

Dear Sir or Madam,

Thank you for making your voting policies for 2018 available for public comment.

We would like to submit the following comments.

1. European Policy– General Share Issuance Request Proposals

Request for Comment:

➤ For general share issuances without preemptive rights, do you consider a maximum limit of 10 percent of issued share capital appropriate? If not, what limit would you support and why (please specify)?

Comment:

No, we suggest to keep the current ISS European Voting Guidelines in this respect (i.e. maximum limit of 20 percent). We think this limit is more appropriate. The purpose of share issuance requests is to create new shares in a fast and flexible way. Such new shares usually serve as instruments of payment in M&A transactions. Companies of a larger size must have a substantial amount of such instruments of payment at their disposal in order to have the possibility to acquire not only small target companies. This would not be guaranteed with a maximum limit of only 10 percent. Companies might otherwise have to abstain from acquiring companies of their target size. Besides, in German companies, the exclusion of pre-emptive rights has to be approved by the Supervisory Board. Thus, there is a control of the Board of Management who cannot handle this issue with own full discretion.

Request for Comment:

➤ For general share issuances with preemptive rights, do you consider a maximum limit of 50 percent of issued share capital appropriate? If not, what limit would you support and why (please specify)?

Comment:

The proposal is in line with German law and appropriate.

2. UK/Ireland Policy and European Policy1– Virtual/Hybrid Shareholder Meeting Proposals

Request for Comment

While we appreciate any comments on this topic, ISS is specifically seeking feedback on the following:

- Some investors have indicated that they would be willing to support the practice of "virtual-only" shareholder meetings if they provide the same shareholder rights as a physical meeting. If your organization supports this view: what rationale or assurances would be required in order for your organization to support changes to the articles of association allowing for "virtual-only" shareholder meetings?
- Should ISS provide additional disclosure or alter its voting policies in markets (such as the US) where shareholder approval is not required for companies to switch to virtual-only meetings?

Comment

German corporate law does not explicitly admit virtual-only shareholder meetings for listed companies. Consequently, they should not be promoted for German shareholder meetings.