

## CORPORATE GOVERNANCE STATEMENT

This declaration, pursuant to Section 289f and 315d of the German Commercial Code (*Handelsgesetzbuch*, HGB), describes the working methods of the Management Board and Supervisory Board as well as the composition and working methods of the Supervisory Board committees, the diversity concepts for the Management Board and Supervisory Board composition, the provisions to promote women's participation in management positions in accordance with Section 76 para. 4 and Section 111 para. 5 of the German Stock Corporation Act (*Aktiengesetz*, AktG), the declaration of compliance in accordance with Section 161 AktG and relevant information on corporate governance practices. The declaration also includes the report on the corporate governance of the Company and forms part of the combined management report of alstria office REIT-AG (**alstria**) and the Group.

### I. MANAGEMENT BOARD AND SUPERVISORY BOARD

The German stock corporation is legally required to have a dual management system, which provides a strict personnel and functional separation between the Management Board as the management body and the Supervisory Board as the monitoring and advising body. Within this dual management system, the Management Board and Supervisory Board cooperate closely and faithfully in the Company's interest.

#### 1. MANAGEMENT BOARD

As of December 31, 2020, the Management Board of alstria office REIT-AG consists of two members:

Member		Term of office (in years)	Appointed until
Olivier Elamine	Chief Executive Officer	14	31.12.2022
Alexander Dexne	Chief Financial Officer	13	31.12.2022

The Management Board is responsible for managing the Company in the Company's interests. In particular, the Management Board determines the corporate objectives and develops the Company's fundamental strategic orientation, agrees on these with the Supervisory Board and ensures their implementation. Furthermore, the Management Board ensures an appropriate internal control and risk management system as well as the observation of legal provisions and internal guidelines and works towards their observance in the group (Compliance).

The Management Board members are jointly responsible for the management of the Company. Fundamental matters or financially significant material matters stipulated by law, by the Articles of Association or by the rules of procedure for the Management Board, are decided by the Management Board as a whole.

The Management Board's resolutions are passed by a simple majority, whereby a unanimous vote shall generally be sought. Certain resolutions on the Company's significant business transactions are also subject to approval by the Supervisory Board. The Management Board reports regularly to the Supervisory Board. At least once a year, the Management Board reports on the intended business policy and on other fundamental issues of corporate planning for the Company and the Group. The Management Board reports regularly (at least quarterly) on the state of business, particularly on sales revenues and income, material indicators and the net assets development, financial position and operation results. The work of the Management Board, the transactions requiring supervisory board approval, the allocation of responsibilities between the individual Management Board members and the reporting and information obligations to the Supervisory Board are detailed in the rules of procedure for the Management Board.

The Management Board's members are committed to the Company's interest and do not pursue personal interests in their decisions or take advantage of business opportunities to which the Company is entitled. They must immediately disclose any conflicts of interest to the chairman of the Supervisory Board. In particular, members of the Management Board shall not directly compete with the Company through private real estate investments; real estate transactions between the Company and members of the Management Board are forbidden. Major business transactions between the Company on the one hand and the Management Board's members, related parties, companies or associations within the meaning of Section 111a AktG on the other hand, require the Supervisory Board's approval. All such transactions must be concluded under customary commercial conditions. The Management Board's members require the Supervisory Board's approval to conduct secondary activities, particularly memberships in supervisory boards of companies not affiliated with the Group. The members of alstria's Management Board had no conflicts of interest in the reporting year. There were no agreements on such transactions between the Company and members of the Management Board and related parties in the reporting period. With the approval of the Supervisory Board, the CEO sits on the boards of companies outside the Group. A list of the memberships of the Management Board members in supervisory boards of listed companies or companies with comparable requirements pursuant to Section 285 No. 10 HGB can be found on page 139 of the Company's annual report.

The compensation of the members of the Management Board is presented in the Compensation Report on pages 181 to 191 of this Annual Report.

## **2. PROFILE FOR THE MANAGEMENT BOARD AND LONG-TERM SUCCESSION PLANNING**

The Supervisory Board appoints and dismisses the members of the Management Board and, with the support of its Nomination and Remuneration Committee and the Management Board, ensures long-term succession planning. The Supervisory Board strives for a Management Board composition that ensures that all the knowledge, skills and experience necessary to best manage the Company are available on the Management Board.

Therefore, with due consideration of alstria's specific situation, the Supervisory Board established this profile of skills and expertise and diversity concept with targets for the composition of the Management Board (**Profile for the Management Board**), pursuant to Section 289 f HGB, Section 76 para. 3 AktG and to the German Corporate Governance Code.

The Company's Articles of Association provide that the Management Board shall consist of one or more members. The Supervisory Board decides on the exact number of Management Board members, the Management Board's individual staffing and the Management Board's chairman. Potentially suitable candidates for each Management Board position are generally identified once per calendar year with the help of external personnel consultants. Search profiles for each Management Board position are used as a basis, in which the professional and personal requirements of the candidates for the respective position are described. The search profiles are drawn up by the Supervisory Board as part of a due analysis of the current and future challenges of the Company. The search profiles also take into account the Profile for the Management Board. On this basis a shortlist of available candidates is drawn up with whom structured discussions can be held without delay if necessary. Internal candidates for Management Board succession are identified by the Supervisory Board, which gets to know particularly qualified employees, both professionally and personally, in the course of its meetings.

The initial appointment of Management Board members shall be for a maximum of three years; reappointment of Management Board members shall also generally be for a maximum of three years. Acting members of the Management Board will only be reappointed one year before the end of their term of office, and their current appointment will be terminated at the same time if there are special circumstances.

### **2.1. Requirements for all management board members**

All Management Board members shall have the personal qualification for being a member on the Company's Management Board and shall each meet the legal as well as the following requirements:

- a managerial mindset,
- integrity,
- a capacity for interaction and teamwork,
- leadership skills and persuasive power,
- communication skills,
- an ability to balance risk appetite and risk avoidance,
- relevant education and sufficient professional experience and
- an age of up to 65 years, as a general rule.

## 2.2. Requirements for the entire Management Board

Viewed as a whole, the members of the Management Board shall have all knowledge, skills and experience needed. In particular, at all times at least one Management Board member shall have due / be duly:

- expertise regarding real estate management (ideally in the management of office properties, acquired in a comparable company);
- knowledge of the German real estate market;
- skills in the sectors real estate transactions, asset management/letting, project development, real estate valuation and all other relevant business divisions;
- experience in defining, setting and executing corporate strategy and an ability to implement profound change and ensure good communication;
- familiarity with the requirements concerning corporate governance and investor communication, gained within a listed company (ideally with a comparable market capitalization);
- experience in leadership and corporate management (ideally acquired in a comparable company) and
- experience in corporate finance and capital markets (ideally acquired in a comparable company).

The composition of the Management Board shall also reflect internationality in terms of diverse cultural backgrounds and international experience of the Management Board members.

## 2.3. Diversity

- The members of the Management Board shall complement one another in terms of their backgrounds, professional experience and expertise in order to let the leadership benefit from diverse sources of experience, skills and points of view on corporate challenges.
- In the recruitment process, the candidates are treated neutrally in terms of sex and age and will be assessed according to their qualifications.

## 2.4. Status of implementation

The Profile for the Management Board is currently fully implemented.

### 3. SUPERVISORY BOARD

The alstria office REIT-AG Supervisory Board is generally elected by the Annual General Meeting. It is composed exclusively of shareholder representatives. As of December 31, 2020, the Supervisory Board comprised the following six members:

Supervisory Board member			Committee memberships			
	Term of office (in years)	Appointed until <sup>1)</sup>	Audit committee	Nomination & Remuneration committee	Finance & Investment committee	ESG committee
Dr. Johannes Conradi (Chair)	14	2023	-	Chair	-	Chair
Richard Mully (Vice Chair)	14	2022	-	-	Chair	Member
Dr. Bernhard Düttmann	4	2021	Member	-	Member	-
Stefanie Frensch	5	2021	-	Member	Member	-
Benoît Hérault	9	2022	Member	Member	-	-
Marianne Voigt	9	2023	Chair	-	-	Member

<sup>1)</sup> Until the close of the Annual General Meeting in the respective financial year.

The Supervisory Board advises the Management Board on the management of the Company and monitors how it conducts business. The Management Board involves the Supervisory Board in decisions of fundamental importance to the Company. To this end, the rules of procedure for the Management Board stipulate that its approval is required, for example, for the acquisition or disposal of real estate property, for the conclusion of new financing agreements with a consideration or volume of more than EUR 30 million, or for modernization measures not included in the budget approved by the Supervisory Board that exceed a total annual amount of EUR 2 million. Furthermore, transactions with related parties pursuant to Section 111 b para.1 AktG require the approval of the Supervisory Board.

The Supervisory Board elects a Chairman and a Deputy Chairman from among its members. The Chairman of the Supervisory Board coordinates the Supervisory Board's work, chairs its meetings and attends to its affairs externally. The Chairman maintains regular contact with the Management Board and discusses strategy, planning, business development, the risk situation, risk management and corporate compliance with its members. The Management Board immediately informs the Chairman of important events that are of material significance for assessing the situation as well as for development and management. If necessary, the Chairman then informs the Supervisory Board and, when appropriate, convenes a Supervisory Board meeting. The Chairman and Deputy Chairman of the Supervisory Board also regularly hold discussions with investors on Supervisory Board-specific topics.

Supervisory Board resolutions are adopted through a majority of votes by the Supervisory Board members as specified in the Articles of Association, unless otherwise required by law. Resolutions are generally passed at ordinary or extraordinary meetings. Supervisory Board members may attend Supervisory Board meetings in person or via telephone, videoconference or similar audiovisual means.

The Supervisory Board also meets regularly without the Management Board. Supervisory Board resolutions may also be adopted outside of meetings by means of written, telephonic or electronic communication if the Chairman permits it for an individual case.

The Supervisory Board regularly reviews, whether internally or with the assistance of external consultants, how effectively the Supervisory Board as a whole and its committees perform their duties. During the 2020 financial year, very positive results were achieved through an effectiveness assessment conducted by means of online questionnaires, which were discussed by the Supervisory Board.

All Supervisory Board members are committed to the Company's interests and do not pursue personal interests in their decisions or take advantage of business opportunities to which the Company is entitled. Conflicts of interest must be disclosed to the Chairman of the Supervisory Board without delay. In the case of resolutions for which a conflict of interest exists, the Supervisory Board member concerned abstains from voting. Members of the Supervisory Board shall not directly compete with the Company through private real estate investments; real estate transactions between the Company and members of the Supervisory Board are forbidden.

Significant transactions between the Company on the one hand and members of the Supervisory Board, related parties, companies or associations within the meaning of Section 111a AktG on the other hand require the approval of the Supervisory Board. In the reporting year, there were no conflicts of interest involving members of alstria's Supervisory Board. There were no agreements on such transactions between the Company on the one hand and members of the Supervisory Board and related parties on the other in the reporting period.

Supervisory Board members ensure that they have sufficient time to perform their duties. The members of the Supervisory Board observe the overboarding rules as defined in the Profile for the Supervisory Board (see below). alstria's website contains the member's curricula vitae and an overview of their main activities in addition to their Supervisory Board mandate. A list of the memberships of the Supervisory Board members on supervisory boards or similar supervisory bodies of non-Group companies in accordance with Section 285 no. 10 of the HGB can also be found in the annual report on page 140.

The compensation of the members of the Supervisory Board is presented in the compensation report on page 190 to 191 of this Annual Report.

#### **4. SUPERVISORY BOARD COMMITTEES**

To manage its tasks efficiently, the Supervisory Board has formed four standing committees from among its members: an Audit Committee, a Finance and Investment Committee, a Nomination and Remuneration Committee and a purely advisory and preparatory ESG Committee (previously: Corporate Social Responsibility Committee). Each committee has its own rules of procedure, which further regulate the committee's affairs, tasks and decision-making powers, where appropriate. The rules of procedure for the Supervisory Board can be viewed on the Company's website.

#### **4.1. Audit Committee**

The Audit Committee deals with the Company's accounting and accounting process, risk management, internal control and audit system and compliance. In addition, the Audit Committee deals with the audit of the financial statements, in particular the selection, independence and qualification of the auditors and the additional services provided by the auditors, the issuing of the corresponding audit engagement, the determination of focal points of the audit, the fee agreement and the assessment of the audit's quality.

#### **4.2. Finance and Investment Committee**

The Finance and Investment Committee discusses the Company's financing strategy and grants Supervisory Board approval for the conclusion of financing agreements and for the acquisition or disposal of real estate properties or other assets, provided that the underlying financing volume or the consideration for the transaction exceeds EUR 30 million and does not exceed EUR 100 million. Financing agreements and transactions that exceed this amount must be submitted to the full Supervisory Board for approval.

The Finance and Investment Committee also grants Supervisory Board approval for the conclusion or early termination of lease agreements with third parties as well as for contracts with Supervisory Board members, in accordance with Section 114 of the AktG.

#### **4.3. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee deals with the preparation of the resolutions of the full Supervisory Board on the appointment and dismissal of Management Board members (including the preparation of the Profile for the Management Board), on the Management Board's compensation system and the total compensation of individual Management Board members, on the target figures for the proportion of women on the Management Board and Supervisory Board, and on the rules of procedure for the Management Board. The Nomination and Remuneration Committee deals with ongoing succession planning for the Management Board and decides on the conclusion, amendment, extension and termination of Management Board employment contracts, on the content of contracts (with the exception of compensation), and on the approval of certain other activities of Management Board members. Finally, the Nomination and Remuneration Committee prepares the Supervisory Board's resolution on election proposals to the Annual General Meeting for suitable Supervisory Board members (including the Profile for the Supervisory Board) and on determining the compensation for the Supervisory Board, and it deals with any insider information that falls within the Supervisory Board's remit.

#### 4.4. ESG Committee

The ESG Committee deals with environment social governance issues such as environmental policies and CO<sub>2</sub> targets, energy management policies, the potential impact of climate change, corporate social responsibility legislation, corporate social responsibility ratings and the Company's sustainability reports.

The Supervisory Board reports on its activities and its committees' work during the 2020 financial year in its report to the Annual General Meeting on pages 153 to 160 of the annual report.

### 5. PROFILE FOR THE SUPERVISORY BOARD

alstria office REIT-AG's Supervisory Board shall ensure proper consultation with and control of the Management Board. Therefore, Supervisory Board members shall have the knowledge, skills and experience necessary to properly fulfill their duties and complement one another. For this reason, the Supervisory Board has established this profile of skills and expertise and diversity concept with targets for the composition of the Supervisory Board ("**Profile for the Supervisory Board**") according to Sec. 289 f of the German Commercial Code and the German Corporate Governance Code. Thereby, the Supervisory Board has especially considered alstria's specific situation and shareholder structure.

#### 5.1. General profile of qualification

- Managerial or operational experience
- Availability and willingness to dedicate sufficient time
- Discretion and integrity
- Capacity for interaction and teamwork
- Leadership skills and persuasive power
- Willingness to engage in regular and independent advanced training
- Age of up to 70 years, as a rule;
- Maximum duration of board membership of 20 years, as a rule;
- No board membership, no advisory function excluding independence with and no personal relationship to a significant competitor of the Company.

#### 5.2. Overboarding

Including their membership on alstria's Supervisory Board, our Supervisory Board members shall, as a rule, not permanently have more than five board mandates at listed companies with registered seats in Germany and abroad. For the purposes of calculating this limit, a Supervisory Board mandate or a comparable function in non-listed companies is counted as one mandate, with a supervisory board chair being counted as two; management board mandates at listed companies are counted as three and should not be held by the Chairman of our Supervisory Board.



### 5.3. Qualification and diversity

- The members of the Supervisory Board shall complement one another in terms of background, professional experience and skills in order to provide the Supervisory Board with the most diverse sources of experience and skills possible.
- Viewed as a whole, the members must be familiar with the real estate sector. At least two members shall have due expertise in the office real estate market.
- At least two members shall have strong international backgrounds. At least two members shall have strong German backgrounds.
- At least one member shall have experience as a management board member (ideally as the chief executive officer of a listed company) and be familiar with stakeholder management.
- The Chairman of the Audit Committee shall have gained special expertise and experience either in accounting, the application of accounting principles and internal control systems or in the auditing of annual statements (e.g., as the chief financial officer of a comparable company or as the principal of an audit firm).

### 5.4. Independence

A Supervisory Board member is independent from the Company and its management as long as it has no personal or business relationships with the Company or its Management Board, which could cause a substantial and not merely temporary conflict of interest.

A Supervisory Board member is independent from a controlling shareholder if the Supervisory Board member or a close relative is neither a controlling shareholder, nor a member of the executive governing body of the controlling shareholder and does not have a business or personal relationship with the controlling shareholder that may cause a substantial and not merely temporary conflict of interest.

The Supervisory Board has determined the following requirements for the independence of its members from the Company and its management. The Supervisory Board regularly reviews at its reasonable discretion, whether its members are independent in its assessment. Thereby, the Supervisory Board particularly considers if a Supervisory Board member or one of their close relatives

- was a member of the Management Board in a Group company in the three years before its appointment (for Supervisory Board members themselves, a five-year period shall apply);
- has, or had within the 3 years up to his appointment, a material business relationship with the Group or a member of the Management Board (e.g., as a tenant, lender or advisor), either directly or as a shareholder, director or senior employee of a non-group entity that has such a relationship with the Group (acceptance of payment in excess of EUR 50,000 p.a. is considered as material);
- is a close relative of one of the members of the Management Board of the Company;
- has been a member of the Supervisory Board for more than 12 years;

- is affiliated with a not-for-profit entity that receives significant contributions from the Company; or
- was a partner or employee of the Company's outside auditor during the past three years (only applicable to Supervisory Board members themselves).

Should the Supervisory Board come to the conclusion that a Supervisory Board member is independent even though there are opposing criteria, the Supervisory Board will give reasons for this assessment in the corporate governance statement. A membership of more than 12 years in the Supervisory Board does not exclude independence as long as there are no further criteria for a missing independence.

#### *Independence in the plenum and committees:*

The Supervisory Board has determined the following requirements for the independence regarding the composition of the plenum and the committees:

- At least four members of the Supervisory Board shall be independent from the Company and its Management Board.
- Should the Company have a controlling shareholder, at least three members of the Supervisory Board shall be independent from the controlling shareholder.
- No more than two Supervisory Board members shall be former members of the Management Board.
- The **Chairman of the Supervisory Board** shall be independent from the Company and its Management Board as well as from a controlling shareholder. The Chairman of the audit committee shall not chair the Supervisory Board.
- The Chairman as well as the majority of the members of the **Audit Committee** shall be independent from the Company and its Management Board and from a controlling shareholder.
- The Chairman as well as the majority of the members of the **Nomination and Remuneration Committee** shall be independent from the Company and its Management Board.

#### **5.5. Succession planning and annual elections to the Supervisory Board**

alstria appoints Supervisory Board members using a structured process. The Supervisory Board submits nominations to the Annual General Meeting for each vacant Supervisory Board position. The Supervisory Board's Nomination and Remuneration Committee then prepares these recommendations for an election.

The Supervisory Board chooses the candidates whom it recommends to the Annual General Meeting for an election as follows: Annually, the Supervisory Board assesses the effectiveness of its work - every three years this is done by an external advisor - and checks the composition of the Supervisory Board and whether the targets laid down in the Profile for the Supervisory Board are being met.

The Supervisory Board also checks whether the targets need to be adjusted in light of alstria's situation and circumstances, which might have evolved. Given such results, the Supervisory Board assesses in the first place whether it would be appropriate to recommend to the Annual General Meeting to reappoint the Supervisory Board member whose term of office will end with the next Annual General Meeting. Otherwise, the Supervisory Board will search for external candidates for the vacant position with the help of an external advisor and thereby strives to fulfil the Profile for the Supervisory Board.

In its election proposals to the Annual General Meeting, the Supervisory Board discloses the personal and business relationships of every candidate with the Company, the Management and Supervisory Boards and any shareholders with a material interest in the Company. The election proposals go along with a curriculum vitae, providing information on each candidate's relevant knowledge, skills and professional experience and an overview of the candidate's material activities in addition to the Supervisory Board mandate. The curricula vitae of all Supervisory Board members are updated annually and published on the Company's website.

The Supervisory Board agreed on recommending at the Annual General Meeting to elect Supervisory Board members for a term of three years only - rather than for five years as permitted by law. Two members of the Supervisory Board will have equal terms of office. As a result, the Annual General Meeting of shareholders elects two members of the Supervisory Board each year and thus has the opportunity to shape the composition of the Supervisory Board every year. In this way, the legitimacy of the shareholder representatives on the Supervisory Board is annually renewed. The Annual General Meeting of shareholders elects each member of the Supervisory Board individually.

Where an application is made for the appointment of a Supervisory Board member by a court, the term of that member will be limited until the next Annual General Meeting.

#### **5.6. Status of implementation**

In line with the appointment procedure described above, the Supervisory Board members Dr. Johannes Conradi and Marianne Voigt were proposed for reelection at the Annual General Meeting of alstria office REIT-AG in September 2020 and elected to the Supervisory Board for a further term of three years. All the objectives set out in the Profile for the Supervisory Board have currently been implemented, and the Profile is being fully completed by the full Supervisory Board in terms of the set general requirements, overboarding rules, qualification and diversity, independence and conflicts of interest.

The Supervisory Board considers the members Dr. Johannes Conradi and Richard Mully to be independent despite their fourteen years of membership on the Supervisory Board of the Company. They are particularly very familiar with the Company's affairs, which enables them to use their expertise for the benefit of the Company.

The Supervisory Board also does not see any other criteria that stand against independence. Neither of the two members has a significant business relationship with the Company or any of its subsidiaries. Likewise, there are no family or other personal relationships. The occasional advice given to the Company by the law firm Freshfields Bruckhaus Deringer PartG mbB, of which Dr. Johannes Conradi is a partner, does not conflict with the independence of Dr. Johannes Conradi, as the advice given in each case concerns nonessential matters of the Company. Accordingly, the remuneration paid to Freshfields Bruckhaus Deringer PartG mbB in the last three financial years was in total less than EUR 10 k. Furthermore, these mandates are exclusively handled by other lawyers and not by Dr. Johannes Conradi. The Supervisory Board therefore continues to regard both longstanding members as independent of the Company and the Management Board, especially since both members have declared that they will not be available for a further term of office after their terms expire (Richard Mully in 2022 and Johannes Conradi in 2023).

The following table illustrates the achievement of the independence target in the Supervisory Board as of December 31, 2020:

Member <sup>1)</sup>	Term of office exceeding 12 years	Former member of alstria's Management Board	Substantial business relationship with alstria <sup>2)</sup>	Close relative of a member of alstria's Management Board	Independent <sup>3)</sup>
Dr. Johannes Conradi (Chair)	yes	no	no	no	yes
Richard Mully (Vice Chair)	yes	no	no	no	yes
Dr. Bernhard Düttmann	no	no	no	no	yes
Stefanie Frensch	no	no	no	no	yes
Benoît Hérault	no	no	no	no	yes
Marianne Voigt	no	no	no	no	yes

<sup>1)</sup> With the exception of the term of office, the information relates in each case to the Supervisory Board member and his/her close relatives.

<sup>2)</sup> Currently or in the three years up to appointment; directly or as a shareholder or in a responsible function of a company outside the Group.

<sup>3)</sup> Of the Company, the Management Board and a controlling shareholder (in the opinion of the Supervisory Board).

The following table illustrates the achievement of targets in the area of overboarding as of December 31, 2020. A Supervisory Board member should not permanently have more than five board mandates (including the membership on alstria's Supervisory Board).

Supervisory Board mandates at non-group listed companies in Germany and abroad and, due to size, internationality and complexity, comparable functions at non-listed companies are considered, with a supervisory board chair counting as two mandates; management board mandates at non-group listed companies in Germany and abroad are counting as three mandates:

Member	Management board mandates	Supervisory board mandates	Total count of mandates	Overboarded
Dr. Johannes Conradi (Chair)		2 alstria office REIT-AG (chairman)	2/5	no
Richard Mully (Vice Chair)		3 alstria office REIT-AG (member)	3/5	no
Dr. Bernhard Düttmann	3 CECONOMY AG (CEO)	1 Great Portland Estates plc, UK (non-executive chairman) alstria office REIT-AG (member)	4/5	no
Stefanie Frensch		1 alstria office REIT-AG (member)	1/5	no
Benoît Hérault	3 Elaia Investment Spain SOCIMI, S.A. (CEO) (Batipart Group)	1 alstria office REIT-AG (member)	4/5	no
Marianne Voigt		1 alstria office REIT-AG (member)	1/5	no

The following table illustrates the knowledge and experience of the single members of the Supervisory Board relevant to their work on the Supervisory Board as of December 31, 2020:

Member	Nationality	Industry background	Real estate sector	Office real estate	International background	German background	Experience as management board member	Financial expert
Dr. Johannes Conradi (Chair)	German	Law	X	X	X	X		X
Richard Mully (Vice Chair)	British	Finance	X	X	X		X	
Dr. Bernhard Düttmann	German	Consumer Chemistry			X	X	X <sup>1)</sup>	X
Stefanie Frensch	German	Consulting Management	X			X	X	
Benoît Hérault	French	Law Finance	X	X	X		X <sup>1)</sup>	X
Marianne Voigt	German	Controlling/ Finance, IT, Management				X	X	X

1) As CEO of a non-group, listed company.

## II. WOMEN IN LEADING POSITIONS

Employees and their development within the Company are of central importance for society to achieve sustainable success. When filling management positions in the Company, the Management Board strives for a high level of diversity among employees and a high proportion of female managers.

The Management Board determined a target figure of at least 30 % for the proportion of women in the first management level below the Management Board (Head of Departments) in accordance with Section 76 para. 4 AktG. This target figure has been achieved with 36,4 % as of December 31, 2020 and will apply until December 31, 2021.

Due to the lack of an additional management level with decision-making competence and budget responsibility, there was no need to determine a target figure for women's participation at the second management level.

The Supervisory Board set a target figure of at least 30 % for the proportion of women on the Supervisory Board. This target was reached at 33.3 % as of December 31, 2020 and will apply until December 31, 2024. The target for the proportion of women on the Management Board was previously 0 % in view of the terms of office of the two Management Board members, which run until December 31, 2022. In December 2020, the Supervisory Board resolved to raise the target for the proportion of women on the Management Board to at least 30 %. This target was not reached as of December 31, 2020 and will apply until December 31, 2024.

## III. GERMAN CORPORATE GOVERNANCE CODE

The recommendations and suggestions of the Government Commission, as appointed by the German Federal Ministry of Justice, contain internationally and nationally accepted standards of good and responsible corporate governance. Our declarations of compliance with the recommendations of the German Corporate Governance Code pursuant to Section 161 AktG are published on the Company's website ([www.alstria.com](http://www.alstria.com)). alstria complied and complies with the recommendations of the German Corporate Governance Code with the few exceptions stated in the declaration of compliance.

These exceptions and the reasons for the Company's nonconformity are set out in the declaration of compliance, as last issued by the Management Board and the Supervisory Board on December 3, 2020:

**Declaration of compliance, dated December 3, 2020**

- “1. alstria office REIT-AG (“**Company**”) has - apart from the exceptions stated below - complied with the recommendations of the ‘Government Commission German Corporate Governance Code’ in the version as amended on December 16, 2019 since they entered into force on March 20, 2020 (“**GCGC 2020**”) with the following exceptions. The Company intends to comply with the recommendations of the GCGC 2020 in future, with the exceptions stated below:

**Publication of rules of procedure for the Supervisory Board, D.1 GCGC 2020**

The rules of procedure for the Supervisory Board of alstria office REIT-AG are currently being revised and adapted to the current regulatory framework. After completion of the revision, the rules of procedure for the Supervisory Board will be published on the Company website.

**Remuneration of the Management Board**

Compared to the previous version, Section G.I. of the GCGC 2020 contains new recommendations on the remuneration of the Management Board. The Company's Management Board remuneration system, which was approved by the Annual General Meeting of alstria office REIT-AG on May 16, 2017, complies largely, but not fully with these new recommendations. Currently, the Management Board compensation system is being revised and adapted to the new regulatory requirements. The requirements of the GCGC 2020 are also being considered. The adjusted remuneration system for the Management Board is to be presented to the Annual General Meeting of the Company in financial year 2021 for approval.

**Determination of a maximum compensation, G.1 GCGC 2020**

Although the remuneration system for the Management Board specifies the maximum amounts for the remuneration, this does not yet include fringe benefits for Company cars, insurance and pension benefits. As part of the revision of the remuneration system for the Management Board, a maximum remuneration is to be determined which includes any and all fringe benefits.

**Change of performance targets for elements of variable remuneration, G.8 GCGC 2020**

The short-term incentive remuneration element of the Management Board is mainly based on the achievement of a funds from operations per share (“**FFO per share**”) target. In the event that the achieved FFO per share in a financial year is impacted by real estate acquisitions and disposals, the Supervisory Board adjusts the FFO per share target accordingly. In doing so, the Supervisory Board ensures the Management Board is not incentivized to enter into acquisitions by means of achieving personal short-term benefits.

The impact of any real estate transaction on the management remuneration is solely linked to multi-year remuneration elements, therefore aligning the interest of the Management Board with those of the Company and its shareholders. Furthermore, the FFO per share target is being adjusted to changes in the Company's share capital carried out in the relevant financial year.

**Possibility to retain or reclaim variable compensation, G.11 GCGC**

The current remuneration system for the Management Board provides for a possibility for the Supervisory Board to reduce variable remuneration components by 30 %; it does, however, not provide for a possibility to entirely retain or reclaim variable remuneration components. As part of the current revision of the Management Board compensation system, the introduction of such possibilities is being examined and considered.

- II. Since the prior declaration of compliance, dated December 5, 2019, until the GCGC 2020 entered into force on March 20, 2020 the Company has - apart from the exceptions stated below - complied with the recommendations of the 'Government Commission German Corporate Governance Code' in the version as amended on February 7, 2017 ("GCGC 2017") with the following exceptions:

**Deductible for D&O insurance for the Supervisory Board, Section 3.8 GCGC 2017**

The D&O insurance for the alstria office REIT-AG Supervisory Board does not comprise a deductible. The Supervisory Board believes its members will carry out their duties responsibly irrespective of any such deductible.

**Change of performance targets for elements of variable remuneration, Section 4.2.3 GCGC 2017**

The short-term incentive remuneration element of the Management Board is mainly based on the achievement of an FFO per share target. In the event that the achieved FFO per share in a financial year is impacted by real estate acquisitions and disposals, the Supervisory Board adjusts the FFO per share target accordingly. In doing so, the Supervisory Board ensures the Management Board is not incentivized to enter into acquisitions by means of achieving personal short-term benefits. The impact of any real estate transaction on the management remuneration is solely linked to multi-year remuneration elements, therefore aligning the interest of the Management Board with those of the Company and its shareholders. Furthermore, the FFO per share target is being adjusted to changes in the Company's share capital carried out in the relevant financial year.



**Determination of a level of benefits for the private pension plan, Section 4.2.3 GCGC 2017**

As the Company has opted for a defined contribution model for the private pension plan of the Management Board members for reasons of transparency and risk management, the Supervisory Board has not fixed a level of benefits for the private pension plan of the Management Board members. The Supervisory Board believes it is in the best interest of the Company to have a defined contribution model rather than a defined benefit model, as the defined contribution does not create any unforeseen future liability for the Company.

**Discussion of the financial reports by the Supervisory Board or its Audit Committee and the Management Board prior to their publication, Section 7.1.2 GCGC 2017**

The quarterly interim statements are made available to the Supervisory Board prior to their publication and are discussed with the Supervisory Board in detail soon after publication. In the event of considerable differences to the budget or business plan as approved by the Supervisory Board, the Supervisory Board is given the opportunity to discuss the figures with the Management Board before they are published. Half-year financial reports are discussed with the Audit Committee of the Supervisory Board prior to publication. The Management Board and Supervisory Board consider this approach appropriate and adequate.”

## IV. CORPORATE MANAGEMENT PRACTICES

To achieve a value-oriented and trust-building corporate management, alstria applies management practices that go beyond the legal requirements.

### 1. CORPORATE GOVERNANCE

In managing the Company, the Management Board and Supervisory Board of alstria are aware of their responsibility towards the shareholders, employees, tenants and business partners of alstria. Good corporate governance strengthens the trust of our stakeholders and is therefore the basis for our decision-making and control processes. It stands for a responsible, value and long-term success-driven governance and control of the Company, a targeted and efficient cooperation between the Management Board and the Supervisory Board, respect for the interests of our shareholders and employees, transparency and responsibility in all entrepreneurial decisions as well as an appropriate risk management.

alstria has implemented large parts of the recommendations and suggestions of the German Corporate Governance Code and thus goes beyond the legal requirements. At least once a year and whenever necessary, a corporate governance officer in the Company reports to the Management Board and the Supervisory Board any changes to the German Corporate Governance Code. alstria thus ensures that these principles are observed throughout the Company.

## 2. INTEGRITY AND COMPLIANCE

Behavior with integrity is one of alstria's most important principles. The trust of shareholders, tenants, employees and business partners depends crucially on the conduct of each individual. The Company's Management Board has therefore implemented a compliance management system geared towards the risk situation of the Company, to ensure compliance with legal requirements and internal guidelines, and it also sets standards for fair treatment of business partners, competitors and employees.

A code of conduct for employees sets our principles of conduct, provides guidance in conflict situations (e.g., a conflict of interest) and thus serves as a model and orientation for correct behavior for all employees of the company. The code of conduct is published on the alstria website.

The Compliance Officer is responsible for communicating these values to the employees by in-house training for all employees and by answering questions on the code of conduct's implementation of the as well as internal guidelines. Compliance with the code of conduct is monitored by colleagues, superiors and the Compliance Officer, as well as by regular reviews by an auditor. Employees are given the opportunity to report violations within the Company via various reporting channels. alstria has also set up a telephone hotline at a law firm where employees can anonymously report violations of the code of conduct or the Company's internal guidelines. In addition, the Management Board regularly discusses the Company's compliance with the Audit Committee of the Supervisory Board. Violations of the code of conduct will not be tolerated and will be fully investigated and sanctioned. These may include disciplinary measures up to and including termination of employment, the assertion of a claim for damages and criminal charges.

Integrity is also an essential condition for building trusting partnerships and cooperation with our business partners. For this reason, alstria has introduced a code of conduct for its service providers, craftsmen, suppliers and business partners, which describes fundamental legal and ethical requirements. This code of conduct for service providers is published on the website of alstria and defines the Company's expectations of integrity and compliant behavior of its business partners.

## 3. COMMUNICATION AND TRANSPARENCY

Transparent corporate governance and good communication with the shareholders and the public help to strengthen the confidence of investors and the public in alstria's work.

### 3.1. Relationship to the shareholders

alstria respects the rights of its shareholders and guarantees to the best of its ability to exercise these rights within the legal and statutory framework. These rights include, in particular, the free acquisition and free sale of shares, participation in the Annual General Meeting, adequate satisfaction of the need for information and adequately distributed voting rights per share (one share - one vote). Shareholders have the option of exercising their voting rights at the Annual General Meeting in person or through a proxy of their choice or a company-appointed proxy that is bound by instructions.

The invitation to the Annual General Meeting explains how instructions for exercising voting rights can be issued. The documents convening the Annual General Meeting can also be sent electronically at the request of the shareholder. The convening notice and the documents to be made available for inspection in accordance with the statutory provisions will be published on alstria's website together with the agenda and the additional documents pursuant to Section 124a AktG. The Annual General Meeting of alstria office REIT-AG is usually chaired by the Chairman of the Supervisory Board, who aims to hold the Annual General Meeting within a time window of no more than four to six hours. Following the Annual General Meeting, the voting results will be announced on alstria's website.

### **3.2. Communication with the public**

When sharing information with persons outside the Company, the Management Board follows the principles of transparency, promptitude, comprehensibility and equal treatment of shareholders. alstria informs its shareholders and the interested public about the Company's situation, significant business events, and changes in the business outlook and risk situation in particular through financial reports, analyst and press conferences, press and ad-hoc announcements and the Annual General Meeting. The alstria website provides comprehensive information about the Company, its shares and other financial instruments and the share price development, as well as notifications of directors' dealings in accordance with Article 19 of the Market Abuse Regulation (Regulation (EC) No. 596/2014 of the European Parliament and the Council) (Directors' Dealings). Furthermore, alstria publishes a financial calendar in its financial reports and on its website, listing all dates of importance to shareholders. The notices and information are additionally published in English.

### **3.3. Financial reporting**

alstria regularly informs shareholders and third parties during each financial year by means of the consolidated and half-year financial statements, as well as quarterly interim statements. The accounting of the alstria Group is based on International Financial Reporting Standards (IFRS) as applied in the European Union. For corporate law purposes (calculation of dividends, creditor protection), financial statements for alstria office REIT-AG are prepared in accordance with the national commercial law (HGB).

The Annual General Meeting appoints an independent auditor for alstria office REIT-AG and the Group as well as for the audit review of the interim financial reports. Following the election by the Annual General Meeting, the Audit Committee of the Supervisory Board awards the mandate for the audit of the financial statements and agrees on the fee with the auditor. It is agreed with the auditors that the auditors will inform the Audit Committee without delay of all findings and events of significance for their duties which come to their attention during the performance of the audit. In the event that the auditor, during the performance of the audit, discovers facts that indicate that the declaration of compliance with the German Corporate Governance Code issued by the Management Board and Supervisory Board in accordance with Section 161 AktG is incorrect, an obligation to provide information and disclosure in the audit report is agreed upon.

The auditor participates in the deliberations of the Audit Committee and the full Supervisory Board to discuss the financial statements of alstria office REIT-AG and the consolidated financial statements of the Group. The auditor also participates in the meeting of the Audit Committee to discuss the half-year financial report. In the meetings, the auditor presents the main results of the respective audit. KPMG AG Wirtschaftsprüfungsgesellschaft, Hamburg, was appointed to audit the annual financial statements of alstria office REIT-AG and of the Group for the 2020 financial year and for further interim financial reports until the next ordinary general meeting in 2021.

Since the 2018 financial year, René Drotleff has been the auditor directly responsible for auditing the financial statements of alstria office REIT-AG and the Group.

#### 4. SUSTAINABILITY

alstria's sustainability approach is based on a three-pillar model and considers the effects of business activities in the areas of economy, ecology and social issues. As a commercial organization, alstria's main objective is to increase the value of the Company on a sustainable basis. It strives to generate the best possible return on its capital in the long-term. alstria's sustainability approach is not exclusively focused on the environment, as the economic and social impacts of its activities are also taken into account. The Company weighs the risk-benefit of all three areas before making any decisions and adapts its actions to what it feels is the most viable course of action in each case. The result of this approach is that alstria might not always make decisions that maximize its short-term profit, but strives to follow the path that will produce the best long-term prospects for the Company. alstria's sustainability approach and performance in the three sustainability areas, as well as its future goals, are described in detail in the Company's annual sustainability report, which is available on alstria's website.

February 2021

**The Management Board**

**The Supervisory Board**