

Rules of Procedure of the Management Board of MorphoSys AG

The supervisory board (the “**Supervisory Board**”) of MorphoSys AG (the “**Company**”) hereby adopts the following rules of procedure (the “**Rules of Procedure**”) of the management board (the “**Vorstand**”) of the Company, which shall replace all previous versions of the rules of procedure of the *Vorstand*:

§ 1

General Provisions

- 1) The *Vorstand* shall manage the business of the Company in its own responsibility. It develops and regularly coordinates with the Supervisory Board on the strategic alignment of the Company and its affiliates, and ensures its implementation.
- 2) The *Vorstand* conducts the Company’s business with the due care and diligence of a prudent and conscientious manager in accordance with the applicable law, the articles of association of the Company (the “**Articles of Association**”), these Rules of Procedure, the relevant service agreements, and all other applicable policies or standard operating procedures of the Company. The recommendations of the German Corporate Governance Code pertaining to the *Vorstand* shall be observed, unless otherwise stated in the current declaration of conformity of the Supervisory Board and *Vorstand* of the Company.
- 3) The *Vorstand* shall ensure an appropriate risk management and risk controlling. In addition, the *Vorstand* shall ensure that appropriate measures aligned to the Company's risk profile (compliance management system) will be implemented and shall disclose such principles.

§ 2

Allocation of Responsibilities

- 1) The responsibilities of the individual members of the *Vorstand* are determined by the schedule of responsibilities (the “**Schedule of Responsibilities**” (*Geschäftsverteilungsplan*)), which forms part of these Rules of Procedure. Each member of the *Vorstand* is independently responsible for managing the business areas allocated to him/her.
- 2) Notwithstanding the allocation of business areas in the Schedule of Responsibilities, the members of the *Vorstand* bear joint responsibility for the entire management of the business of the Company. They work together in a spirit of collegiality and keep one another informed about all major business transactions and measures adopted in their respective business areas.
- 3) The members of the *Vorstand* shall reach agreement among themselves as to the allocation of areas of business responsibility, and shall – in case of any amendments to the current allocation – present a proposal to the Supervisory Board for approval. If the *Vorstand* cannot agree on the allocation of a certain responsibility in the individual case, the Supervisory Board shall resolve upon this issue. In addition, the Supervisory Board may change the Schedule of Responsibilities at any time by resolution.

§ 3
Duty to Inform and Cooperate

- 1) The members of the *Vorstand* shall work together as cooperative colleagues, and keep one another constantly abreast of important issues and developments in their individual areas of business responsibility. The above shall not limit the responsibility of the CEO pursuant to § 4 below.
- 2) The members of the *Vorstand* shall continuously inform the CEO about all essential events in their respective areas of responsibility.
- 3) If a decision of one member of the *Vorstand* within his or her individual area of responsibility also affects the areas of responsibility of other members of the *Vorstand*, the respective member of the *Vorstand* shall coordinate this matter with those other members of the *Vorstand*. If the concerned members of the *Vorstand* cannot agree upon this matter, it shall be decided by the *Vorstand* in its entirety.

§ 4
The Chief Executive Officer (“CEO”)

- 1) The CEO co-ordinates the areas of responsibility and oversees that the activities in the different areas of responsibility are aligned with the overall objectives and plans of the Company. The CEO involves the other members of the *Vorstand* if their areas of responsibility are concerned.
- 2) The CEO represents the *Vorstand* and the Company towards the public. The CEO may transfer this task to another member of the *Vorstand* for specific areas or in individual cases.
- 3) The CEO shall lead the cooperation with the Supervisory Board and its members as well as inform the Supervisory Board about extraordinary events of particular importance. He procures approvals of the Supervisory Board which are necessary pursuant to applicable law, the Articles of Association or these Rules of Procedure.
- 4) The CEO reports regularly and, as a rule, in writing (including electronic form) to the Supervisory Board on all issues important to the Company and shall explain any material deviations from the plans and targets set. In addition, the members of the *Vorstand* shall regularly report to the Supervisory Board in the Supervisory Board meetings on all important topics in their respective areas of responsibility as outlined in the Schedule of Responsibilities.
- 5) The CEO co-ordinates the vacation schedule of the members of the *Vorstand* and any temporary re-allocation of responsibilities during the absence of a member of the *Vorstand*. This shall also apply in case of illness or any other case of absence of a member of the *Vorstand*. In the event the CEO is absent and cannot be reached for a longer time period (e.g. illness), the Chairman of the Supervisory Board shall appoint one or more *Vorstand* members to temporarily assume the obligations of the CEO under these Rules of Procedure, if this is required in the interest of the Company.
- 6) In accordance with § 5 para. 10 below, the CEO may object to any resolutions to be adopted by the *Vorstand* and has a casting vote in case of a tie vote.

§ 5
Meetings and Resolutions of the *Vorstand*

- 1) Meetings of the *Vorstand* shall in general take place at least once per month and if this is required in the interest of the Company.
- 2) Members of the *Vorstand* shall also regularly meet with designated key leadership persons of the Company who, together with the members of the *Vorstand*, form the Executive Committee of the Company. A meeting of the Executive Committee shall also qualify as a meeting of the *Vorstand*, whereas the minutes of a meeting of the Executive Committee shall explicitly state whether any resolution adopted therein qualifies as a resolution of the *Vorstand* or of the Executive Committee. The *Vorstand* adopts rules of procedure for the Executive Committee which shall provide for comparable provisions with respect to meetings and resolutions as set forth in this § 5. In case resolutions of the *Vorstand* are adopted within the Executive Committee, the provisions on meetings and resolutions in the rules of procedure of the Executive Committee shall apply to resolutions of the *Vorstand* adopted therein.
- 3) Individual or all members of the *Vorstand* may participate in meetings of the *Vorstand* by telephone or videoconference. An absent member may also participate in the adoption of a resolution in a meeting by submitting his written vote, referring to individual resolutions, to the CEO by a present member. In all cases outlined in the preceding sentences of this paragraph, the *Vorstand* members are deemed to be present at the meeting or adoption of the respective resolution, as applicable, for purposes of determining whether the quorum as outlined in § 5 para. 8 is met. In urgent cases or upon request of one member of the *Vorstand* or the Supervisory Board, a meeting has to be convened by the CEO without undue delay.
- 4) The CEO shall schedule the meetings of the *Vorstand*, draw up the agenda, preside over the meetings of the *Vorstand*, and sign the minutes of the meeting.
- 5) Each member of the *Vorstand* member is entitled to ask the CEO to include additional agenda items.
- 6) The required documentation for the agenda items shall be made available in such a timely manner that sufficient preparation for all members of the *Vorstand* is possible. All required documentation regarding the agenda items shall generally be provided to the members of the *Vorstand* at least one business day in advance of the meeting of the *Vorstand*, unless (i) a shorter time period is required in the best interest of the Company or (ii) if all members of the *Vorstand* are present and agree to discuss and resolve on such topic.
- 7) Resolutions of the *Vorstand* are generally adopted in meetings. However, the *Vorstand* may also adopt resolutions outside a meeting in writing, by phone, by fax or by any other means of common communication media (e.g. e-mail), unless a member of the *Vorstand* objects without undue delay and for good reason.
- 8) The *Vorstand* shall generally adopt its resolutions unanimously. If a unanimous resolution cannot be achieved, the CEO shall determine whether a decision shall be adopted anyhow in accordance with the majority requirement specified in § 5 para. 10 below or whether the decision shall be postponed. If the resolution on an agenda item is postponed, a decision shall be adopted in the following meeting of the *Vorstand*. Decisions which are not adopted unanimously shall be marked in the minutes by indicating the voting result.
- 9) The *Vorstand* may only adopt a resolution if at least 50 percent of its members are present. However, in case of a self-exemption resolution according to Article 17 para.

4 Market Abuse Regulation, a respective decision by one *Vorstand* member is sufficient, provided that the other *Vorstand* members are informed thereof without undue delay.

- 10) Resolutions of the *Vorstand* are adopted by a simple majority, provided, however, that the CEO has not raised an objection to such decision. If a resolution has not been adopted due to the objection of the CEO or due to a missing majority, the CEO may inform the Chairman of the Supervisory Board about such matter and ask him to mediate between the members of the *Vorstand*. In the event of a tie vote the CEO shall have the casting vote. If the CEO does not participate in a meeting of the *Vorstand*, resolutions shall only be adopted if it is in the best interest of the Company that such resolution is not postponed. Furthermore, if the CEO does not participate in a meeting of the *Vorstand*, a proposal is regarded as rejected in case of a tie vote.
- 11) A matter belonging to the area of responsibility of a *Vorstand* member not present at the meeting shall only be decided upon if (i) it is to be expected that such member will also not attend the following meeting and (ii) it is in the best interest of the Company that a decision on the said matter is not postponed. The respective member of the *Vorstand* shall be informed about the decision without undue delay.
- 12) The minutes shall be conveyed to the members of the *Vorstand* in writing by any means of common communication media (e.g. e-mail) prior to the next meeting of the *Vorstand*. Any objection to the minutes of the meeting of the *Vorstand* shall be raised towards the CEO in the next meeting of the *Vorstand* at the latest. If a member of the *Vorstand* is not participating in the next meeting of the *Vorstand*, any objection to the minutes has to be raised prior to the next meeting of the *Vorstand*. The minutes shall be deemed approved if none of the members of the *Vorstand* objects prior to or at the next meeting of the *Vorstand*. The CEO shall be responsible for the correction or completion of the minutes.
- 13) Resolutions which are adopted by phone or any other form of modern communication shall be recorded in writing by the CEO without undue delay and provided to the other members of the *Vorstand*. Resolutions which are adopted by circular procedure (either in writing, by fax or e-mail correspondence) do not need to be recorded in writing by the CEO.
- 14) If the CEO is impeded from performing his administrative duties under this § 5, he shall be represented by the member of the *Vorstand* who has the greatest seniority of service on the *Vorstand*, or if more than one member has the same seniority on the *Vorstand*, by the oldest member having such seniority. However, such member of the *Vorstand* shall not have the rights of the CEO pursuant to § 5 para. 10 (veto right / casting vote).

§ 6

Mandatory Decision Making by the *Vorstand*

- 1) The *Vorstand* in its entirety shall decide on the following matters, which may not be decided upon by the Executive Committee:
 - a) matters for which applicable law, the Articles of Association or these Rules of Procedure require a decision by the *Vorstand*, in particular:
 - aa) the preparation of the annual financial statements (*Jahresabschluss*) and the management report of the Company (*Lagebericht*) as well as the consolidated annual financial statements (*Konzernjahresabschluss*), and the management report on the Company Group (*Konzernlagebericht*);

- bb) convening of the Company's annual general meetings and proposed resolutions of the *Vorstand* to be submitted to the Company's annual general meetings for a resolution;
 - cc) personnel matters which relate to members of the Executive Committee who are not, at the same time, members of the *Vorstand*;
 - dd) matters which require the approval of the Supervisory Board pursuant to § 8 of these Rules of Procedure, unless the *Vorstand* has the right to resolve on these matters within the Executive Committee;
- b) matters which require a decision-making by the *Vorstand* pursuant to the applicable policies or standard operating procedures of the Company.
- 2) By resolution, the *Vorstand* may subject other matters to decision by the entire *Vorstand*.

§ 7 Committees

- 1) The *Vorstand* may constitute one or several committees with special responsibilities. Each committee reports to the *Vorstand* in its entirety.
- 2) The *Vorstand* may set up an Executive Committee comprising of the members of the *Vorstand* and other designated key leadership persons of the Company. The *Vorstand* may set up sub-committees to an Executive Committee.

§ 8 Approval of the Supervisory Board

- 1) The following decisions of the *Vorstand* are subject to the prior approval of the Supervisory Board. With regard to the decisions set forth under lit. b), d), e), f), g), h), i) and j), the *Vorstand*, in its free discretion, may decide that such decision is resolved upon by the Executive Committee instead of the *Vorstand*, whereas the prior approval of Supervisory Board is still required:
 - a) annual planning, in particular the annual budget plan for each financial year;
 - b) entering, materially amending or terminating any agreement or other commitment of the Company or its affiliates having a real or potential value in excess of EUR 10 million. An amendment is considered to be material for purposes of applying this Section 8 No. 1 b) (and consequently requiring Supervisory Board approval) if it has a real or potential financial value of more than EUR 10 million compared to the originally approved agreement or other commitment. The *Vorstand* will on an annual basis provide an overview to the Supervisory Board outlining the matters approved by the Supervisory Board according to this Section 8 No. 1 b) and showing the total budget spent on that matter in the respective year, provided there is a difference between the amount originally approved by the Supervisory Board and the total budget spent on that matter. Entering, materially amending or terminating any agreement or other commitment with a real or potential value below EUR 20 million, which are covered by a pass-through arrangement with a third party and which costs are being fully reimbursed by such third party do not fall under the approval requirement of the preceding sentence.

- c) concluding, materially amending or terminating agreements of the Company with or for the benefit of any of the Company's Supervisory Board members or *Vorstand* members, their respective relatives (as defined in § 15 of the General Taxation Act (*Abgabenordnung*)) or companies related with them as defined in § 15 Stock Corporation Act;
 - d) founding or dissolving companies;
 - e) acquiring or selling participations in companies ;
 - f) granting, materially amending or terminating profit participation rights in the Company, including silent interest participations;
 - g) establishing, acquiring, closing or selling plants or branches of the Company or its affiliates;
 - h) granting of loans to (i) companies in which the Company does not hold an equity stake or (ii) companies in which the Company holds an equity stake and which loans have a real or potential value in excess of EUR 2 million;
 - i) transferring the Company's or its affiliates assets in whole or in a substantial part;
 - j) mortgaging or permitting the creation of any mortgage over the whole or a substantial part of the assets of the Company or its affiliates;
 - k) changing the Schedules of Responsibilities of the *Vorstand*.
- 2) The Supervisory Board may establish further approval requirements for the *Vorstand*.

§9

Procedure for the Investment in Marketable Securities / Assets

- 1) Without consulting with the Supervisory Board or the Audit Committee, the *Vorstand* is allowed to invest cash amounts up to EUR 100 million per installment into investment possibilities that pass the following criteria at the date of investment:
- a) the investment has a minimum rating of A3 (Moody's) or A- (S&P and Fitch) with any of the three rating agencies or the investment is secured by a guarantee of a bank with a minimum rating of A3 (Moody's) or A- (S&P and Fitch) with any of the three rating agencies;
 - i) with regard to Money Market Funds: (i) minimum Money Market Fund Rating of either A-mf (by Moody's), or Am (by S&P) or Ammf (Fitch) or (ii) minimum Short Term Issuer Credit Rating of either A2 (by S&P), F2 (by Fitch) or P2 (Moody's);
 - ii) with regard to Short Term Bond Funds: (i) minimum Short Term Issuer Credit Rating of either A2 (by S&P), F2 (by Fitch) or P2 (Moody's) or (ii) minimum Bond Fund Rating of either Af (by S&P and Fitch) or A-bf (Moody's) or (iii) minimum Morningstar Risk Rating category of "below average;
- and
- b) the investment is liquid, i.e. shall be repayable within a maximum of 24 months;
- and

- c) the investment is made in similar investment possibilities as the ones already invested into by the Company; high risk investments shall be avoided as safety is more important than return.
- 2) Should any institution see its one-year Credit Default Swap spread (CDS spread) above 100 Basispoints (bps), it will be put on a watch list, where existing or future investments will be subject to Audit Committee approval, until its CDS spread returns below 100bps.
- 3) Investments in asset vehicles that are already utilized by the Company are not limited to the EUR 100 million threshold.
- 4) If any of the above investment criteria are not met or if the investment amount exceeds the threshold, the *Vorstand* has to seek approval by the Audit Committee. *Vorstand* can limit the approval to the Chairman of the Audit Committee if timely decision-making requires a quick approval process.
- 5) The *Vorstand* should allocate its cash surplus in at least 3 different asset vehicles at all times.
- 6) The *Vorstand* will discuss the investment strategy with the Audit Committee, which will be reviewed annually and ratified by the Supervisory Board. The current asset allocation of its liquid assets shall be reviewed twice a year by the Audit Committee.

Signed on behalf of the Supervisory Board, according to a resolution adopted at the meeting of November 9, 2021:

Place: Boston

Date: November 9, 2021

Dr. Marc Cluzel
Chairman of the Supervisory Board

Attachment: Schedule of Responsibilities of the Members of the Management Board ("*Vorstand*") of MorphoSys AG