

REPORT OF THE SUPERVISORY BOARD

Dear shareholders,

In this report, we explain the Supervisory Board's monitoring of and consultation with the Management Board, the key issues discussed by the full Supervisory Board and its committees and the audit of the annual and consolidated financial statements for the reviewed year.

I. FOCUS OF THE DISCUSSION

The main topics discussed by the Supervisory Board and its committees in the 2020 financial year were business and financial situations and the Company's strategy, each in the light of the COVID-19-pandemic, the corporate bond issue, and major real estate transactions, as well as the adjustment of the Management Board's remuneration system to a new legal framework.

II. MONITORING AND ADVISING THE COMPANY'S MANAGEMENT

In the 2020 reporting year, we performed the duties incumbent on us under the law and under the articles of association, we advised the Company's Management Board, and we monitored its management. Based on the Management Board's reports, we thoroughly discussed business development as well as decisions and events of importance to the group. The Supervisory Board was intensively involved in the Company's fundamental decisions. The Management and Supervisory Boards discussed in detail all measures that required approval. To the extent provided by law, by the articles of association, or by the rules of procedure, the Supervisory Board voted based on thorough examination and consultation.

At Supervisory Board and committee meetings, the Management Board regularly informed the Supervisory Board, in a timely and comprehensive manner, about the Company's business development, financial situation, planning, important business transactions, risk situations, risk management and compliance. The Supervisory Board also met regularly without the Management Board.

The Management Board informed the Supervisory Board between meetings about the development of the of the real estate portfolio, rental activities and important events, generally by means of monthly reports. The chairmen of the Supervisory and Management Boards held informative and advisory meetings fortnightly.

III. BOARD MEMBERS

The members of the Supervisory Board did not change in the 2020 financial year. At the Annual General Meeting on September 29, 2020, the Chairman of the Supervisory Board and the Chairman of the Audit Committee were reelected to the Supervisory Board, each for a 3-year term. The Supervisory Board confirmed both in their positions after their reelection, and the committees' compositions remained unchanged.

In the year under review, the Supervisory Board and its committees comprised the following members:

Supervisory Board member	Audit Committee	Nomination & Remuneration Committee	Finance & Investment Committee	ESG Committee
Dr. Johannes Conradi (chair)	-	Chair	-	Chair
Richard Mully (deputy chair)	-	-	Chair	Member
Dr. Bernhard Düttmann	Member	-	Member	-
Stefanie Frensch	-	Member	Member	-
Benoît Herault	Member	Member	-	-
Marianne Voigt	Chair	-	-	Member

The Supervisory Board reviewed the implementation status of the profile for the Supervisory Board with concrete objectives regarding the composition of the board, including the competencies represented on the board and its diversity, as presented in the Company's Corporate Governance Statement on pages 161 to 182 of the annual report. As of December 31, 2020, the composition of the Supervisory Board meets these objectives, and the profile for the Supervisory Board is complete.

Structured appointment procedures for the Supervisory Board, the regular 3-year terms of office and the annual Supervisory Board elections, are described in the Corporate Governance Statement. The Company has set up an onboarding process and supports new Supervisory Board members' inauguration by familiarizing them with the people involved, the rules and the regulations of the Company and the Supervisory Board's working methods. In addition, the Company supports Supervisory Board members' training measures with regular internal training courses. In connection with the December meeting, the Management and Supervisory Boards held a joint training session where they conducted a change-of-perspective exercise looking at the Company's economic situation, strategy and governance from the perspective of a possible activist investor. No conflicts of interest occurred in the past financial year for members of the Supervisory or Management Boards.

IV. MEETINGS OF THE SUPERVISORY BOARD

The full Supervisory Board held four ordinary and three extraordinary meetings in the 2020 financial year. Based on detailed documents, we also made five decisions via circular resolution. In the 2021 financial year, one additional meeting of the full Supervisory Board and one circular resolution have taken place before this report's completion. Since March 2020, all meetings of the Supervisory Board and its committees have been held via video conference.

At the regular Supervisory Board meetings, the Company's situation, development, course of business and market situation were discussed with the Management Board, and the Company's financial results (the interim quarterly and half-year financial reports and the annual and consolidated financial statements) were discussed. Committee chairs reported on the committees' work.

In February 2020, the Supervisory Board, via written circulation, introduced rules of procedures for the ESG Committee, decided on the profiles for the Supervisory and Management Boards and on the Corporate Governance Statement which is submitted jointly with the Management Board.

At our meeting in February 2020, the Supervisory Board addressed the annual and consolidated financial statements as of December 31, 2019, and the management reports and discussed these reports with the auditor. The Supervisory Board approved the annual financial statements for alstria office REIT-AG and its consolidated financial statements as of December 31, 2019, and agreed with the Management Board's proposal to appropriate the annual net profit for the 2019 financial year. The Supervisory Board passed a resolution on its report to the Annual General Meeting for the 2019 financial year, dealt with the agenda items and proposed resolutions for the Annual General Meeting. The Supervisory Board also discussed the variable remuneration for the Management Board's members. We deliberated on the results of the long-term variable remuneration element for financial year 2016 and on the short-term variable remuneration for financial year 2019 – in each case considering individual performance – and on the parameters of the long-term variable remuneration of the Management Board's members for financial year 2020. The deliberations were each done after a vertical remuneration comparison and in the light of the recommendation from its Nomination and Remuneration Committee. Finally, the Supervisory Board discussed the composition and succession of the Management Board.

In a March 2020 extraordinary meeting to address the impact of the COVID-19-pandemic on the Company, the Supervisory Board also discussed possible consequences for dividend payments as well as the remuneration of the Management Board and the Supervisory Board. Further, the Supervisory Board dealt with major real estate transactions. In April 2020, the Supervisory Board decided via written circular resolution on determining the individual multipliers for long-term variable remuneration elements for the Management Board for financial year 2016 (LTI 2016/2020). Against the background of insecurities caused by the COVID-19-pandemic regarding the liquidity situation of the Company, the Supervisory Board decided that LTI 2016/2020 should be paid out in Company shares, if possible, and that these shares should have a holding period of 1 year. Correspondingly, the Supervisory Board offered to receive remuneration for the financial year 2020 also in Company shares and to hold these shares for 1 year. In the ordinary April 2020 meeting, the Supervisory Board and the Management Board deliberated on the market situation and real estate transactions.

In June, the Supervisory Board approved issuance of a corporate bond with a term of approximately 6 years and a total nominal value of up to EUR 350 m, through a written circular resolution. In extraordinary meetings in June and August, the Management Board and Supervisory Board again

deliberated on the impact of the COVID-19-pandemic on the Company. The Supervisory Board agreed to convene the Annual General Meeting as a virtual meeting, without the physical presence of the shareholders, and agreed on the proposals to be presented as resolutions to the Annual General Meeting, including the dividend proposal. Using the written circular resolution procedure, the Supervisory Board dealt with preparations for the upcoming elections to the Supervisory Board.

At the ordinary meeting in September, the Management and Supervisory Boards discussed the Company's strategy. They discussed the situation regarding the Company's largest properties and related development projects. The Supervisory Board discussed the possibility of utilizing the capital market, the positive results from the review of its composition and effectiveness of work, as well as the Company's employee participation program. In the light of the current economic situation, the Supervisory Board agreed to execute the resolutions from spring in the most efficient and cost-saving way possible and thus to pay the LTI 2016/2020 to the Management Board members and the Supervisory Board remuneration for the financial year 2020 in cash, with the stipulation that the payments be invested in Company shares.

The December meeting concerned corporate and budget planning for the 2021 financial year. The Supervisory Board also discussed with the Management Board the current market environment, the planned real estate transactions and the Company's IT strategy and issued the annual declaration of compliance with the recommendations of the German Corporate Governance Code. Furthermore, the Supervisory Board deliberated on succession planning for the Company's Management Board and Supervisory Board and the adjustment of the Management Board's remuneration system to meet new regulatory provisions. Via a written circular resolution, the Supervisory Board made editorial amendments to the Company's articles of association to reflect a capital increase from conditional capital in December 2020: A total of 199,325 new shares were issued to Company employees under the Company's employee participation plan.

In February 2021, the Supervisory Board passed a resolution via written circulation procedure on the corporate governance statement and on the updated profiles and rules of procedure for the Management and Supervisory Boards. At the balance sheet meeting in February 2021, the Supervisory Board dealt with the annual and consolidated financial statements as of December 31, 2020, and with the Management Board's proposal for appropriating profits. We passed a resolution on the report to the Annual General Meeting for the 2020 financial year, discussed the format and agenda for the Annual General Meeting of the Company with the Management Board, and dealt with the variable remuneration for the Management Board's members.

Attendance of Supervisory Board members at meetings

Supervisory Board member attendance at meetings of the Supervisory Board in plenary session averaged 100% in the 2020 financial year.

	Attendance at meetings*		Participation in %
	regular meetings	extraordinary meetings	total
Full Supervisory Board			
Dr Johannes Conradi (Chair)	4/4	3/3	100
Richard Mully (Deputy Chair)	4/4	3/3	100
Dr Bernhard Düttmann	4/4	3/3	100
Stefanie Frensch	4/4	3/3	100
Benoît Hérault	4/4	3/3	100
Marianne Voigt	4/4	3/3	100
Audit Committee			
Marianne Voigt (Chair)	6/6		100
Dr Bernhard Düttmann	6/6		100
Benoît Hérault	6/6		100
Nomination and Remuneration Committee			
Dr Johannes Conradi (Chair)	5/5		100
Stefanie Frensch	5/5		100
Benoît Hérault	5/5		100
Finance and Investment Committee			
Richard Mully (Chair)	4/4		100
Dr Bernhard Düttmann	4/4		100
Stefanie Frensch	4/4		100
ESG Committee			
Dr Johannes Conradi (Chair)	1/1		100
Richard Mully	1/1		100
Marianne Voigt	1/1		100

* Participation in a meeting can also be via telephone or video conference.

V. COMMITTEES OF THE SUPERVISORY BOARD

The six-member Supervisory Board established four standing committees to support its work, each with at least three members. The committees prepared some of the Supervisory Board's resolution via resolution recommendations; in some cases, decision-making powers were delegated to the committees to the extent permitted by law. In the 2020 financial year, the Supervisory Board's committees primarily dealt with the following topics:

1. AUDIT COMMITTEE

The Audit Committee held six meetings in the 2020 financial year, each attended by the Chief Financial Officer. At the beginning of the reporting year, the Audit Committee thoroughly dealt with property valuation as of December 31, 2019, and with the key audit matters selected by the auditors for the audit of the financial statements from the 2019 financial year. In February 2020, the Audit Committee discussed the annual financial statements and consolidated financial statements as of December 31, 2019, and the management reports as part of the audit of the financial statements.

They discussed the documents with the auditors, conducted a preliminary review of the annual and consolidated financial statements and of the Management Board's proposal for the appropriation of profits and submitted corresponding resolution proposals to the full Supervisory Board. The Audit Committee dealt with the auditor's report in accordance with Section 1 (4) of the REIT Act and handled the non-auditing services provided by the auditors in the 2019 financial year. In the summer, the Audit Committee dealt with the valuation of properties as of June 30, 2020 and with the half-year financial report issued June 30, 2020. The Audit Committee also discussed these with the auditor and the Management Board prior to publication. The Company's risk situation was discussed regularly. Other topics included the audit of the auditor's independence, the appointment of KPMG AG Wirtschaftsprüfungsgesellschaft, Hamburg, as auditor and discussions of accounting, the accounting process, the risk management system, the material risks identified, the effectiveness of the internal control and audit system and the compliance system. The Audit Committee also discussed the internal audit's results for the 2020 financial year and the audit's quality, and it approved certain non-auditing services provided by the auditors for the 2021 financial year.

2. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee met five times during the 2020 financial year. The Nomination and Remuneration Committee dealt with the remuneration of the Management Board and, in particular, discussed the amount of variable remuneration for the Management Board's members, taking into account their individual performance in each case. They also submitted corresponding resolution proposals to the full Supervisory Board. The Nomination and Remuneration Committee also assessed the implementation status of the share ownership obligation for members of the Management and Supervisory Boards. They also reviewed the Management Board's composition and continued the development of a structured process for long-term succession planning. Against the background of regulatory changes regarding Management Board remuneration, the updated recommendations from the German Corporate Governance Code and the expectations from investors, the Nomination and Remuneration Committee devised corresponding adjustments to the Management Board's remuneration system and prepared a proposal to the Annual General Meeting in 2021 for approval of the updated Management Board remuneration system. The Nomination and Remuneration Committee also reviewed the composition and succession planning for the Supervisory Board based on results from the review of the Supervisory Board's composition and effectiveness of work in the context of the expiration of two members' terms of office in the 2021 financial year.

3. FINANCE AND INVESTMENT COMMITTEE

The Finance and Investment Committee held four meetings in the 2020 financial year. During meetings with the Management Board, the committee discussed the financing strategy of alstria office REIT-AG and debated real estate transactions. The Finance and Investment Committee prepared a resolution recommendation for the Supervisory Board regarding a corporate bond. The committee also approved real estate transactions carried out in the 2020 financial year.

4. ESG COMMITTEE

The ESG Committee held one meeting in fiscal year 2020. With the Management Board, the Committee discussed corporate social responsibility issues and deliberated the alstria office REIT-AG reporting on sustainability.

VI. AUDIT OF THE ANNUAL AND CONSOLIDATED FINANCIAL STATEMENTS

KPMG AG Wirtschaftsprüfungsgesellschaft, Hamburg, audited the annual financial statements of alstria office REIT-AG prepared by the Management Board as well as the consolidated financial statements and the consolidated management report for the fiscal year from January 1 to December 31, 2020 and issued an unqualified audit opinion.

The annual financial statements, the consolidated financial statements and the consolidated management report for alstria office REIT-AG and the group, the Management Board's proposal for the appropriation of the net profit, as well as the auditor's reports, were made available to all Supervisory Board members immediately after their preparation. The Supervisory Board comprehensively reviewed documents prepared by the Management Board in the Audit Committee and in the plenary session. At the Audit Committee meeting, the auditor reported on his audit's scope, focal points and main results (including the audit of the internal control and risk management system). The auditor addressed the particularly important audit issues (key audit matters) and the audit procedures and was available to answer questions. The Audit Committee prepared the audit by the Supervisory Board and dealt in particular with the key audit matters described in the auditor's report, including the audit procedures performed. The full Supervisory Board examined the annual financial statements and consolidated financial statements prepared by the Management Board, along with the consolidated management report and discussed the results of the audit with the auditor. No objections were raised following the final result of the Supervisory Board's examination. The Supervisory Board approved the annual financial statements and the consolidated financial statements. The annual financial statements are thus deemed adopted. The Supervisory Board concurred with the Management Board's proposal for appropriating the net profit.

The Supervisory Board thanks the Management Board and all employees for their extra-ordinary performance, which made it possible for alstria—despite the impacts of the COVID-19-pandemic—to look back on a successful financial year 2020.

Hamburg, February 2021

For the Supervisory Board

Dr Johannes Conradi

Chairman of the Supervisory Board