

**Convenience translation:**

***The text decisive for the invitation to the Annual General Meeting of MorphoSys AG is the one written in the German language.***

The Act on the measures in corporate, cooperative, association, foundation and residential property law to reduce the effects of the COVID 19 pandemic (C-19 AuswBekG), which came into force on March 28, 2020, provides the option to conduct ordinary annual general meetings in 2020 without the physical presence of shareholders or their proxies (virtual general meeting). With the Supervisory Board's consent, the Management Board of MorphoSys AG has decided to utilize the option to hold a virtual general meeting, given the expected continuation of the COVID-19 pandemic for the foreseeable future, the measures adopted by the Free State of Bavaria, and the goal to avoid health risks for shareholders, internal and external employees and members of Company's corporate bodies.

**Invitation to the virtual 2020 Annual General Meeting of MorphoSys AG**

We would like to invite our shareholders to the ordinary virtual Annual General Meeting of MorphoSys AG, Planegg, on Wednesday, May 27, 2020, at 2:00 p.m. (CEST).

The Annual General Meeting shall be held without the physical presence of the shareholders and their proxies at the corporate headquarters of MorphoSys AG located at Semmelweisstrasse 7, 82152 Planegg, Germany. The shareholders and their proxies (with the exception of the Company's proxies) have no right or opportunity to be physically present at the place of the meeting. In accordance with Section 1 (2) sentence 1 no. 1 C-19 AuswBekG, the entire meeting will be visually and aurally transmitted through the password-protected web service for duly registered shareholders and their proxies and can be accessed via the Company's website at [www.morphosys.com/agm](http://www.morphosys.com/agm) under the section "Media and Investors/Annual General Meeting". This transmission does not allow for participation in the Annual General Meeting as per the definition in Section 118 (1) sentence 2 AktG or electronic participation in the virtual Annual General Meeting as defined in Section 1 (2) sentence 1 no. 2, alternative 2 of C-19 AuswBekG (cf. detailed information after the rendering of the agenda with the proposed resolutions).

**I.  
Agenda**

- 1. Presentation of the adopted financial statements and the approved consolidated financial statements as of December 31, 2019; the management reports, including the report of the Supervisory Board for the 2019 financial year; and the Management Board's explanatory report regarding the disclosures pursuant to Sections 289a (1) and 315a (1) of the German Commercial Code (Handelsgesetzbuch [HGB])**

The documents above are available on our website at [www.morphosys.com/agm](http://www.morphosys.com/agm). These documents can also be sent to shareholders free of charge immediately upon request. The Supervisory Board has approved the financial statements and consolidated financial statements as prepared by the Management Board; the financial statements are thereby adopted. For this reason, this agenda item does not require a shareholders' resolution.

- 2. Resolution on the discharge of Management Board members for the 2019 financial year**

The Management Board and the Supervisory Board propose to discharge the Management Board members for the 2019 financial year.

- 3. Resolution on the discharge of Supervisory Board members for the 2019 financial year**

The Management Board and the Supervisory Board propose to discharge the Supervisory Board members for the 2019 financial year.

- 4. Resolution on the appointment of the auditor for the 2020 financial year**

In accordance with the recommendation of the Supervisory Board's Audit Committee, the Supervisory Board proposes that PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Munich, be reappointed as the auditor of MorphoSys AG's financial statements and consolidated financial statements for the 2020 financial year and as the auditor for the review of the half-year financial report as of June 30, 2020, pursuant to Section 115 (5) of the German Securities Trading Act (Wertpapierhandelsgesetz [WpHG]).

**5. Resolution on the reduction of the number of Supervisory Board members; amendment to the Articles of Association**

Effective April 11, 2020, Supervisory Board member Dr. Frank Morich resigned from his office as Supervisory Board member of the Company. The Company does not intend to appoint a new Supervisory Board member to succeed Dr. Morich but rather reduce the number of Supervisory Board members by one person. With regard to Section 95 sentence 3 of the German Stock Corporation Act (Aktiengesetz [AktG]), the Company's Annual General Meeting may elect a Supervisory Board consisting of a number of at least three persons; the number does not necessarily have to be divisible by three. Currently, Section 8 (1) of the Company's Articles of Association stipulates that the Supervisory Board shall consist of seven members. Henceforth, the number of Supervisory Board members be lowered to six.

In view of the above, the Management Board and the Supervisory Board propose to resolve as follows:

Section 8 (1) of the Articles of Association shall be amended as follows:

"The Supervisory Board consists of six members elected by the shareholders in accordance with the German Stock Corporation Act."

**6. Resolution on the election of Supervisory Board members**

The Supervisory Board consists of seven members pursuant to Sections 95 and 96 (1) AktG and Section 8 (1) of the Company's Articles of Association. Since the Company is not subject to co-determination, its Supervisory Board is comprised solely of shareholder representatives. Pursuant to Section 102 (1) AktG and Section 8 (2) of the Company's Articles of Association, Supervisory Board members are elected for a period ending no later than the end of the Annual General Meeting in which the discharge of the Supervisory Board for the fourth financial year after commencing the term of office is resolved. The financial year in which the term of office begins shall not be counted.

Effective April 11, 2020, Supervisory Board member Dr. Frank Morich resigned from his office as Supervisory Board member of the Company. Upon conclusion of the Annual General Meeting on May 27, 2020, the terms of office of Supervisory Board members Wendy Johnson, Dr. George Golumbeski and Michael Brosnan will expire. It is not necessary to reappoint the other members of the Supervisory Board as their terms of office are still in effect. With regard to Agenda Item 5

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of this Annual General Meeting, which provides for a reduction of the Supervisory Board to six members, no new member shall be elected to succeed Dr. Morich until the respective change to the Articles of Association has been entered into the commercial register. Wendy Johnson, Dr. George Golumbeski and Michael Brosnan stand for reelection and shall be reelected to the Supervisory Board effective upon the close of the Annual General Meeting on May 27, 2020. Consequently, three Supervisory Board members must be elected. The election proposals are in accordance with Section 95 (3) AktG.

Based on the above, and in accordance with the proposal of its Remuneration and Nomination Committee, the Supervisory Board proposes to elect the persons listed under subsections a), b) and c) below as members of the Supervisory Board. The person named under subsections a), b) and c) below shall be elected effective upon the close of the Annual General Meeting on May 27, 2020. The person proposed under a) below shall be appointed until the end of the Annual General Meeting in which the discharge of the Supervisory Board for the first financial year after commencing the term of office is resolved. The persons proposed under b) and c) below shall be appointed until the end of the Annual General Meeting in which the discharge of the Supervisory Board for the second financial year after commencing the term of office is resolved, whereby, in each case, the financial year in which the term of office begins is not included (i.e., for the person proposed under a) presumably until the end of the ordinary Annual General Meeting in 2022 and for the persons proposed under b) and c) presumably until the end of the ordinary Annual General Meeting in 2023).

- a) Ms. Wendy Johnson  
Profession: Managing Director, Gemini Advisors, San Diego, California, USA, and Chief Operating Officer at Reneo Pharmaceuticals, Inc., San Diego, California, USA  
Residence: San Diego, California, USA
  
- b) Dr. George Golumbeski  
Profession: Freelance business consultant in the life sciences and healthcare industries  
Residence: Far Hills, New Jersey, USA
  
- c) Mr. Michael Brosnan  
Profession: Freelance business consultant in the life sciences and healthcare industries  
Residence: Westford, Massachusetts, USA

The candidates proposed for election are not members of any statutory supervisory boards. The candidates proposed for election under subsections a) and c) are also not members of

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comparable domestic or foreign supervisory bodies of any commercial enterprises. The person named under subsection b), Dr. George Golumbeski, is however a member of a comparable domestic or foreign supervisory body of a commercial enterprise at the companies listed below:

- Aura Biosciences Inc., Cambridge, Massachusetts, USA (not publicly listed), Chair of the Board of Directors
- Carrick Therapeutics Ltd., Dublin, Ireland (not publicly listed), Chair of the Board of Directors
- Enanta Pharmaceuticals, Inc., Watertown, Massachusetts, USA (publicly listed), member of the Board of Directors
- KSQ Therapeutics, Inc., Cambridge, Massachusetts, USA (not publicly listed), member of the Board of Directors
- Sage Therapeutics, Cambridge, Massachusetts, USA (publicly listed), member of the Board of Directors
- Shattuck Labs, Inc., Austin, Texas, USA (not publicly listed), member of the Board of Directors
- Verseau Therapeutics, Inc., Bedford, Massachusetts, USA (not publicly listed), Chair of the Board of Directors

Detailed resumes of the proposed candidates can be retrieved at [www.morphosys.com/aggm](http://www.morphosys.com/aggm).

In accordance with the German Corporate Governance Code, the proposed candidates will ensure that they have sufficient time to perform their duties. In addition, the Supervisory Board has satisfied itself that the proposed candidates will be able to spend the expected amount of time.

The candidates proposed have no personal or business relationship with MorphoSys AG, its Group companies or the corporate bodies of MorphoSys AG that are required to be disclosed in accordance with the German Corporate Governance Code. Disclosure of a personal or business relationship with a significant shareholder of MorphoSys AG, as defined by the German Corporate Governance Code, is not considered, as MorphoSys AG has no such shareholder. None of the proposed candidates for membership on the Supervisory Board has been active in this function for more than ten years.

The election proposal takes into account the objectives set by the Supervisory Board for its composition and aims to meet the competency profile drawn up by the Supervisory Board for the entire Board. The objectives and competency profile were last resolved by the Supervisory Board

***Convenience translation only***

on July 26, 2017 and have been published in the Corporate Governance Report for the 2019 financial year and include the status of implementation. This report is contained in the Annual Report 2019 and can be accessed on the Company's website.

The candidates proposed for election, as well as the members of the Supervisory Board who are not up for reelection, are in their entirety familiar with the sector in which the Company operates.

**7. Resolution on an additional amendment to the Articles of Association with regard to the prerequisites for participation in the Annual General Meeting**

The prerequisites for providing proof of eligibility required for shareholder participation in the Annual General Meeting and the exercise of voting rights were changed by the Act for the Implementation of the Second Shareholders' Rights Directive (ARUG II). According to the amended Section 123 (4) sentence 1 AktG, if a company has bearer shares listed on the stock exchange, providing proof of the last intermediary shall in future be sufficient for participation in the Annual General Meeting and the exercise of voting rights under the newly inserted Section 67c (3) AktG. Pursuant to Section 17 (2) sentence 1 of the Company's Articles of Association, according to the prevailing version of Section 123 (4) sentence 1 AktG, participation in the Annual General Meeting and exercise of voting rights shall require proof of shareholding in text form issued by the custodian bank.

The ARUG II entered into force on January 1, 2020. The amendments to Section 123 (4) sentence 1 AktG and the newly prescribed Section 67c AktG shall not apply until September 3, 2020 and, for the first time, at annual general meetings convened after September 3, 2020.

In order to avoid a potential deviation of the regulations on this proof for participation in the Company's Annual General Meeting and the exercise of voting rights in the Articles of Association and the law, the resolution on the amendment of the Articles of Association shall be passed now. The Management Board shall ensure, through a corresponding entry in the commercial register, that the amendment to the Articles of Association shall not become effective until September 3, 2020.

Therefore, the Management Board and Supervisory Board propose:

Section 17 (2) of the Articles of Association shall be amended as follows:

## **Convenience translation only**

*“(2) For eligibility under paragraph 1, it is sufficient to provide proof of shareholdings in text form from the last intermediary in accordance with Section 67c AktG. The proof of shareholdings must refer to the record date stipulated by the German Stock Corporation Act.*

*The Company shall be entitled to request additional relevant proof in the event of any doubt concerning the proof’s accuracy or authenticity. If this, too, is in doubt, the Company may refuse the shareholder authorization to participate or vote in the general meeting.”*

The Management Board is instructed to apply for the registration of the amendment to the Articles of Association in the commercial register only after September 3, 2020.

### **8. Resolution on a further amendment to the Articles of Association with regard to conducting the Annual General Meeting**

In connection with the COVID-19 pandemic, C-19 AuswBekG presents the possibility of conducting ordinary annual general meetings in 2020 without the physical presence of shareholders or their proxies (virtual general meeting). In order to be able to respond with flexibility to certain situations in the future and to maintain the Company’s ability to act at all times, the existing provisions in the Company’s Articles of Association for conducting annual general meetings – particularly with regard to the participation of the members of the Supervisory Board – are to be supplemented in accordance with Section 118 (3) sentence 2 AktG.

The Management Board and Supervisory Board therefore propose to resolve the following:

Following the existing paragraph 4 of Section 18 of the Articles of Association, a new paragraph 5 has been added and is worded as follows:

*“(5) Members of the Supervisory Board who (i) reside abroad or (ii) are prevented from attending the Annual General Meeting for professional or health reasons, may participate in the Annual General Meeting by means of video and audio transmission.”*

### **9. Resolution on the adjustment of Supervisory Board remuneration**

Under Section 15 (1) of the Articles of Association and pursuant to a resolution of the Annual General Meeting, Supervisory Board members shall receive a reasonable level of annual remuneration in addition to the reimbursement of their expenses. On May 22, 2019, the Annual

**Convenience translation only**

General Meeting adopted a resolution on the remuneration of the Supervisory Board members under Agenda Item 8. This remuneration as resolved by the Annual General Meeting on May 22, 2019, shall remain unchanged and be adjusted based only on the following amendments:

The remuneration of the Chair of the Audit Committee shall be increased by € 6,000 p.a. from € 12,000 p.a. to € 18,000 p.a. (see subsection a) cc) below). Supervisory Board members shall also be granted a lump-sum expense allowance of € 2,000 per meeting if they are a resident in Europe and personally attend a Supervisory Board and/or committee meeting in the United States (see below subsection a) ee)). For reasons of transparency, the complete resolution regarding the remuneration of the Supervisory Board as resolved in the Annual General Meeting on May 22, 2019 (Agenda Item 8) shall be revised, even if the remuneration of the Supervisory Board is amended in only these two items.

Therefore, the Management Board and the Supervisory Board propose revising in its entirety the resolution under Agenda Item 8 made at the Annual General Meeting on May 22, 2019, pursuant to Section 15 (1) of the Articles of Association as follows:

- a) For the 2020 financial year, the Supervisory Board members shall receive the following cash remuneration:
  - aa) Basic compensation in the amount of € 98,210.00 p.a. for the Chair of the Supervisory Board, € 58,926.00 p.a. for the Deputy Chair of the Supervisory Board and € 39,284.00 p.a. for the other Supervisory Board members (plus applicable VAT in each case).
  - bb) In addition, (i) an amount of € 4,000.00 (plus applicable VAT) for the Chair of the Supervisory Board for each Supervisory Board meeting chaired and (ii) € 2,000.00 (plus applicable VAT) for the other Supervisory Board members for each Supervisory Board meeting attended. This also applies to Supervisory Board meetings held without physical presence by telephone or video conference. However, if the Chair of the Supervisory Board or a Supervisory Board member participates in a telephone or video conference at a Supervisory Board meeting requiring personal attendance, the above amounts shall be reduced by half for those not personally attending the meeting.

**Convenience translation only**

- cc) For their membership in Supervisory Board committees, Supervisory Board members shall also receive the following compensation (plus applicable VAT) for each committee they chair or are a member of:
- as the chair of the Audit Committee, € 18,000.00 p.a.
  - as the chair of other committees, € 12,000.00 p.a.
  - other committee members, € 6,000.00 p.a.
- dd) In addition, in their capacity as members of a committee, Supervisory Board members shall each receive an amount of € 1,200.00 (plus applicable VAT) for each such committee meeting attended. This also applies to committee meetings held without physical presence by telephone or video conference. However, if the Supervisory Board member participates by telephone or video conference at a committee meeting requiring personal attendance, the above amounts shall be reduced by half for those not personally attending the meeting.
- ee) If (i) a Supervisory Board member (geographically) residing outside of Europe participates personally in a Supervisory Board and/or committee meeting in Germany or (ii) a member of the Supervisory Board with (geographical) residence within Europe personally attends a Supervisory Board and/or committee meeting in the USA, the Supervisory Board member is entitled to a flat-rate allowance of € 2,000.00 (plus applicable VAT) for the associated additional travel time in addition to the attendance fees stated in subsection bb) and dd) and the reimbursement of expenses.
- b) The remuneration pursuant to the preceding subsections a) aa) and cc) shall become due in equal tranches on a quarterly basis, and the attendance fees pursuant to the preceding subsections a) bb), dd) as well as the flat-rate allowance pursuant to the preceding subsection a) ee) shall become due at the end of the quarter in which the relevant meeting took place.
- c) The provisions defined in subsections a) and b) shall also apply to the Supervisory Board's remuneration and the respective due dates in the following financial years unless the Annual General Meeting resolves otherwise.

**10. Resolution on the cancellation of Authorized Capital 2017-I and the creation of new Authorized Capital 2020-I with the option to exclude statutory subscription rights; changes in the Articles of Association**

The existing Authorized Capital 2017-I (Section 5 [6] of the Articles of Association), which was created by the resolution of the Annual General Meeting on May 17, 2017 under Agenda Item 5, has been partially utilized in the amount of € 907,441.00 and shall be newly resolved. Section 5 (6) of the Articles of Association now amounts to only € 2,008,536.00. To continue providing the Company's management sufficient latitude, the Company's existing Authorized Capital 2017-I shall be cancelled and new Authorized Capital 2020-I shall be created that authorizes the management to increase the Company's share capital by up to 10% and, under certain conditions, exclude shareholders subscription rights to the same extent. The option to exclude subscription rights for capital increases against contribution in cash and/or in-kind from all authorized and conditional capital shall be limited to a total of 10% of the share capital. This 10% limit should take into account (i) treasury shares sold with the exclusion of subscription rights; (ii) shares to be issued with the exclusion of subscription rights from other authorized capital; and (iii) shares to be issued with the exclusion of subscription rights to service issued bonds with conversion or warrant rights (barring, however, the exclusion of subscription rights for employee participation programs under (i), (ii) and (iii)). The cancellation of Authorized Capital 2017-I shall only be effective when its replacement by Authorized Capital 2020-I takes effect.

In view of the above, the Management Board and the Supervisory Board propose the adoption of the following resolution:

a) Cancellation of Authorized Capital 2017-I; changes in the Articles of Association

Authorized Capital 2017-I pursuant to Section 5 (6) of the Articles of Association shall be cancelled with effect as of the date of registration in the commercial register of Authorized Capital 2020-I resolved pursuant to subsection b).

b) Creation of new Authorized Capital 2020-I

With the Supervisory Board's consent, the Management Board shall be authorized to increase the Company's share capital by issuing a maximum of 3,286,539 new no-par value bearer shares against contribution in cash up to an amount of € 3,286,539.00 on one or several occasions until and including the date of May 26, 2025 (Authorized Capital 2020-I).

Shareholders are principally entitled to subscription rights. The shares may also be subscribed to by one or several credit institutions with the obligation to offer the shares to

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shareholders for subscription. With the Supervisory Board's consent, the Management Board is, however, authorized to exclude the subscription rights of shareholders in the following cases:

- aa) to the extent such exclusion is necessary to avoid fractional shares; or
- bb) if the issue price of the new shares is not significantly below the market price of shares of the same class already listed and the total number of shares issued against contribution in cash, excluding subscription rights, during the term of this authorization does not exceed 10% of the share capital on the date this authorization takes effect or at the time it is exercised, in accordance with or in the respective application of Section 186 (3) sentence 4 AktG.

The total number of shares to be issued via capital increases against contribution in cash, excluding subscription rights and based on the authorizations mentioned above, shall not exceed 10% of the share capital when calculated based on the authorizations' effective date or exercise, whichever amount is lower. This 10% limit shall take into account (i) treasury shares sold with the exclusion of subscription rights after the effective date of these authorizations (unless they service the entitlements of members of executive management bodies and/or employees of the Company and its affiliated companies under employee participation programs); (ii) shares to be issued with the exclusion of subscription rights during the effective period of these authorizations from other authorized capital existing on the effective date of these authorizations (unless they service the entitlements of members of executive management bodies and/or employees of the Company and its affiliated companies under employee participation programs); and (iii) shares to be issued during the effective period of these authorizations to service bonds with conversion or warrant rights, whose authorization basis exists on the effective date of these authorizations, to the extent the bonds with conversion or warrant rights were issued with the exclusion of shareholders' subscription rights (unless they service the entitlements of members of executive management bodies and/or employees of the Company and its affiliated companies under employee participation programs).

With the Supervisory Board's consent, the Management Board shall be authorized to determine the further details of the capital increase and its execution.

- c) Amendment to the Articles of Association

Section 5 (6) of the Articles of Association shall be amended as follows:

**Convenience translation only**

*“(6) With the Supervisory Board’s consent, the Management Board is authorized to increase the Company’s share capital by issuing a maximum of 3,286,539 new no-par value bearer shares against contribution in cash up to an amount of € 3,286,539.00 on one or several occasions until and including the date of May 26, 2025 (Authorized Capital 2020-I).*

*Shareholders are principally entitled to subscription rights. The shares may also be subscribed to by one or several credit institutions with the obligation to offer the shares to shareholders for subscription. With the Supervisory Board’s consent, the Management Board is, however, authorized to exclude the subscription rights of shareholders in the following cases:*

- aa) to the extent such exclusion is necessary to avoid fractional shares; or*
- bb) if the issue price of the new shares is not significantly below the market price of shares of the same class already listed and the total number of shares issued against contribution in cash, excluding subscription rights, during the term of this authorization does not exceed 10% of the share capital on the date this authorization takes effect or at the time it is exercised, in accordance with or in the respective application of Section 186 (3) sentence 4 AktG.*

*The total number of shares to be issued via capital increases against contribution in cash, excluding subscription rights and based on the authorizations mentioned above shall not exceed 10% of the share capital when calculated based on the authorizations’ effective date or exercise, whichever amount is lower. The 10% limit mentioned above shall take into account (i) treasury shares sold with the exclusion of subscription rights after the effective date of these authorizations (unless they service the entitlements of members of executive management bodies and/or employees of the Company and its affiliated companies under employee participation programs); (ii) shares to be issued with the exclusion of subscription rights during the effective period of these authorizations from other authorized capital existing on the effective date of these authorizations (unless they service the entitlements of members of executive management bodies and/or employees of the Company and its affiliated companies under employee participation programs); and (iii) shares to be issued during the effective period of these authorizations to service bonds with conversion or warrant rights, whose authorization basis exists on the effective date of these authorizations, to the extent the bonds with conversion or warrant rights were issued with the exclusion of shareholders’*

**Convenience translation only**

*subscription rights (unless they service the entitlements of members of executive management bodies and/or employees of the Company and its affiliated companies under employee participation programs).*

*With the Supervisory Board's consent, the Management Board shall be authorized to determine the further details of the capital increase and its execution."*

**11. Resolution on the creation of Conditional Capital 2020-I and the authorization to grant subscription rights to members of the Management Board of MorphoSys AG, members of the executive management bodies of affiliated companies in Germany and abroad and selected employees of MorphoSys AG and affiliated companies in Germany and abroad (Stock Option Plan 2020); amendment of the Articles of Association**

In order to continue to bind executives of MorphoSys AG (hereinafter also referred to as "Company") and its affiliates in Germany and abroad to MorphoSys AG through a variable remuneration component with a long-term incentive effect, the option should be available to issue subscription rights to shares of MorphoSys AG to members of the Management Board of MorphoSys AG, members of executive management bodies of affiliated companies in Germany and abroad and selected employees of MorphoSys AG and affiliated companies in Germany and abroad under a stock option program (Stock Option Plan 2020).

The structure of the variable remuneration component with long-term incentive effect in the form of a stock option plan that is proposed for resolution under this Agenda Item 11 is distinguished by its entitlement of participants to variable share-based remuneration when they achieve ambitious targets. Upon the achievement of targets, the shares are to be issued at an issue price that corresponds to the average market price of the Company's shares prior to the granting of the subscription rights.

The Management Board and the Supervisory Board propose to resolve as follows:

**Convenience translation only**

- a) Authorization to issue stock options with subscription rights to shares of MorphoSys AG

With the Supervisory Board's consent, the Management Board shall be authorized to grant subscription rights ("stock options") on one or more occasions up to and including May 26, 2025 ("authorization period") for a total of up to 657,308 no-par value bearer shares of the Company to members of the executive management bodies of affiliated companies in Germany and abroad, as well as to selected employees of MorphoSys AG and affiliated companies in Germany and abroad.

The Supervisory Board is authorized to grant stock options for a total of up to 657,307 no-par value bearer shares of the Company to members of the Company's Management Board (members of the Company's Management Board together with members of the executive management bodies of affiliated companies in Germany and abroad and selected employees of MorphoSys AG and affiliated companies in Germany and abroad; hereinafter collectively referred to as "beneficiaries") on one or more occasions during the authorization period.

One stock option grants a subscription right for up to two Company shares. A subscription right for the Company's shareholders does not exist. A corresponding number of stock options may be reissued to beneficiaries to the extent stock options are forfeited during the authorization period due to termination of employment with the Company or an affiliated company, due to the departure of an affiliated company from the MorphoSys Group or for other reasons. At the Company's option, the exercised subscription rights may be satisfied using either the Conditional Capital 2020-I proposed for resolution under letter b) below or using treasury shares of the Company. The Company also has the right to settle its obligation in cash. The granting of subscription rights to subscribe for Company shares and the issue of the subscription shares shall be carried out in accordance with the following provisions:

- (1) Beneficiaries and allocation

The group of beneficiaries includes the members of the Company's Management Board (Group 1), members of the executive management bodies of affiliated companies in Germany and abroad (Group 2) and selected employees of the Company and affiliated companies in Germany and abroad (Group 3).

The total volume of subscription rights is allocated to the individual groups of beneficiaries as follows:

## ***Convenience translation only***

- The beneficiaries of Group 1 together receive a maximum of 50% of the total stock options to be issued and the resulting subscription rights.
- The beneficiaries of Group 2 together receive a maximum of 5% of the total stock options to be issued and the resulting subscription rights.
- The beneficiaries of Group 3 together receive a maximum of 45% of the total stock options to be issued and the resulting subscription rights.

If the beneficiaries belong to more than one group, they shall receive stock options solely on the basis of their membership to one group. Group membership is determined by the Company's Management Board and, insofar as members of the Company's Management Board are affected, by the Company's Supervisory Board. The beneficiaries within the individual groups and the number of stock options to be granted to each of these beneficiaries may vary over the term of the Stock Option Plan and shall be determined by the Company's Management Board and, insofar as members of the Company's Management Board are affected, by the Company's Supervisory Board.

### (2) Issue periods (Acquisition periods)

Stock options may be issued in tranches once or several times during the year within the authorization period in accordance with a program to be launched once or repeatedly. The issue is made within three months after the end of the first or third quarter, respectively, in accordance with the statutory provisions. Insofar as stock options are granted to members of the Company's Management Board, the relevant regulations ("plan conditions") are determined by the Company's Supervisory Board and, otherwise, by the Company's Management Board.

The date of issue shall be the date on which the beneficiaries receive the offer to grant stock options, irrespective of the date of the offer's acceptance. The offer may specify a later date as the issue date.

### (3) Vesting period

Stock options may be exercised for the first time as of the end of the vesting period. The vesting period for a tranche of stock options always begins with the set issue date and ends with the end of the fourth anniversary following that issue date.

## ***Convenience translation only***

### (4) Allocation value

The Company's Management Board or, to the extent that members of the Management Board of the Company are affected, the Company's Supervisory Board shall determine for each beneficiary a target value in euros as the allocation value for each tranche ("allocation value"). The "initial number of stock options" for each beneficiary of the respective tranche corresponds to the allocation value, divided by the fair value of the stock option at the beginning of the respective issue period determined using an option price model and rounded up to the next whole number.

The number of stock options allocated to the groups of beneficiaries of a tranche is determined by the sum of the allocation values to be determined individually in euros for each beneficiary in this group, divided by the fair value of a stock option determined using an option pricing model and rounded up to the next whole number.

### (5) Performance targets

The performance targets for the stock options are calculated on the basis of the following provisions and consist of (i) the performance target of the absolute performance of the MorphoSys share price ("Performance Target Absolute Performance") and (ii) the performance target of the relative performance of the MorphoSys share price compared to the performance of the NASDAQ Biotech and TecDAX indices ("Performance Target Relative Performance"; Performance Target Absolute Performance and Performance Target Relative Performance are individually referred to as a "performance target" and collectively as "performance targets"). Each performance target has a weighting of 50% for the overall degree of target achievement.

Each performance target has a target value, a minimum value and a maximum value. The target value defines the value at which the degree of target achievement for the performance target is 100%. The minimum value defines the lower end of the target corridor, below which the degree of target achievement for the performance target is 0%. The maximum value defines the value at which the degree of target achievement for the performance target is 200% when the target is reached or exceeded.

In order to determine the degree of target achievement for each performance target, the vesting period is divided into four identical periods of one year each ("annual period"). An arithmetic mean value is calculated based on the degree of target achievement

## ***Convenience translation only***

determined for each of the four annual periods, which then determines the final percentage target achievement for each performance target. The percentage final target achievement for each of the two performance targets is then added together and divided by two, the result of which equals the overall level of target achievement level ("overall target achievement level").

### **Performance Target Absolute Performance**

Within each annual period, the Performance Target Absolute Performance compares the stock price of the MorphoSys share at the beginning and end of the annual period (for the first annual period, this is the period from the grant date to the date of the following year corresponding to the grant date; the same applies for the three subsequent annual periods). The relevant stock price for the MorphoSys share is the average closing auction price of the share in Xetra trading (or on a comparable successor system) during the last 30 trading days on the Frankfurt Stock Exchange prior to the respective beginning or end of the annual period and including the last day of the annual period. If a closing auction does not take place on the relevant trading days or if a closing price is not determined on the relevant trading days, the last price in continuous trading shall apply, provided that continuous trading took place on that trading day.

To the extent that the share price deteriorates within an annual period, the degree of achievement of the performance target is 0% ("Minimum Value Absolute Performance Target"). If the MorphoSys share price performance is 0%, the degree of achievement of the performance target is 50%. Thereafter, the degree of achievement of the performance target increases linearly. In the event of positive share price performance of 8%, the degree of performance target achievement is 100% ("Target Absolute Performance Target"). In the event of positive share price performance of 16%, the degree of performance target achievement is 150%. In the event of positive share price performance of 24%, the degree of performance target achievement is 200% ("Maximum Value Absolute Performance Target"). Positive development of the MorphoSys share price beyond this level does not lead to a further increase in the performance target.

### **Performance Target Relative Performance**

The Performance Target Relative Performance compares the performance of the MorphoSys share price to the performance of the NASDAQ Biotech and TecDAX indices (collectively, the "benchmark index") for each annual period (for the first annual period this is the respective performance during the period from the grant date to the date of

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the following year corresponding to the grant date; the same applies for the three subsequent annual periods). The benchmark index consists of equal weightings of 50% for the NASDAQ Biotech and TecDAX indices so that the percentage price developments of each index for the respective annual period are added together and divided by two. The relevant stock price of the MorphoSys share is the average closing auction price of the MorphoSys share in Xetra trading (or a comparable successor system) during the last 30 trading days on the Frankfurt Stock Exchange prior to the respective beginning or end of the annual period, including the last day of the annual period. The relevant price of the NASDAQ Biotech Index is the average closing price of the NASDAQ Biotech Index on the NASDAQ Stock Exchange during the last 30 trading days prior to the respective beginning or end of the annual period, including the last day of the annual period. The relevant price of the TecDAX index is the average closing price of the TecDAX index on the Frankfurt Stock Exchange during the last 30 trading days prior to the respective beginning or end of the annual period, including the last day of the annual period. If a closing auction does not take place on the relevant trading days or if no closing price is determined, the last price in continuous trading shall apply, provided that continuous trading took place on that trading day.

If the MorphoSys share price deteriorates against the benchmark index within an annual period, the degree of performance target achievement is 0% ("Minimum Relative Performance Target"). If the MorphoSys share price outperforms the benchmark index by 0%, the degree of performance target achievement is 100% ("Target Relative Performance Target"). Thereafter, the degree of achievement of the performance target increases linearly. If the MorphoSys share price outperforms the benchmark index by 8%, the degree of performance target achievement is 150%. If the MorphoSys share price outperforms the benchmark index by 16%, the degree of performance target achievement is 200% ("Maximum Relative Performance Target"). Positive performance of the MorphoSys share price above and beyond this level compared to the benchmark index does not lead to a further increase in the performance target.

### **(6) Exercisability of stock options and scope of subscription rights**

Stock options can only be exercised after the vesting period has expired and when the minimum value for the degree of achievement of a performance target has been exceeded.

## ***Convenience translation only***

The initial number of stock options in a tranche is multiplied by the overall target achievement level and rounded up to the next whole number. This calculation specifies the “final number of stock options”. The final number of stock options is limited to 200% of the initial number of stock options (quantity cap).

The stock options are satisfied with shares in the Company, whereby each stock option within the scope of the final number of stock options entitles the holder to subscribe to one share.

### **(7) Exercise period and option term**

Beneficiaries may exercise stock options within three years of the date on which both the consolidated financial statements of the Company for the last financial year prior to the end of the vesting period have been approved and the vesting period has expired (“exercise period”). The term of the stock options expires after the end of the respective exercise period. Stock options that have not been exercised by the end of the respective exercise period shall expire without compensation.

### **(8) Exercise price**

Upon the exercise of the stock options, the exercise price must be paid for each share to be subscribed. The “exercise price” per share corresponds to the average closing auction price of the MorphoSys share in Xetra trading (or a comparable successor system) during the last 30 trading days on the Frankfurt Stock Exchange prior to the day on which the stock options were issued. If a closing auction does not take place on the relevant trading days or if no closing price is determined, the last price in continuous trading shall apply, provided that continuous trading took place on that trading day.

### **(9) Substitution rights of the Company**

The Company may satisfy exercised stock options by issuing new no-par value bearer shares from Contingent Capital 2020-I to be created for this purpose in accordance with the following letter b). The Company is also entitled to deliver its own shares, in whole or in part, instead of new shares. In lieu of delivering (new or treasury) shares, the Company is also entitled to settle the options, in whole or in part, in cash equal to the value of the shares to be delivered upon exercise of stock options less the exercise price.

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The decision as to which alternative is chosen by the Company in individual cases is made by the Company's Management Board or, insofar as members of the Management Board of the Company are affected, by the Company's Supervisory Board.

### **(10) Limitations in the event of extraordinary developments**

In the event of extraordinary developments, the Company's Supervisory Board is entitled to limit the exercisability of stock options granted to members of the Company's Management Board at its discretion. A limitation may be necessary to ensure the appropriateness of the remuneration as defined in Section 87 (1) sentence 1 AktG or to ensure compliance with Section 87 (4) AktG based on a corresponding resolution of the Annual General Meeting on the reduction of the maximum remuneration and/or with Section 87a AktG, particularly with regard to the determination of a maximum remuneration for the members of the Management Board in accordance with Section 87a (1) sentence 1 no. 1 AktG.

In the event of extraordinary developments, the Company's Management Board is entitled to limit the exercisability of stock options granted to Group 2 and Group 3 beneficiaries at its discretion. A limitation may be necessary, particularly to ensure that the total remuneration of the individual beneficiary is reasonably proportionate to the tasks and performance of the beneficiary and does not exceed the customary level of remuneration without specific grounds.

### **(11) Individual rights**

Stock options are not legally transferable; they are, however, inheritable. Stock options can be exercised only by the entitled person or this person's heirs. When stock options can no longer be exercised in accordance with the above provision, they shall lapse without replacement or compensation. The provision for the authorization to re-issue lapsed stock options to beneficiaries remains unaffected.

The plan conditions can stipulate that stock options lapse without replacement or compensation if the service or employment relationship of beneficiaries with the Company or an affiliated company ends. Stock options that are forfeited as a result of this can also be reissued. Special provisions, including the pro rata reduction of vested stock options, can be made in the event of death, retirement, occupational disability and

## ***Convenience translation only***

other special cases of resignation, including the separation of affiliated companies, operations or parts of operations from the MorphoSys Group, as well as in the event of a change of control and to comply with legal requirements.

### **(12) Anti-dilution protection**

The terms and conditions of the plan may include customary anti-dilution protection clauses, on the basis of which the economic value of the stock options is essentially secured in accordance with the provision in Section 216 (3) AktG, particularly by taking into account any stock split, capital increases from Company funds through the issue of new shares or other measures with comparable effects when determining the number of shares to be issued per stock option.

### **(13) Entitlement to dividends**

The new no-par value bearer shares have the same entitlement to dividends as shares of the same class already issued.

### **(14) Authorization to determine further details**

The further details of the granting and satisfaction of stock options, for the issue of shares from Contingent Capital 2020-I, as well as other plan conditions, are determined by the Company's Supervisory Board to the extent that members of the Company's Management Board are affected, and otherwise by the Company's Management Board.

Further regulations include the decision on the one-time or repeated issue of annual tranches to utilize the authorization to grant stock options; the provisions on the implementation of the Stock Option Plan and annual tranches; the procedure for the allocation and exercise of stock options; the allocation of stock options to individual beneficiaries; the determination of the issue date within the respective issue period; the regulations on the exercise of options in special cases – particularly in the event the beneficiary leaves the service or employment relationship or in the event of death; in the event that an affiliated company, a business or part of a business separates from the MorphoSys Group; a change of control; the conclusion of a company agreement or delisting; as well as to comply with legal requirements.

## ***Convenience translation only***

The Company is also entitled to deviate from the provisions of this resolution with regard to members of the executive management bodies and employees of affiliated companies abroad to the extent that the content of this resolution does not fall under the mandatory responsibility of the Annual General Meeting under stock corporation law or to the extent that this resolution goes beyond the minimum requirements of stock corporation law.

### **b) Conditional Capital**

The Company's share capital is conditionally increased by up to € 1,314,615.00 by issuing up to 1,314,615 new no-par value bearer shares (Conditional Capital 2020-I). The conditional capital increase serves exclusively to grant subscription rights to shares (stock options) to members of the Management Board of MorphoSys AG, members of the executive management bodies of affiliated companies in Germany and abroad, as well as selected employees of MorphoSys AG and affiliated companies in Germany and abroad, granted on the basis of the above authorization. The shares will be issued at the issue price specified in the above authorization. The conditional capital increase will only be implemented to the extent that subscription rights are exercised and the Company does not grant treasury shares or cash compensation to fulfill the subscription rights. The new shares are equally entitled to dividends as the shares of the same class already issued. The Company's Management Board shall be authorized to determine the further details of the conditional capital increase and its implementation or, insofar as members of the Company's Management are affected, the Company's Supervisory Board.

### **c) Amendment to the Articles of Association**

Section 5 of the Articles of Association is supplemented by the following new paragraph 6 i:

“(6 i) The share capital of the Company is conditionally increased by up to € 1,314,615.00 by issuing up to 1,314,615 new no-par value bearer shares (Conditional Capital 2020-I). The conditional capital serves to fulfill subscription rights that were issued and exercised on the basis of the authorization resolved by the Annual General Meeting on May 27, 2020 under Agenda Item 11, letter a). The conditional capital increase will only be implemented to the extent that holders of subscription rights exercise their subscription rights to subscribe to shares of the Company. The shares will be issued at the exercise price determined in accordance with the resolution of the Annual General Meeting of May 27, 2020 under Agenda Item 11, letter a) subparagraph (8) as the issue price; Section 9 (1) AktG remains unaffected. The new shares are entitled to dividends for the first time for the financial year for which, at

## ***Convenience translation only***

the time of their issue, no resolution by the Annual General Meeting on the appropriation of the accumulated profit has yet been passed. The Management Board or, insofar as members of the Management Board are affected, the Supervisory Board are authorized to determine the further details of the conditional capital increase and its implementation.”

### **II.**

#### **Written report of the Management Board on Agenda Item 10 pursuant to Section 203 (2) sentence 2 in conjunction with Section 186 (4) sentence 2 AktG**

In accordance with Section 203 (2) sentence 2 AktG and in conjunction with Section 186 (4) sentence 2 AktG, the Management Board is issuing the following written report to the virtual Annual General Meeting of the Company to convene on May 27, 2020 with respect to the resolution proposal under Agenda Item 10 regarding the cancellation of Authorized Capital 2017-I and the creation of new Authorized Capital 2020-I with the authorization to exclude subscription rights.

This report also serves to inform the Annual General Meeting about new shares that have been issued with the exclusion of subscription rights through exercising the formerly existing and meanwhile partially utilized Authorized Capital 2017-I, which was created by a resolution of the Annual General Meeting on May 17, 2017.

#### **1. Report on the utilization of previous Authorized Capital 2017-I**

The Management Board's authorization under Agenda Item 5 granted by the Annual General Meeting on May 17, 2017, to issue with the Supervisory Board's consent up to 2,915,977 new shares on one or several occasions with the option to exclude subscription rights (Authorized Capital 2017-I) was partially utilized by the Company by the date the notification of this year's Annual General Meeting was published in the Federal Gazette. A total of 907,441 new shares were issued as follows:

On January 12, 2020 (Pacific Standard Time/PST), the Company and Incyte Corporation signed a collaboration and license agreement for the further development and global commercialization of MorphoSys' antibody tafasitamab (MOR208). Under the terms of the agreement, Incyte has undertaken to invest an amount of US \$150 million in MorphoSys and to subscribe for new American Depositary Shares (ADS) of MorphoSys at a premium to the share price existing at the time of signing the agreement. In March 2020, following the approval of the collaboration and license agreement by the antitrust authorities, the Company's Management Board and Supervisory Board approved the capital increase from Authorized Capital 2017-I, creating

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907,441 new shares. The capital increase was subsequently entered into the commercial register. The new shares were certificated as American Depositary Receipts and issued to Incyte.

The currently existing Authorized Capital 2017-I under Section 5 (6) of the Articles of Association that has been partially utilized as described above, shall be newly resolved to continue to provide the Company with the necessary flexibility. For this reason, the Company's entire Authorized Capital 2017-I shall be cancelled, and new Authorized Capital 2020-I shall be created, which authorizes the Company's management to increase the Company's share capital by issuing a maximum of 3,286,539 new no-par value bearer shares against contribution in cash up to a total amount of € 3,286,539.00, i.e., around 10% of the currently existing share capital, on one or several occasions until and including the date of May 26, 2025 (Authorized Capital 2020-I). With this authorization, all of the Company's authorized capital (Authorized Capital 2018-I resolved by the Annual General Meeting on May 17, 2018 under Agenda Item 6 and Authorized Capital 2020-I to be newly resolved) would total € 15,054,853.00 and represent around 45.8% of the Company's currently existing share capital of € 32,890,046.00. The cancellation of Authorized Capital 2017-I shall only be effective when its replacement by Authorized Capital 2020-I takes effect. Authorized Capital 2018-I remains unaffected.

### **2. Previous Authorized Capital 2017-I and grounds for new Authorized Capital 2020-I**

The Management Board and the Supervisory Board propose that the Management Board with the consent of the Supervisory Board is authorized to issue new shares based on new Authorized Capital 2020-I because the authorization to issue new shares from current existing Authorized Capital 2017-I has since been partially utilized. To provide the Company with the necessary flexibility, new Authorized Capital 2020-I shall be created that authorizes the Company's Management Board, with the Supervisory Board's consent, to increase the Company's share capital by issuing a maximum of 3,286,539 new no-par value bearer shares against contribution in cash up to an amount of € 3,286,539.00 on one or several occasions until and including the date of May 26, 2025.

### **3. New Authorized Capital 2020-I and the related benefits for the Company**

The proposed authorization to issue new shares from Authorized Capital 2020-I is intended to enable the Management Board, with the Supervisory Board's consent, to respond to financing requirements with flexibility in the context of implementing strategic decisions. Particularly in light of the current economic environment and the capital-intensive areas of biotechnology and drug development, having an immediate and flexible financing instrument is both necessary and in the

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interest of the Company and its shareholders. With the Supervisory Board's consent, the Management Board shall continue to be authorized to raise new equity at any time. Such an advance resolution is customary both domestically and internationally.

To satisfy these requirements, new Authorized Capital 2020-I shall be created because the scope of the existing Authorized Capital 2017-I is no longer sufficient. With the Supervisory Board's consent and within the legal framework according to Section 202 (3) AktG, Authorized Capital 2020-I shall provide the Management Board the option of having the Company's shares at its disposal in a flexible manner.

### **4. Exclusion of subscription rights**

This proposed resolution provides the authorization to exclude the subscription rights of shareholders when issuing shares from authorized capital in the specific cases listed in the resolution proposal:

- a) The exclusion of shareholders' subscription rights is required to avoid fractional shares pursuant to subsection a) aa) of Agenda Item 10. The authorization to exclude subscription rights for the purpose of utilizing fractional shares is necessary to procure a reasonable subscription ratio for a capital increase and shall only serve the purpose of allowing round sums when utilizing authorized capital. Fractional shares occur when it is impossible to distribute all of the new shares equally to shareholders due to the subscription ratio or the amount of the capital increase. In cases without such authorization, a capital increase would create technical difficulties when issuing the new shares. The costs for trading subscription rights for fractional shares far outweigh the benefits received by the shareholders. The new shares arising as a result of excluding subscription rights for fractional shares will be sold on the stock market (if possible) or otherwise disposed of in the best manner for the Company. The potential dilutive effect is low because of the limitation to include fractional shares only.
- b) With the Supervisory Board's consent and pursuant to subsection a) bb) of Agenda Item 10, the Management Board shall also be authorized to exclude subscription rights in the amount of the full new Authorized Capital 2020-I according to Section 186 (3) sentence 4 AktG if the issue price of the new shares is not significantly below the market price of shares of the same class already listed. The exclusion of subscription rights provided by law allows the management to take immediate advantage of favorable stock market conditions and achieve the best possible issue price and, thereby, the highest possible amount of equity proceeds by setting the issue price close to market prices. Based on past experience, a capital increase

### ***Convenience translation only***

structured in this manner leads to higher net proceeds than a comparable capital increase with shareholder subscription rights due to the ability to act faster. Therefore, capital increases structured in this manner are in the Company's and shareholders' best interest. Excluding shareholder subscription rights leads to a dilution of existing shareholders' relative interest in the Company's share capital and voting rights. Shareholders who wish to maintain their relative interest in the Company's share capital and voting rights have the option of purchasing the required number of shares on the stock market. The amount of new Authorized Capital 2020-I complies with the legal provisions of Section 186 (3) sentence 4 AktG, whereby excluding subscription rights is permissible if the capital increase against contribution in cash does not exceed 10% of the share capital on the date this authorization takes effect or is exercised, and the issue price is not significantly below the market price. When adhering to the 10% threshold, all other capital measures are taken into account that provide for the exclusion of subscription rights pursuant to or as defined by Section 186 (3) sentence 4 AktG.

The total number of shares to be issued via capital increases against contribution in cash, excluding subscription rights and based on the authorizations mentioned above, shall not exceed 10% of the share capital when calculated based on the authorizations' effective date or exercise, whichever amount is lower. The 10% limit shall take account shares that will be sold, issued or are to be issued excluding subscription rights under other authorizations explicitly named. The 10% limit should take into account (i) treasury shares sold with the exclusion of subscription rights after the effective date of these authorizations (unless they service the entitlements of members of executive management bodies and/or employees of the Company and its affiliated companies under employee participation programs); (ii) shares that are issued excluding subscription rights during the effective period of these authorizations from other authorized capital existing on the effective date of these authorizations (unless they service the entitlements of members of executive management bodies and/or employees of the Company and its affiliated companies under employee participation programs); and (iii) shares to be issued during the effective period of these authorizations to service bonds with conversion or warrant rights, whose authorization basis exists on the effective date of these authorizations, to the extent the bonds with conversion or warrant rights were issued with the exclusion of shareholders' subscription rights (unless they service the entitlements of members of executive management bodies and/or employees of the Company and its affiliated companies under employee participation programs).

This limitation restricts the total amount of shares to be issued from authorized and conditional capital, excluding subscription rights and the sale of treasury shares excluding subscription rights. This gives shareholders further protection against a dilution of their shareholdings. Shares that will be issued excluding subscription rights to serve the entitlements of executive management

### ***Convenience translation only***

bodies and/or employees of the Company and its affiliated companies under employee participation programs are not included in this limitation because the dilution effect for shareholders is low and shareholders are not entitled to subscription rights in the context of employee participation programs.

The maximum exclusion of subscription rights under Authorized Capital 2020-I encompasses 10% of the Company's share capital.

By taking into consideration all of the circumstances described above, the Management Board and the Supervisory Board regard the exclusion of subscription rights in the aforementioned cases, including the resulting dilution effect for shareholders, as reasonable and adequate for the reasons explained.

The Management Board will report to the Annual General Meeting on each use of Authorized Capital 2020-I.

### **III.**

#### **Written report of the Management Board on Agenda Item 11 (2020 Stock Option Plan)**

The Company grants members of the Management Board of MorphoSys AG, members of the executive management bodies of affiliated companies in Germany and abroad as well as selected employees of MorphoSys AG and affiliated companies in Germany and abroad (hereinafter collectively referred to as "**beneficiaries**") a variable remuneration component with a long-term incentive. This component is intended to promote the entrepreneurial activities of the respective participants, bind them to the Company and the respective companies for the long term and ensure that the Company offers competitive and consistent compensation.

In order to ensure that the remuneration structure continues to be oriented toward sustainable, multi-year corporate development, a transparent and comprehensible structure of the variable remuneration component and a balanced risk/reward profile for the participants, the intention is to continue in the future to offer a variable remuneration component on the basis of a stock option plan.

Therefore, it is proposed under Agenda Item 10 of the Annual General Meeting of MorphoSys AG on May 27, 2020, to authorize the Management Board or, to the extent that the Management Board is affected, the Supervisory Board, to grant subscription rights in the form of stock options for a total of up to 1,314,615 no-par value bearer shares to members of the Company's

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Management Board and to members of the executive management bodies of affiliated companies in Germany and abroad, as well as to selected employees of MorphoSys AG and affiliated companies in Germany and abroad, on one or more occasions up to and including May 26, 2025, with the consent of the Supervisory Board. For this purpose, new Conditional Capital 2020-I shall be created, and a new paragraph 6 i shall be added to Section 5 of the Articles of Association.

Conditional Capital 2020-I in the amount of € 1,314,615.00 corresponds to approximately 4% of the Company's current share capital. Its purpose is to enable the Company to issue new shares and transfer them to the beneficiaries in the event that the stock options granted to them are exercised. The new shares will not be issued until stock options have been issued to beneficiaries in accordance with the conditions set out in the resolution of the Annual General Meeting and the beneficiaries have exercised their subscription rights after the vesting period has expired in accordance with the achievement of the performance targets set out in the authorization and the other conditions set out in the Stock Option Plan. Based on the assignment of the Conditional Capital 2020-I, the shareholders are not granted subscription rights to the new shares.

The issue of stock options entitling the holders to subscribe to shares in the Company offers the advantage that the beneficiaries can decide after the issue of the shares whether they wish to remain shareholders of the Company or instead sell their shares on the stock exchange without the Company having to acquire its own shares in advance. This serves to broaden the Company's shareholder base. The Company's liquidity improves at the same time because there is no outflow of funds for share buyback programs; instead, liquidity equal to the exercise price for the new shares flows to the Company. These funds are then available to the Company for investment in its research and development activities.

Stock options are to be issued in annual tranches during the authorization period. The allocation of the stock options to the individual groups of beneficiaries shall generally correspond to the allocation of the maximum number to be issued as specified in the authorization. The Management Board and the Supervisory Board still reserve the right to decide annually on the issue of stock options, as well as on the scope of the individual tranches, taking into account the Company's overall situation and the compensation structure of relevant peer companies. Fluctuations in the annual volume may also occur, for example, if the number of participating employees and/or the stock price of the MorphoSys share changes.

Shares shall be issued from Conditional Capital 2020-I no earlier than upon expiration of the vesting period equal to four calendar years after the issue date of the relevant tranche of stock options and the corresponding exercise notice. Stock options may be exercised only after the

## ***Convenience translation only***

vesting period has expired and the minimum value for the level of performance target achievement has been exceeded; otherwise the stock options lapse without compensation.

The performance targets for the stock options consist of (i) the performance target of the absolute performance of the MorphoSys share price ("**Performance Target Absolute Performance**") and (ii) the performance target of the relative performance of the MorphoSys share price compared to the performance of the NASDAQ Biotech and TecDAX indices ("**Performance Target Relative Performance**"). Each performance target has a 50% weighting.

Each performance target has a target value, a minimum value and a maximum value. The target value defines the value at which the degree of target achievement for the performance target is 100%. The minimum value defines the lower end of the target corridor, below which the degree of target achievement for the performance target is 0%. The maximum value defines the value at which the degree of target achievement for the performance target is 200% if the target is reached or exceeded.

To determine the degree of target achievement for each performance target, the vesting period is divided into four identical periods of one year each ("**Annual Period**"). An arithmetic mean value is calculated based on the degree of target achievement determined for each of the four annual periods, which then determines the final percentage target achievement for each performance target. The percentage final target achievement for each of the two performance targets is then added together and divided by two, the result of which equals the overall target achievement level ("**Overall Target Achievement Level**").

### ***Performance Target Absolute Performance***

Within each annual period, the Performance Target Absolute Performance compares the stock price of the MorphoSys share at the beginning and end of the annual period (for the first annual period, this is the period from the grant date to the date of the following year corresponding to the grant date; the same applies for the three subsequent annual periods). The relevant stock price for the MorphoSys share is the average closing auction price of the share in Xetra trading (or on a comparable successor system) during the last 30 trading days on the Frankfurt Stock Exchange prior to the respective beginning or end of the annual period and including the last day of the annual period. If a closing auction does not take place on the relevant trading days or if a closing price is not determined on the relevant trading days, the last price in continuous trading shall apply, provided that continuous trading took place on that trading day.

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To the extent that the share price deteriorates within an annual period, the degree of achievement of the performance target is 0%. If the MorphoSys share price performance is 0%, the degree of achievement of the performance target is 50%. Thereafter, the degree of achievement of the performance target increases linearly. In the event of positive share price performance of 8%, the degree of performance target achievement is 100%. In the event of positive share price performance of 16%, the degree of performance target achievement is 150%. In the event of positive share price performance of 24%, the degree of performance target achievement is 200%. Positive development of the MorphoSys share price beyond this level does not lead to a further increase in the performance target.

### ***Performance Target Relative Performance***

The Performance Target Relative Performance compares the performance of the MorphoSys share price to the performance of the NASDAQ Biotech and TecDAX indices (collectively, the "**benchmark index**") for each annual period (for the first annual period this is the respective performance during the period from the grant date to the date of the following year corresponding to the grant date; the same applies for the three subsequent annual periods). The benchmark index consists of equal weightings of 50% for the NASDAQ Biotech and TecDAX indices so that the percentage price developments of each index for the respective annual period are added together and divided by two. The relevant stock price of the MorphoSys share is the average closing auction price of the MorphoSys share in Xetra trading (or a comparable successor system) during the last 30 trading days on the Frankfurt Stock Exchange prior to the respective beginning or end of the annual period, including the last day of the annual period. The relevant price of the NASDAQ Biotech Index is the average closing price of the NASDAQ Biotech Index on the NASDAQ Stock Exchange during the last 30 trading days prior to the respective beginning or end of the annual period, including the last day of the annual period. The relevant price of the TecDAX index is the average closing price of the TecDAX index on the Frankfurt Stock Exchange during the last 30 trading days prior to the respective beginning or end of the annual period, including the last day of the annual period. If a closing auction does not take place on the relevant trading days or if no closing price is determined, the last price in continuous trading shall apply, provided that continuous trading took place on that trading day.

To the extent that the share price deteriorates within an annual period compared to the benchmark index, the degree of achievement of the performance target is 0%. If the MorphoSys share price performance compared to the benchmark index is 0%, the degree of achievement of the performance target is 100%. Thereafter, the degree of achievement of the performance target increases linearly. In the event of positive share price performance compared to the benchmark index of 8%, the degree of performance target achievement is 150%. In the event of positive

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share price performance compared to the benchmark index of 16%, the degree of performance target achievement is 200%. Positive development of the MorphoSys share price beyond this level does not lead to a further increase in the performance target.

The authorization provides for the right of the Supervisory Board or the Management Board, at their discretion, to limit the exercisability of the stock options in the event of extraordinary developments. A limitation may be necessary, among other things, to ensure the appropriateness of the remuneration as defined under Section 87 (1) sentence 1 AktG or to ensure compliance with Section 87 (4) AktG on the basis of a corresponding resolution of the Annual General Meeting on the reduction of the maximum remuneration and/or with Section 87a AktG, in particular with regard to the determination of a maximum remuneration for the members of the Management Board in accordance with Section 87a (1) sentence 1 no. 1 AktG.

Vested stock options may be exercised by the beneficiaries within an exercise period of three years. The exercise period begins after the date on which the Company's consolidated financial statements for the preceding financial year before the end of the vesting period for the tranche in question have been approved and the vesting period has expired.

The exercise price of the stock options for the purchase of one share each corresponds to the average closing price of the MorphoSys share in Xetra trading (or a comparable successor system) during the last 30 trading days on the Frankfurt Stock Exchange prior to the day on which the stock options were issued. If a closing auction does not take place on the relevant trading days or if no closing price is determined, the last price in continuous trading shall apply, if such continuous trading took place on that trading day.

It is proposed that the Management Board and the Supervisory Board be authorized to determine the further details of the granting and fulfillment of stock options, the issue of shares from conditional capital, the further terms and conditions of the plan, including the treatment of stock options in cases where, upon expiration of the vesting period, beneficiaries have resigned from their employment or service relationship with the Company or its affiliates due to termination or cancellation agreement.

The Stock Option Plan is intended to provide beneficiaries with a long-term variable remuneration component based on a multi-year assessment to align their interests with the sustainable development of the MorphoSys Group. The Management Board and the Supervisory Board are confident that the proposed authorization to issue stock options to beneficiaries is particularly suitable for creating a sustainable incentive for beneficiaries and, in doing so, contribute to a

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sustainable increase in the Company's value in the interests of both the Company and its shareholders.

**IV.**

**Documents and information available on the Company website**

This invitation to the virtual Annual General Meeting, the documents to be made available to the Annual General Meeting and other information in connection with the Annual General Meeting are available on the MorphoSys AG website at [www.morphosys.com/agm](http://www.morphosys.com/agm) as of the time of convening the Annual General Meeting.

Any countermotions, election proposals and/or motions to add items to the agenda from shareholders that are received by MorphoSys AG and subject to disclosure will also be made available on the above-mentioned website. The voting results determined will also be published on the website following the Annual General Meeting.

The MorphoSys AG website also provides access to the password-protected web service for the virtual Annual General Meeting, which enables duly registered shareholders or their proxies to exercise their voting rights by way of absentee vote, among other things, and enables them to do so during the Annual General Meeting. The password-protected web service allows duly registered shareholders or their proxies to follow the Annual General Meeting **on May 27, 2020, from 2:00 p.m. (CEST) in its full length live through electronic transmission in picture and sound (no electronic participation).**

**V.**

**Total number of shares and voting rights  
at the time of notification of the Annual General Meeting**

At the time of notification of this Annual General Meeting, the Company's share capital consisted of 32,890,046 no-par-value bearer shares. Each share is entitled to one vote. At the time of notification of the Annual General Meeting, the Company held treasury stock in the amount of 225,800 shares. These shares do not convey any rights to the Company. The total number of shares bearing

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participation and voting rights at the time of notification of the Annual General Meeting amounted to 32,664,246 shares.

### **VI.**

#### **Implementation of the Annual General Meeting as a virtual Annual General Meeting without the physical presence of the shareholders or their proxies; transmission in picture and in sound**

In view of the continuing COVID-19 pandemic, the ordinary Annual General Meeting on May 27, 2020, will be conducted in accordance with C-19 AuswBekG as a virtual general meeting without the physical presence of shareholders or their proxies, but instead with the option of participating by electronic means (**attendance**).

The shareholders and their proxies (with the exception of the Company's proxies) will therefore not be able to physically attend the Annual General Meeting. They can, however, follow the entire Annual General Meeting via video and audio transmission on the MorphoSys AG website at [www.morphosys.com/agm](http://www.morphosys.com/agm) via the password-protected web service; this video and audio transmission does not allow participation in the Annual General Meeting within the meaning of Section 118 (1) sentence 2 AktG and no electronic participation within the meaning of Section 1 (2) sentence 1 no. 2, alternative 2 C-19 AuswBekG. Instead of the conventional admission ticket, duly registered shareholders will be sent individual access data to the password-protected web service available on the MorphoSys AG website at [www.morphosys.com/agm](http://www.morphosys.com/agm), enabling them to use this service.

### **VII.**

#### **Password-protected web service for the Annual General Meeting**

A password-protected web service will be available on the MorphoSys AG website at [www.morphosys.com/agm](http://www.morphosys.com/agm) from May 6, 2020, 00:00 hours [beginning of the day] (CEST). Via this service, duly registered shareholders (and their proxies, if applicable) can, among other things, visually and audibly follow the Annual General Meeting, exercise their voting rights, grant proxies, submit questions and register objections in accordance with the procedures provided for this purpose. In order to use the password-protected web service, shareholders must log in with their individual access data received after registration and proof of share ownership.

The individual access data for the use of the password-protected web service at [www.morphosys.com/agm](http://www.morphosys.com/agm) will be sent after timely registration, including proof of shareholding (see Item VIII.).

**VIII.**

**Prerequisites for participating in the Annual General Meeting  
and exercising shareholder rights, especially voting rights**

Pursuant to Section 17 (1) of the Articles of Association, those shareholders who register for the Annual General Meeting and provide proof of their eligibility (**duly registered shareholders**) are entitled to participate in the Annual General Meeting using an electronic connection and to exercise their shareholder rights, especially voting rights. The registration and proof of eligibility must be provided in German or English and must be received by the Company no later than

**May 20, 2020**

(24:00 hours [midnight] CEST)

at the following mailing address, fax number or email address (e.g., as a scanned document as a pdf file):

MorphoSys AG  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 Munich  
Germany  
Fax: +49 (0) 89 / 889 690 633  
Email: [anmeldung@better-orange.de](mailto:anmeldung@better-orange.de)

Proof of eligibility must be provided by means of a written confirmation (Section 126b of the German Civil Code – Bürgerliches Gesetzbuch [BGB]) prepared by the depository bank. This proof must reference the beginning of the twenty-first day before the Annual General Meeting, which is

**May 6, 2020**

(00:00 hours [beginning of the day] CEST [record date]).

## ***Convenience translation only***

Better Orange IR & HV AG is the Company's agent authorized to receive both the registration and the proof of shareholdings.

With the Company's timely receipt of the registration, including the proof of shareholding, the shareholders will receive their unique access data for the use of the password-protected web service. We kindly ask shareholders to ensure that they register and send their proof of shareholding to the Company as early as possible.

Registered holders of American Depositary Shares (ADSs) receive all information and documents relating to the Annual General Meeting from the Bank of New York Mellon, P.O. Box 505000, Louisville, KY 40233-5000, USA. Should there be any questions regarding the exercise of voting rights, please contact BNY Mellon Shareowner Services (shrrelations@cpushareownerservices.com; phone: +1 201 680 6825 or toll-free from within the U.S.: +1-888-269-2377).

### **IX.**

#### **Significance of the record date**

The record date is the date that determines whether shareholders are entitled to participate and exercise voting rights in the Annual General Meeting. With respect to the Company, only those individuals who have submitted proof of share ownership on the record date will be considered as shareholders and permitted to participate in the Annual General Meeting and exercise voting rights. Shareholders who acquired their shares after the record date are not entitled to participate in the Annual General Meeting and exercise voting rights unless they have obtained a power of attorney or are otherwise authorized to exercise such legal rights (see Item XII. "Third-party authorization to exercise voting and other rights"). Shareholders who have properly registered and provided proof of their shareholding are also entitled to participate in the Annual General Meeting and exercise voting rights if they sell the shares after the record date. The record date does not result in blocking the potential transfer of shares. The record date is not relevant for potential dividend entitlement.

### **X.**

#### **Exercise of voting rights through absentee voting**

Duly registered shareholders may cast their votes in writing or by means of electronic communication (**absentee voting**), even when they do not participate in the Annual General Meeting.

A form for voting by absentee ballot will be sent to these shareholders, together with the access data to the password-protected web service and is also available from the Company's website at [www.morphosys.com/agm](http://www.morphosys.com/agm).

***Convenience translation only***

Absentee votes may be submitted, amended or revoked until

**May 26, 2020**

(24:00 hours [midnight] CEST [date of receipt])

to the following address, fax number or email address:

MorphoSys AG  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 Munich  
Germany  
Fax: +49 (0) 89 889 690 655  
Email: morphosys@better-orange.de

or by using the password-protected web service accessible at [www.morphosys.com/agm](http://www.morphosys.com/agm), in accordance with the procedures provided for this purpose. Decisive is the time of receipt by the Company.

On the day of the virtual Annual General Meeting, absentee votes may also be submitted, amended or revoked until the start of voting via the password-protected web service at [www.morphosys.com/agm](http://www.morphosys.com/agm) under Media and Investors/Annual General Meeting in accordance with the procedures provided for this purpose.

**XI.**

**Exercising voting rights through the issue of power of attorney and instructions to the Company's proxies**

The Company offers duly registered shareholders the option to authorize a proxy appointed by the Company and bound by instructions.

A proxy and instruction form will be sent to these shareholders, together with the access data to the password-protected web service, which can be accessed at [www.morphosys.com/agm](http://www.morphosys.com/agm).

Proxies with instructions for the Company-appointed proxies may be submitted, amended or revoked until

**May 26, 2020**

**Convenience translation only**

(24:00 hours [midnight] CEST [date of receipt])

to the following address, fax number or email address:

MorphoSys AG  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 Munich  
Germany  
Fax: +49 (0) 89 889 690 655  
Email: morphosys@better-orange.de

or by using the password-protected web service accessible at [www.morphosys.com/agm](http://www.morphosys.com/agm), in accordance with the procedures provided for this purpose. Decisive is the time of receipt by the Company.

On the day of the virtual Annual General Meeting, proxies with instructions for the proxies appointed by the Company may also be submitted, amended or revoked in accordance with the procedures provided for this purpose until the beginning of voting via the password-protected web service at [www.morphosys.com/agm](http://www.morphosys.com/agm).

If proxies nominated by the Company are authorized, they must, in any case, be given instructions for exercising the voting right. The proxies are obliged to vote in accordance with the instructions. Proxies cannot exercise the voting right without such express instructions.

**XII.**

**Third-party authorization to exercise voting rights and other rights**

Shareholders may also have their voting rights and other rights at the Annual General Meeting exercised by proxy, e.g., by an intermediary, a shareholders' association, a voting rights advisor or another person of their choice. In this case, too, timely registration of the respective shareholding with the corresponding proof is required. Authorized third parties may exercise the voting rights in turn by absentee vote or by granting power of attorney and instructions to the proxies of the Company (see above). If the shareholder authorizes more than one person, the Company may reject one or more of these persons pursuant to Section 134 (3) sentence 2 AktG.

***Convenience translation only***

The granting of the power of attorney, its revocation and proof of authorization vis-à-vis the Company must be made in text form (Section 126b BGB) if no power of attorney is granted in accordance with Section 135 AktG.

A proxy form will be sent to duly registered shareholders with the access data for the password-protected web service accessible at [www.morphosys.com/agm](http://www.morphosys.com/agm) and can also be downloaded.

When authorizing intermediaries, shareholders' associations, voting rights advisors or persons or institutions treated as such in accordance with Section 135 (8) AktG, the special provisions of Section 135 AktG apply, which require, among other things, that the power of attorney be recorded in a verifiable manner. Exceptions to the general text form requirement may therefore apply here. However, the relevant recipients of the power of attorney may, under certain circumstances, establish special rules for their own power of attorney. Shareholders are therefore requested to consult with the relevant recipients of the power of attorney in good time about the respective form and procedure of the power of attorney.

A power of attorney may be granted to the proxy or to the Company. Proof of authorization can be submitted, amended or revoked to the Company until

**May 26, 2020**

(24:00 hours [midnight] CEST [date of receipt])

at the following address, fax number or email address:

MorphoSys AG  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 Munich  
Germany  
Fax: +49 (0) 89 889 690 655  
Email: [morphosys@better-orange.de](mailto:morphosys@better-orange.de)

or by using the password-protected web service accessible at [www.morphosys.com/agm](http://www.morphosys.com/agm), in accordance with the procedures provided for this purpose. Decisive is the time of receipt by the Company.

### ***Convenience translation only***

On the day of the virtual Annual General Meeting, proxies may only be submitted, amended or revoked using the password-protected web service available at [www.morphosys.com/agm](http://www.morphosys.com/agm) in accordance with the procedures provided for this purpose.

The proxy's participation by electronic connection via the password-protected web service requires that the proxy receives the access data to the password-protected web service from the person granting the power of attorney.

### **XIII.**

#### **Shareholders' right to information pursuant to Section 131 (1) AktG / Shareholders' opportunity to ask questions**

The shareholders' right to information pursuant to Section 131 (1) AktG is considerably restricted in the case of a virtual Annual General Meeting under Section 1 (2) C-19 AuswBekG. Shareholders only have the option to ask questions via electronic communication (Section 1 (2) sentence 1 no. 3 C-19 AuswBekG). The Management Board may also require that questions be submitted at least two days prior to the Annual General Meeting (Section 1 (2) sentence 2 C-19 AuswBekG, 2<sup>nd</sup> half-sentence). The Management Board of MorphoSys AG with the Supervisory Board's consent has made use of this option.

Duly registered shareholders have the opportunity to ask questions by means of electronic communication (see Section 1 (2) sentence 1 no. 3 C-19 AuswBekG). All questions must be submitted no later than two days prior to the Annual General Meeting, i.e., by the end of

**May 25, 2020**

(24:00 hours [midnight] CEST)

via the password-protected web service accessible at [www.morphosys.com/agm](http://www.morphosys.com/agm) in accordance with the procedures provided for this purpose.

Questions submitted after this deadline or those not submitted in German will not be considered. Generally, it is allowed to name the inquirer in the context of answering the question.

In accordance with Section 1 (2) sentence 2 C-19 AuswBekG, 1<sup>st</sup> half-sentence and in deviation from Section 131 AktG, the Management Board determines the answers to the questions at its own dutiful discretion. According to the explanatory memorandum to Section 1 (2) sentence 2 C-19 AuswBekG,

***Convenience translation only***

the management is not obliged to answer all questions under any circumstances; it may summarize questions, as well as select meaningful questions in the interest of the other shareholders. The management may give preference to shareholder associations and institutional investors possessing significant voting rights.

Further explanations of shareholders' rights pursuant to Sections 122 (2), 126 (1), 127 and 131 (1) AktG in conjunction with Section 1 (2) sentence 1 no. 3 C-19 AuswBekG are available on the MorphoSys AG website at [www.morphosys.com/agm](http://www.morphosys.com/agm).

**XIV.**

**Statement of objections for the record**

Duly registered shareholders who have exercised their voting rights by means of electronic communication or by proxy may declare their objections to resolutions of the Annual General Meeting at any time from the beginning to the end of the Annual General Meeting by electronic means via the password-protected web service accessible at [www.morphosys.com/agm](http://www.morphosys.com/agm) in accordance with the procedures provided for this purpose for the notary's record.

**XV.**

**Request for supplementing the agenda at minority request  
pursuant to Section 122 (2) AktG**

Shareholders whose shares reach an aggregate amount of 5% of the share capital (corresponding to 1,644,502 no-par-value shares) or a total nominal amount of € 500,000.00 (corresponding to 500,000 no-par-value shares), may request that items be added to the agenda and published. Every request to add a new agenda item must be accompanied by a justification or proposed resolution. The request must be sent in writing to the Management Board of MorphoSys AG and must reach the Company no later than 30 days before the Annual General Meeting, which is the close of

**April 26, 2020**

(24:00 hours [midnight] CEST)

at the following mailing address:

MorphoSys AG  
The Management Board

***Convenience translation only***

Semmelweisstrasse 7  
82152 Planegg  
Germany

Applicants shall provide evidence of their share ownership for a period of at least 90 days prior to the day the request is received and state that they will continue to hold the shares until the Management Board has decided on their request, whereby Section 70 AktG is applied when calculating the period that the shares were held. The day the request is received is not included in this period. It is not allowed to change to a preceding or following working day when the end of the period to provide evidence of share ownership falls on a Sunday, Saturday or public holiday. Sections 187 to 193 BGB do not apply.

Unless announced at the time of the notification of the Annual General Meeting, supplements to the agenda shall be published immediately in the Federal Gazette upon receipt of the corresponding motion and be furnished to communication media for publication where the information is expected to be disseminated throughout the European Union. The supplements to the agenda will also be published on the Internet at [www.morphosys.com/agm](http://www.morphosys.com/agm).

**XVI.**

**Counter motions pursuant to Section 126 (1) AktG and  
election proposals pursuant to Section 127 AktG**

In addition, the Company's shareholders may send counter motions to proposals put forth by the Management Board and/or the Supervisory Board concerning specific agenda items, as well as election proposals related to the election of Supervisory Board members and auditors. All counter motions (including any justification), election proposals and other shareholder inquiries regarding the Annual General Meeting are to be sent to the following address only:

MorphoSys AG  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 Munich  
Germany  
Fax: +49 (0)89 889 690 655  
Email: [antraege@better-orange.de](mailto:antraege@better-orange.de)

### ***Convenience translation only***

Countermotions and election proposals sent to any other address will not be considered. Better Orange IR & HV AG is the Company's agent authorized to receive countermotions and election proposals.

Countermotions and election proposals arriving with proof of shareholder status at the above mailing address, fax number or email address up to 14 days before the date of the Annual General Meeting, i.e., by no later than the close of

**May 12, 2020**

(24:00 hours [midnight] CEST)

will be made available to other shareholders on the Internet at [www.morphosys.com/agm](http://www.morphosys.com/agm) immediately upon receipt together with the name of the shareholder and the reasons for the countermotion if the other requirements for publication pursuant to Section 126 AktG have been met. Any statements by the Company's management will also be published at the same Internet address.

Only countermotions and election proposals received by the end of May 12, 2020 (24:00 hours [midnight] CEST) will be considered as submitted in the virtual Annual General Meeting; late countermotions and election proposals will not be considered.

In addition to the reasons specified in Section 126 (2) AktG, the Management Board is not required to publish an election proposal that does not contain the name, profession and domicile of the candidate, among others. Proposals concerning the election of Supervisory Board members (if on the agenda) are not required to be made available if they are not accompanied by information on the proposed candidate's appointments to other statutory supervisory boards as defined in Section 125 (1) sentence 5 AktG.

## **XVII.**

### **Information for shareholders on data protection**

MorphoSys AG processes personal data (name, address, email address, number of shares, type of shares, share ownership type and voting ticket number and, where applicable, the name, address and email address of an appointed proxy) on the basis of applicable data protection laws in order to enable shareholders to exercise their rights at the virtual Annual General Meeting and to comply with the legal provisions for an annual general meeting, including the provisions of the C-19 AuswBekG on conducting a virtual annual general meeting.

### ***Convenience translation only***

The processing of shareholders' personal data is mandatory for their participation in the virtual Annual General Meeting. MorphoSys AG is responsible for this processing. The legal basis for the processing is Article 6 (1) lit. c) of the General Data Protection Regulation (GDPR).

The service providers of MorphoSys AG, which are commissioned for holding the virtual Annual General Meeting (specifically general meeting, IT, printing and delivery service providers) receive only such personal data from MorphoSys AG that is necessary for the execution of the commissioned services and process the data exclusively according to the instructions of MorphoSys AG. Shareholders' data may also be transmitted to authorities entitled to receive this information. Your data will not be transferred to a third country.

When shareholders utilize the opportunity to submit questions in advance of the virtual Annual General Meeting, and their questions are addressed in the meeting, it may be necessary to state the name of such shareholders, meaning that other participants in the virtual Annual General Meeting may take note of their name. The processing of data by mentioning the name of the respective shareholder is necessary to safeguard our legitimate interest in having the virtual Annual General Meeting approximate a physical meeting as best as possible. The legal foundation for this processing is Art. 6 (1) lit. f) GDPR.

Generally, the personal data of shareholders will be deleted or made anonymous as soon as it is no longer required for the above-mentioned purposes and we are not bound by any legal obligations of proof or retention to continue storing it.

Shareholders have the right to information, correction, restriction, objection and deletion at any time regarding the processing of their personal data, as well as the right to data portability in accordance with Article 15 et seq. (GDPR). Shareholders may exercise these rights vis-à-vis MorphoSys AG free of charge at the following email address:

[datenschutz@morphosys.com](mailto:datenschutz@morphosys.com)

or by using the following contact details:

MorphoSys AG  
Simmelweisstrasse 7  
82152 Planegg

***Convenience translation only***

Shareholders also have the right to appeal to the data protection supervisory authorities in accordance with Article 77 GDPR.

Shareholders may contact our Company data protection officer at:

MorphoSys AG  
Data Protection Officer  
c/o intersoft consulting services AG  
Beim Strohause 17, 20097 Hamburg  
Email: [datenschutz@morphosys.com](mailto:datenschutz@morphosys.com)

Further information on data protection can be found on the MorphoSys AG website at [www.morphosys.com/privacy-policy](http://www.morphosys.com/privacy-policy).

Planegg, April 2020  
MorphoSys AG  
The Management Board