitive position of the enterprise as a whole and of the divisions. In addition, it does preparatory work on corporate acquisitions and divestitures that require the Supervisory Board's approval.

The Nomination Committee presents the shareholder representatives of the Supervisory Board with recommendations for shareholder candidates for election to the Supervisory Board at the Annual General Meeting.

The Personnel Committee discusses human resources principles for the Group.

The Mediation Committee carries out the duties assigned to it pursuant to the MitbestG: it makes proposals to the Supervisory Board on the appointment of members of the Board of Management in those cases in which the required majority of two-thirds of the votes of the Supervisory Board members is not reached. The Committee did not meet in the past financial year.

Further information about the work of the Supervisory Board and its committees in the 2020 financial year is contained in the [Report of the Supervisory Board](#). The members of the Supervisory Board and all offices held by them can be found on [page 7 f.](#), and the members of the Board of Management and all offices held by them can be found on [page 6](#).

Committees of the Supervisory Board

Executive Committee

Dr Nikolaus von Bomhard (Chair)
 Andrea Kocsis (Deputy Chair)
 Rolf Bauermeister (until 15 July 2020)
 Ingrid Deltenre
 Werner Gatzert (until 12 February 2020)
 Thomas Held
 Thorsten Kühn (since 4 September 2020)
 Dr Jörg Kukies (since 23 April 2020)

Personnel Committee

Andrea Kocsis (Chair)
 Dr Nikolaus von Bomhard (Deputy Chair)
 Ingrid Deltenre (since 4 September 2020)
 Thomas Koczelnik
 Roland Oetker (until 27 August 2020)

Finance and Audit Committee

Dr Stefan Schulte (Chair)
 Stephan Teuscher (Deputy Chair)
 Werner Gatzert (until 12 February 2020)
 Thomas Koczelnik
 Dr Jörg Kukies (since 23 April 2020)
 Simone Menne
 Stefanie Weckesser

Strategy Committee

Dr Nikolaus von Bomhard (Chair)
 Andrea Kocsis (Deputy Chair)
 Rolf Bauermeister (until 15 July 2020)
 Dr Günther Bräunig
 Dr Heinrich Hiesinger (since 4 September 2020)
 Thomas Koczelnik
 Roland Oetker (until 27 August 2020)
 Stephan Teuscher (since 4 September 2020)

Nomination Committee

Dr Nikolaus von Bomhard (Chair)
 Ingrid Deltenre
 Werner Gatzert (until 12 February 2020)
 Dr Jörg Kukies (since 23 April 2020)

Mediation Committee (pursuant to section 27(3) of the German Co-determination Act)

Dr Nikolaus von Bomhard (Chair)
 Andrea Kocsis (Deputy Chair)
 Rolf Bauermeister (until 15 July 2020)
 Dr Heinrich Hiesinger (since 4 September 2020)
 Thorsten Kühn (since 4 September 2020)
 Roland Oetker (until 27 August 2020)

Diversity

When selecting members for the Board of Management, the Supervisory Board pays close attention to ensuring that they have a variety of qualifications, abilities and experience and that their skills profiles offer a meaningful addition to the Board of Management as a whole. Long-term succession planning in all divisions guarantees that there will be sufficient qualified candidates to fill Board of Management positions in future. The early promotion of women in the company also plays a key role. The current target for the proportion of women on the Board of Management until the 2021 Annual General Meeting is 2:8.

The Board of Management has set a target of 30% for the percentage of women at Deutsche Post AG at both executive tiers below the Board of Management. We aim to meet these targets by 31 December 2024. The two executive tiers are defined on the basis of their reporting lines: tier 1 comprises executives assigned to the N-1 reporting line, whilst tier 2 consists of executives from the N-2 reporting line. The company intends to increase the share of women in management positions globally and has therefore set itself the goal of increasing the percentage of women in middle and upper management to 30% by 2025. This figure has risen continually in recent years and stood at 23.2% as at 31 December 2020.

The diversity criteria important to the Supervisory Board when considering its own composition, are outlined in the list of its goals. With a proportion of women of 35%, the Supervisory Board has exceeded its own target of 30%, which also reflects the minimum statutory requirement.

Shareholders and Annual General Meeting

Shareholders exercise their rights, and in particular their right to receive information and to vote, at the Annual General Meeting. Each share in the company entitles the holder to one vote. The agenda with the proposed resolutions for the Annual General Meeting and additional information will be made available on the company website at the latest when the General Meeting is convened. A detailed CV is published for each Supervisory Board candidate put forth for election. We assist our shareholders in exercising their voting rights not only by making it possible to submit postal votes but also by appointing company proxies, who cast their votes solely as instructed by the shareholders. Additionally, shareholders can authorise company proxies and submit postal votes via the online service offered by the company. Due to the pandemic, the 2020 Annual General Meeting was held online in line with the applicable statutory provisions. Shareholders were able to submit their questions online up to two days prior to the AGM. They were able to vote either by absentee ballot or by authorising a company proxy to vote in their place. The 2021 Annual General Meeting will also be held online given that the pandemic is still ongoing.

Remuneration of the Board of Management and the Supervisory Board

The remuneration system applied to Board of Management members must be presented to the Annual General Meeting for approval whenever there are significant changes, or at least every four years. The 2018 Annual General Meeting approved the Board of Management remuneration system with around 89% of the votes cast in favour. The remuneration system continues to apply in largely unchanged form, as explained in greater detail in the [Remuneration Report](#). That report also contains information regarding the remuneration of the individual members of the Board of Management and the Supervisory Board. In December 2020, the Supervisory Board decided to modify the remuneration system for Board of Management members to reflect the requirements of the AktG, which was amended by way of the Act on the Implementation of the Second Shareholder Rights Directive (ARUG II), and in line with the recommendations and suggestions set out in the revised German Corporate Governance Code. The modified remuneration system will be presented to the 2021 Annual General Meeting for approval. The Board of Management and the Supervisory Board will additionally put forward their proposal for Supervisory Board remuneration to the AGM for voting. The remuneration system for Board of Management members and the AGM's resolution on Supervisory Board remuneration will be made accessible on the company's website.

Disclosures required by takeover law

Disclosures required under sections 289a(1) and 315a(1) *Handelsgesetzbuch* (HGB – German Commercial Code) and explanatory report.

Composition of issued capital, voting rights and transfer of shares

As at 31 December 2020, the company's share capital totalled €1,239,059,409 and was composed of the same number of no-par value registered shares. Each share carries the same rights and obligations stipulated by law and/or in the company's Articles of Association and entitles the holder to one vote at the Annual General Meeting (AGM). No individual shareholder or group of shareholders is entitled to special rights, particularly rights granting powers of control.

The exercise of voting rights and the transfer of shares are based upon statutory provisions and the company's Articles of Association, which place no restrictions on the exercise of voting rights or transfer of shares.

Shareholdings exceeding 10% of voting rights

KfW Bankengruppe (KfW), Frankfurt am Main, is our largest shareholder, holding 20.49% of the share capital. The Federal Republic of Germany holds an indirect stake in Deutsche Post AG via KfW.

Appointment and replacement of members of the Board of Management

The members of the Board of Management are appointed and replaced in accordance with the relevant statutory provisions (cf. sections 84 and 85 of the *Aktengesetz* (AktG – German stock corporation act) and section 31 of the *Mitbestimmungsgesetz* (MitbestG – German

co-determination act)). Article 6 of the Articles of Association stipulates that the Board of Management must have at least two members. Beyond that, the number of board members is determined by the Supervisory Board.

Amendments to the Articles of Association

In accordance with section 119 (1), number 6 and section 179 (1), sentence 1 of the AktG, amendments to the Articles of Association are adopted by resolution of the AGM. In accordance with article 21 (2) of the Articles of Association in conjunction with sections 179 (2) and 133 (1) of the AktG, such amendments generally require a simple majority of the votes cast and a simple majority of the share capital represented on the date of the resolution. In such instances where the law requires a greater majority for amendments to the Articles of Association, that majority is decisive.

Board of Management authorisation, particularly regarding issue and buy-back of shares

The Board of Management is authorised, subject to the consent of the Supervisory Board, to issue up to 160,000,000 new, no-par value registered shares (Authorised Capital). Details may be found in article 5 (2) of the Articles of Association. The Articles of Association are available on the [company's website](#) and in the electronic Company Register. They may also be viewed in the commercial register of the Bonn Local Court.

The Board of Management has furthermore been authorised by resolution of the AGMs of 27 May 2014 (agenda item 8), 28 April 2017 (agenda item 7), 24 April 2018 (agenda item 6) and 27 August 2020 (agenda items 7 and 8) to issue Performance Share Units (PSUs). The authorisation resolutions are included in the notarised minutes of

the AGM, which can be viewed in the commercial register of the Bonn Local Court. In order to service both current PSUs and those yet to be issued, the AGM approved contingent capital increases. Details may be found in article 5 of the Articles of Association. As at 31 December 2020, the PSUs already issued conferred rights to up to 29,678,108 Deutsche Post AG shares, assuming the conditions are met. Under the authorisations granted, up to 49,350,484 additional PSUs may still be issued.

The AGM of 28 April 2017 authorised the company to buy back shares on or before 27 April 2022 up to an amount not to exceed 10% of the share capital existing as at the date of adoption of the resolution. Further details, including the option of using the treasury shares acquired on that basis or on the basis of a preceding authorisation, may be found in the authorisation resolution adopted by the AGM of 28 April 2017 (agenda item 8). In addition, the AGM of 28 April 2017 authorised the Board of Management to buy back shares within the scope specified in agenda item 8, including through the use of derivatives (agenda item 9). Based upon that authorisation resolution, the company repurchased 2,003,334 shares during the financial year. As at 31 December 2020, the company held no treasury shares.

Significant agreements that are conditional upon a change of control following a takeover bid and agreements with members of the Board of Management or employees providing for compensation in the event of a change of control

Deutsche Post AG holds a syndicated credit facility with a volume of €2 billion under an agreement entered into with a consortium of banks. If a change of control within the meaning of the agreement occurs, each member of

the bank consortium is entitled, under certain conditions, to cancel its share of the credit facility as well as its share of any outstanding loans and to request repayment. The terms and conditions of the bonds issued under the Debt Issuance Programme established in March 2012 and those of the convertible bond issued in December 2017 also contain change-of-control clauses. In the event of a change of control within the meaning of those terms and conditions, creditors are, under certain conditions, granted the right to demand early redemption of the respective bonds. Finally, Deutsche Post AG has concluded a factoring agreement providing for a maximum volume of €70 million in connection with distribution partnerships. The factoring agreement can be terminated without notice in the event of a change of control as defined in the agreement.

In the event of a change of control, any member of the Board of Management is entitled to resign their office for good cause within a period of six months following the change of control after giving three months' notice to the end of a given month, and to terminate their Board of Management contract (right to early termination). Starting in the 2021 financial year, Board members are no longer entitled to receive a severance payment when exercising their right to early termination. With regard to the Annual Bonus Plan with Share Matching for executives, the holding period for the shares will become invalid with immediate effect in the event of a change of control of the company. The participating executives will receive the total number of matching shares corresponding to their investment (or a cash equivalent) in due course. In such a case, the employer will be responsible for any tax disadvantages resulting from a reduction of the holding period. Taxes normally incurred after the holding period are exempt from this provision.