

Update of the Declaration of Conformity of the Management Board and Supervisory Board of MorphoSys AG with regard to the German Corporate Governance Code (“Code”) as of November 2020

In November 2020, the Management Board and the Supervisory Board of MorphoSys AG issued a declaration of conformity pursuant to Section 161 of the German Stock Corporation Act (AktG). This declaration is amended and updated as follows:

Pursuant to recommendation G.8 of the Code in its version of December 16, 2019, subsequent changes to the target values or comparison parameters for the variable remuneration of the members of the Management Board shall be excluded.

The members of the Management Board of MorphoSys AG were granted Performance Share Units under a Performance Share Unit Program in 2020 (“**PSUP 2020**”). Pursuant to the plan conditions of the PSUP 2020, the overall target achievement corresponded to the average target achievement of four one-year assessment periods. Further, the overall target achievement under the PSUP 2020 depended, amongst others, on the development of the share price of the share of MorphoSys AG compared to a benchmark index, which was composed of the NASDAQ Biotechnology Index of the NASDAQ and the TecDax Index of the Frankfurt Stock Exchange, both weighted equally.

In the course of the development of a remuneration system for the members of the Management Board of MorphoSys AG, which will be submitted for approval to the Annual General Meeting 2021, the Supervisory Board decided to evaluate the overall target achievement under future Performance Share Unit Programs no longer as the average target achievement of four one-year assessment periods, but over the entire four-year waiting period in order to better reflect the long-term effect of this program. In addition, the Supervisory Board decided to use the EURO STOXX Total Market Pharmaceuticals & Biotechnology as benchmark index in the future, as its composition ensures better comparability than the previously used indices.

Against this background, the Supervisory Board has decided to amend the plan conditions of the PSUP 2020 and to evaluate the target achievement for the remaining period until the expiry of the four-year waiting period also over this total period. Further, the Supervisory Board also amended the target values to the effect that the EURO STOXX Total Market Pharmaceuticals & Biotechnology is also used as a benchmark for the PSUP 2020. The remaining plan conditions of the PSUP 2020 remain unaffected. In particular, no adjustments have been made for assessment periods that have already been completed.

In view of the Supervisory Board, the amendment of the plan conditions of the PSUP 2020 strengthens its long-term incentive effect. In addition, the amendment of the PSUP 2020 leads to a synchronization of the programs with each other and with the remuneration system and thus to a remuneration structure for the current and future members of the Management Board of MorphoSys AG, which is as consistent as possible.



Management Board and Supervisory Board therefore declare a deviation of recommendation G.8 of the Code.

In all other respects, the declaration of November 2020 remains unaffected.

Planegg, this March 11, 2021

MorphoSys AG

For the Management Board:

For the Supervisory Board:

Dr. Jean-Paul Kress
Chief Executive Officer

Dr. Marc Cluzel
Chairman of the Supervisory Board