

Remuneration report for the financial year ended December 31, 2022

(Agenda item 8: Approval of the remuneration report for the financial year ended December 31, 2022)

The remuneration report of alstria office REIT-AG (**alstria**) explains the main elements of the remuneration of the Company's Management Board and Supervisory Board members. It describes the amount and structure of the remuneration. The Management Board and the Supervisory Board have jointly created this remuneration report and ensured that it corresponds with the legal requirements of section 162 German Stock Corporation Act (**AktG**). The remuneration report was audited by Deloitte GmbH Wirtschaftsprüfungsgesellschaft in accordance with the requirements of section 162 (3) AktG.

The note of the audit of this remuneration report (<http://www.alstria.com/auditreportremunerationreport2022>), the current remuneration system for the Management Board (<https://alstria.com/remuneration-system-management-board-2022>) and the Supervisory Board (<https://alstria.com/remuneration-system-supervisory-board-2021>) as well as this remuneration report (<https://alstria.com/remuneration-report-2022.pdf>) are published on the website of the Company.

The remuneration of the Management Board for the financial year 2022 was based on the revised remuneration system 2022, which was put to vote at the annual general meeting of shareholders on June 10, 2022 and approved by 99.5% of votes cast (**Management Board Remuneration System 2022**). The remuneration report 2021 was approved by 99.8% of votes cast. Given the high approval at the annual general meeting, we do not see reason for changes to the remuneration report and remuneration system. We will continue the high level of disclosure already established in the remuneration report 2021.

1. VIEW ON THE FINANCIAL YEAR 2022

- Russian attack on Ukraine: burden for the German economy
- Letting markets still difficult
- Sharp rise in interest rates slows down transaction activities
- Continuous investment in the existing portfolio
- Takeover by Brookfield and changes in the Supervisory Board
- Introduction of Management Board Remuneration System 2022 with premature termination and payout of LTIPs

The fiscal year 2022 was dominated by the consequences of the Russian attack on Ukraine, which led to a slowdown of economic growth, increased inflation and a sharp rise in interest rates. The commercial letting market continued to be difficult given the uncertainties in the economic environment. Despite the weak commercial leasing market, alstria achieved a leasing performance (in terms of new lettings, lease renewals and option drawings) of 107,300 sqm.

In 2022, alstria invested a total of EUR 113 million in the existing portfolio. The lion's share of this sum (EUR 87 million) was spent on development investments, which significantly improved the quality of the space in order to achieve higher rents for new leases. Development investments maintained on a high level in 2022, because alstria still sees the best return opportunities in these properties. The current development portfolio comprises 21 projects with a total lettable area of 377,100 sqm.

alstria's investment decisions are based on the knowledge of the local markets, individual consideration of the respective building in terms of location, size and quality compared to direct competitor properties, as well as long-term value enhancement potential.

alstria's strategy is to build what it considers to be a lucrative portfolio size in the respective locations (concentration on "Big 7" office markets in Germany), but also sell mature or non-core assets to optimize its capital allocation. In this context, five assets for a total consideration of EUR 188 million were sold in the course of the year. The sales proceeds were mainly used to finance the development measures in the existing portfolio.

The financial year 2022 was also characterized by the changes resulting from the takeover of more than 95% of the shares in alstria by Brookfield (**Takeover**) which occurred in January 2022. These changes affected the composition of the Supervisory Board, in which alstria's major shareholder Brookfield is now represented through Brad Hyler, Jan Sucharda and Karl Wambach.

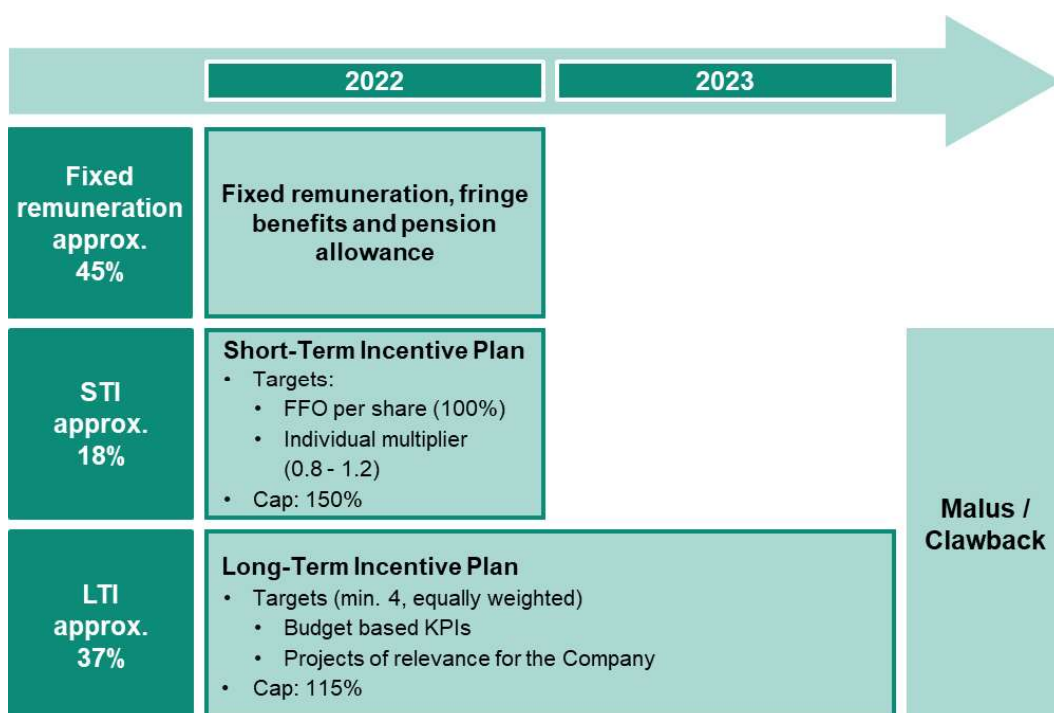
In this context, the remuneration system for the Management Board members was adjusted to allow for a continued pay-for-performance connection. At the time the Management Board remuneration system 2021 was resolved, alstria had a very diverse shareholder structure which made the share price one of the key indicators to measure the shareholder value and, hence, the performance of the Management Board members by using alstria's share price performance in the Long-Term Incentive (**LTI**). After the Takeover, alstria's share price had become severely restricted by the high level of the shareholding of alstria's major shareholder and the relatively low number of other shareholders. As a consequence, the share price was considered no longer a suitable indicator for the performance of the Management Board members. In order to further allow for a significant pay-for-performance connection regarding the Management Board on the one hand, and to also ensure remuneration alignment throughout the organization on the other hand, the LTI under the Management Board Remuneration System 2022 was designed to follow the structure of the long-term incentive scheme for alstria's eligible employees as described below.

As the share price was no longer considered a suitable indicator for Management Board performance, the Management Board Remuneration System 2022 also provided to terminate the LTI tranches with performance periods reaching beyond 2022. Therefore, the LTI tranches 2019–2023, 2020–2024 and 2021–2025 were terminated early and paid out in 2022.

The main changes in the Management Board Remuneration System 2022 are summarized in the following figure:

Significant changes in the Management Board Remuneration System 2022	
Performance targets	<ul style="list-style-type: none"> Focus on internal targets (FFO per share in the STI, operating KPIs in the LTI) Cancellation of ESG performance targets in the STI
Long-Term Incentive Plan (LTI)	<ul style="list-style-type: none"> Performance Share Plan transformed into Performance Cash Plan Reduction of performance period Reduction of payout opportunity
Share orientation	<ul style="list-style-type: none"> Cancellation of share-based performance targets in the LTI Removal of share ownership guidelines due to the changes in ownership structure of alstria

The revised Management Board Remuneration System 2022 continues to be performance-based and geared towards promoting sustainable company performance. It is systematically depicted in the diagram below and its main features are described in the following.



2. REMUNERATION OF THE MANAGEMENT BOARD MEMBERS

2.1. Remuneration Governance

The Supervisory Board is responsible for determining, implementing and reviewing the remuneration of the Management Board. The nomination and remuneration committee formed from among the members of the Supervisory Board discusses and reviews the remuneration system for the Management Board at regular intervals and whenever necessary and prepares resolutions on changes. Therefore, changes or relevant updates for the remuneration system will generally be prepared by the nomination and remuneration committee. However, the whole Supervisory Board is responsible for the final decision. The remuneration system will be submitted to the annual general meeting of shareholders for approval in the event of significant changes, but at least every four years.

Total remuneration of the individual Management Board members is determined by the Supervisory Board and covers all activities within the alstria Group. Criteria for the appropriateness of the remuneration include the duties of the individual Management Board member, the personal performance, the economic situation, the success and future prospects of alstria, as well as the customary nature of the remuneration, taking into account the competitive environment and the remuneration structure otherwise applicable in alstria.

To assess the appropriateness of the total remuneration of the members of the Management Board compared to other companies, the Supervisory Board regularly conducts a remuneration benchmark using a suitable peer group of comparable companies, e.g. relevant competitors in the Real Estate business. When the Supervisory Board revised the remuneration system for the Management Board in financial years 2020/2021, this peer group comprised the following companies of the EPRA Germany Index (ADO Properties, Aroundtown, Deutsche Euroshop, Deutsche Wohnen, Grand City Properties, Hamborner REIT, LEG Immobilien, TAG Immobilien, TLG Immobilien, Vonovia), and, in addition, for the European perspective, the companies of the EPRA Developed Europe Office Index. In order to reflect national market practice and company size, MDAX companies were also considered.

In order to assess the customary nature of remuneration within alstria, the ratio of Management Board remuneration to the remuneration of senior management reporting directly to the Management Board and of all employees is taken into account. Thereby, alstria regularly compares the remuneration levels (fixed salary, bonus, long-term incentive, excluding pension and healthcare) and reviews and publishes the CEO pay ratio, which shows the CEO target remuneration in relation to the median target remuneration of all employees and managers. The table below shows the respective compensations as well as the development of the CEO pay ratio since 2020.

CEO pay ratio

	2020	2021	2022
CEO ¹⁾	1,127,000 €	1,267,000 €	1,259,000 €
Employees + managers ²⁾	73,928 €	77,412 €	77,000 €
	15.2 : 1	16.4 : 1	16.4 : 1

1) Calculated as the CEO target all-in compensation without insurance and pension benefits in relation to the median all-in compensation of all employees and managers. The numbers differ from the published numbers in the social data part of the ESG report due to different calculation bases.

2) Median target compensation of employees and managers of alstria was considered, therefore deviating from the average compensation awarded and due in the comparative presentation.

A lack of independence and conflicts of interest of members of the Supervisory Board and its nomination and remuneration committee may prevent independent advice and supervision when determining the remuneration of the Management Board. The Supervisory Board considers its members and the members of its nomination and remuneration committee as independent from the Company and its Management Board. The Supervisory Board considers its members Dr Frank Pörschke, Elisabeth Stheeman and Rebecca Worthington as independent from the controlling shareholder. Furthermore, the members of the Supervisory Board and the nomination and remuneration committee are required by law, the German Corporate Governance Code in its current version as of April 28, 2022 (GCGC) and the internal rules of procedure for the Supervisory Board to disclose immediately any conflicts of interest they may have. In such cases, the Supervisory Board takes appropriate measures to take account of the conflict of interest. For example, the members concerned do not participate in discussions and resolutions.

The remuneration in the financial year 2022 is fully in line with the Management Board Remuneration System 2022. The details of the application in the financial year are presented hereafter.

2.2. Management Board Remuneration System

The following table summarizes the essential remuneration components and further contractual provisions of the Management Board Remuneration System 2022, which are described in more detail below, and compares them to the previous remuneration system. Main changes compared to the previous system are highlighted by underlining.

Remuneration system for the Management Board		
New remuneration system (applied for the financial year 2022)	Remuneration element	Previous remuneration system (applied for the financial year 2021)
Fixed remuneration		
<ul style="list-style-type: none"> Annual base salary paid in twelve monthly installments 	Annual base salary	<ul style="list-style-type: none"> Annual base salary paid in twelve monthly installments
<ul style="list-style-type: none"> Use of company cars and insurance premiums 	Fringe benefits	<ul style="list-style-type: none"> Use of company cars and insurance premiums
<ul style="list-style-type: none"> Monthly grants of cash for private pension purposes 	Pension allowance	<ul style="list-style-type: none"> Monthly grants of cash for private pension purposes
Variable remuneration		
<ul style="list-style-type: none"> Target bonus model Performance period: 1 year Target: <ul style="list-style-type: none"> FFO per share (<u>100%</u>) Individual multiplier (0.8 - 1.2) Cap: 150% Payout in cash 	Short-Term Incentive Plan	<ul style="list-style-type: none"> Target bonus model Performance period: 1 year Targets: <ul style="list-style-type: none"> FFO per share (80%) ESG targets (20%) Individual multiplier (0.8 - 1.2) Cap: 150% Payout in cash
<ul style="list-style-type: none"> <u>Long-Term target bonus</u> Performance period: <u>2 years</u> Targets: <ul style="list-style-type: none"> <u>At least 4 targets (equally weighted), including Budget based KPIs or Company relevant projects</u> Cap: <u>115%</u> Payout in <u>cash</u> 	Long-Term Incentive Plan	<ul style="list-style-type: none"> Stock award plan Performance period: 4 years Targets: <ul style="list-style-type: none"> Absolute TSR (25%; target achievement 0 - 150%) Relative TSR (75%; target achievement 0 - 150%) compared to FTSE EPRA/NAREIT developed Europe Index Cap: 250% Payout in shares
Other contract and system components		
<ul style="list-style-type: none"> CEO: EUR 2,600,000 p.a. CFO: EUR 2,100,000 p.a. 	Maximum remuneration	<ul style="list-style-type: none"> CEO: EUR 2,600,000 p.a. CFO: EUR 2,100,000 p.a.
<ul style="list-style-type: none"> Reduction of variable remuneration which has not been paid out and reclaim of variable remuneration which has been paid out in cases of compliance violations and/or incorrect consolidated financial statements 	Malus & Clawback	<ul style="list-style-type: none"> Reduction of variable remuneration which has not been paid out and reclaim of variable remuneration which has been paid out in cases of compliance violations and/or incorrect consolidated financial statements
-	Share Ownership Guidelines	<ul style="list-style-type: none"> Management Board members are obliged to hold shares amounting to three times annual gross base salary
<ul style="list-style-type: none"> Management Board members are considered not responsible for a withdrawal for up to 12 months after a change of control 	Termination in case of change of control	<ul style="list-style-type: none"> Management Board members are considered not responsible for a withdrawal for up to 12 months after a change of control
<ul style="list-style-type: none"> Comprehensive post-contractual non-competition clause for a period of six months after termination of the service agreement, irrespective of the reason for termination Compensation in the amount of 100% of the last annual base salary for the duration of the non-competition clause 	Post-Contractual Non-Compete Obligation	<ul style="list-style-type: none"> Comprehensive post-contractual non-competition clause for a period of six months after termination of the service agreement, irrespective of the reason for termination Compensation in the amount of 100% of the last annual base salary for the duration of the non-competition clause

2.2.1. Target Remuneration and Remuneration Structure

The target remuneration of the Management Board members for the financial years 2022 and 2021, which is contractually defined as payable upon 100% target achievement, and the resulting remuneration structure are presented below. The target remuneration has not been increased in the last year, therefore the structure of the total target compensation remains nearly identical for both members of the Management Board.

Target remuneration

	Olivier Elamine (CEO)			Alexander Dexne (CFO)		
	2022		2021	2022		2021
	in T€	in %	in T€	in T€	in %	in T€
Annual base salary	500	37	500	400	36	400
Fringe benefits	19	2	28	28	3	33
<i>Company car</i>	9	-	17	19	-	24
<i>Insurances</i>	10	-	11	9	-	9
Pension allowance	88	6	88	73	7	73
Short-Term Incentive	250	18	250	200	18	200
<i>STI 2021</i>	-	-	250	-	-	200
<i>STI 2022</i>	250	-	-	200	-	-
Long-Term Incentive	500	37	500	400	36	400
<i>LTI 2021-2025</i>	-	-	500	-	-	400
<i>LTI 2022-2023</i>	500	-	-	400	-	-
Total target remuneration	1,357	100	1,366	1,101	100	1,106

The sum of the fixed and variable remuneration elements constitutes the total target remuneration in the event of 100% target achievement by a Management Board member. The focus on the long-term and sustainable development of alstria pursuant to section 87 (1) sentence 2 AktG is ensured by the higher weighting of the Long-Term Incentive Plan compared to the Short-Term Incentive Plan. The share of the Short-Term Incentive Plan in the variable remuneration amounts to around 33%, whereas the share of the Long-Term Incentive Plan accounts for around 67% of the variable remuneration.

2.2.2. Fixed Remuneration

Annual Base Salary

The annual base salary is paid in twelve equal monthly installments at the end of each month. If the service contract begins or ends during a financial year, the annual base salary for that financial year is payable on a pro rata temporis basis.

Fringe Benefits

Members of the Management Board also receive fringe benefits; these mainly consist of insurance premiums and the private use of company cars. As a remuneration component, these ancillary benefits are taxable. In principle, all Management Board members are equally entitled to them, while the amount of use varies depending on their personal situations. The fringe benefits are included in the maximum remuneration and therefore capped.

Furthermore, the company has taken out a D&O insurance (Directors & Officers Liability Insurance) for the benefit of the members of the Management Board with a deductible of 10% of the damage up to the amount of one and a half times the annual fixed remuneration of the respective Management Board member.

Pension Allowance

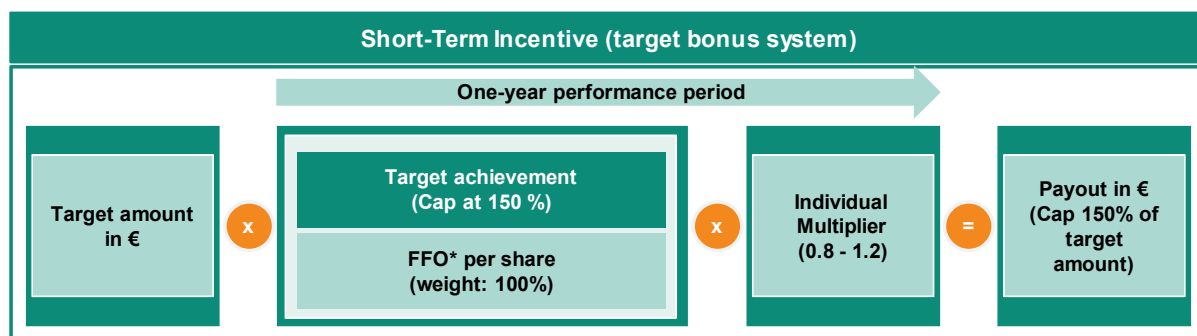
In addition, the Company grants the members of the Management Board monthly cash payments for pension purposes in form of a pension allowance. These pension benefits amount to approximately 18% of the members' annual fixed salaries.

2.2.3. Variable Remuneration

Short-Term Incentive (STI)

As a short-term performance-based remuneration component, the STI is linked to the development of the quantitative performance target Funds from Operations (**FFO**) per share. It is designed as a target bonus system. A possible STI payout amount is calculated as the overall target achievement times the individual target amount as indicated in the respective service contract; it is capped at 150% of the individual target amount (cap) and is paid out in cash. In addition to the performance target, an individual multiplier ranging between 0.8 to 1.2 is applied to determine the final payout.

The STI functions as follows:



* Funds From Operations.

Performance target

The STI performance target is the Funds From Operations per share. FFO are a key metric of alstria's strategy since they define the cash flow from operations. FFO per share is a non-GAAP metric which is frequently used for real estate companies in lieu of earnings per share. alstria annually publishes its FFO and FFO per share as well as a detailed reconciliation with its IFRS accounts.

The impact that acquisitions or disposals and changes to alstria's share capital have on the FFO per share for a financial year, will be disregarded by the Supervisory Board to guarantee a fair and well-balanced incentive.

The payout amount of the STI depends on the degree of target achievement for the FFO per share. The ratio of the FFO per share actually achieved during the financial year is measured against the budgeted FFO per share. Target achievement can range between 0% and 150%. For a payout to occur, at least 70% of the performance target value must be achieved (threshold). If the actually achieved FFO per share is equal to the budgeted FFO per share the target achievement will be 100%. A maximum of 130% of the performance target value can be achieved (cap) and results in a target achievement of 150%.

The values of FFO per share set for the financial year 2022 as well as the actually achieved value and the resulting overall target achievement are shown in the following table:

STI 2022	FFO per share ¹⁾
Threshold	0.42 €
Target value	0.59 €
Maximum	0.77 €
Actual value ²⁾	0.62 €
Target achievement ²⁾	108%

¹⁾ Before minorities.

²⁾ Preliminary numbers at the time of the preparation of this report.

Multiplier

The preliminary payout value achieved is then multiplied with an individual multiplier ranging between 0.8 and 1.2. This enables the Supervisory Board to take into account the personal performance of the individual Management Board member in addition to the achievement of financial performance.

The Supervisory Board set the individual modifier for the financial year 2022 on 1.0 for both Olivier Elamine and Alexander Dexne. Thus, the Supervisory Board takes into account the excellent operational performance in financial year 2022 in difficult market conditions and against the background of the Takeover.

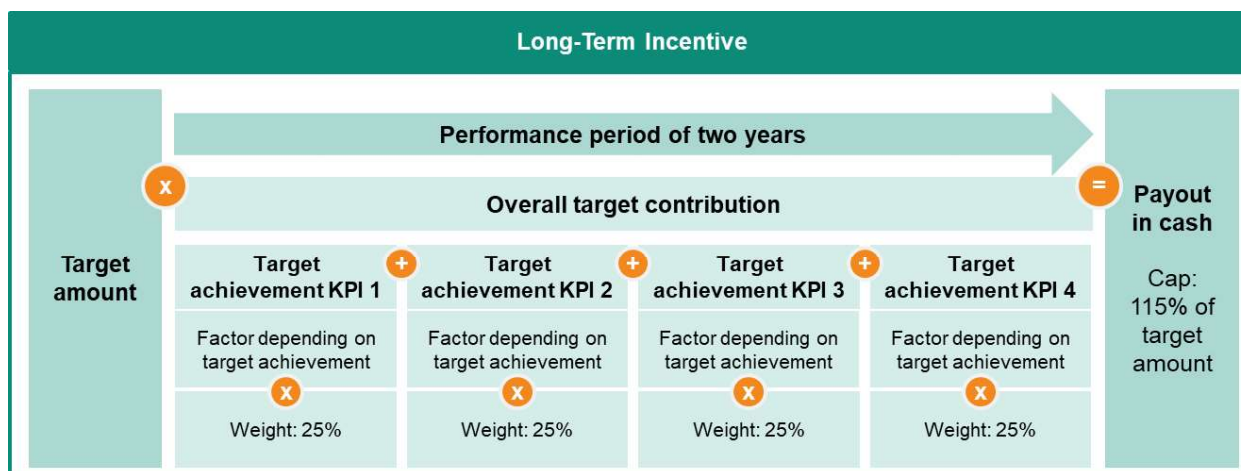
The target achievement of the individual performance criterium as well as the resulting overall target achievement after application of the individual modifier is shown in total below:

STI Target achievement 2022	Target achievement FFO per share	Multiplier	Total target achievement
Olivier Elamine	108%	1.0	108%
Alexander Dexne	108%	1.0	108%

Long-Term Incentive 2022–2023

The Long Term Incentive Plan is constructed as an incentive scheme to reward general performance and overall achievement of alstria and is issued in annual tranches with a performance period of two years. The Supervisory Board sets at least 4 Key Performance Indicators (KPI), the achievement of which during the performance period will determine the final payout amount of the LTI. LTI KPIs correspond to either an explicit quantifiable target in the multi-year business plan or the achievement of a project of relevance within the respective performance period.

The following picture shows how the LTI functions:



For the period 2022–2023, the LTI KPIs are defined as follows:

LTI 2022 - 2023 – KPIs	
Income Management	• Value of new leases, option and lease renewal to be achieved over the period
Capital structure	• Value of debt to be financed over the period
Capital recycling	• Value of assets to be sold over the period
Capital growth	• Number of development projects to be delivered (at a given cost) during the period

After the end of the performance period, the performance achieved for each LTI KPI is determined by dividing the actually achieved KPIs by the KPI target value. The resulting performance achievement of each KPI is then multiplied with a factor in accordance with the following rule:

- If the performance achievement is lower than 90 %, the factor is zero.
- If the performance achievement lies between 90 % and 110 %, then the factor increases linearly between 0.85 and 1.15
- If the performance achievement is higher than 110 %, the factor is 1.15.

The respective target achievements resulting from the multiplication of performance achievement and factor are then multiplied with the respective weighting of the KPI to determine each KPI contribution to the final payout amount of the respective tranche. The final payout amount is the sum of each individual LTI KPI contribution multiplied with the target value of each LTI granted.

The LTI will be paid out no later than in the month following the adoption of the financial statements of the performance period and is capped at 115 % of the individually granted target amount.

The payment is made pro rata temporis, taking into account the number of active months of the respective Management Board member in the performance period.

The initially granted LTI 2022–2026 under the previous remuneration system 2021 was transferred to the LTI under the new Management Board Remuneration System 2022. The target value for the LTI 2022–2023 is reported in the table displaying target remuneration.

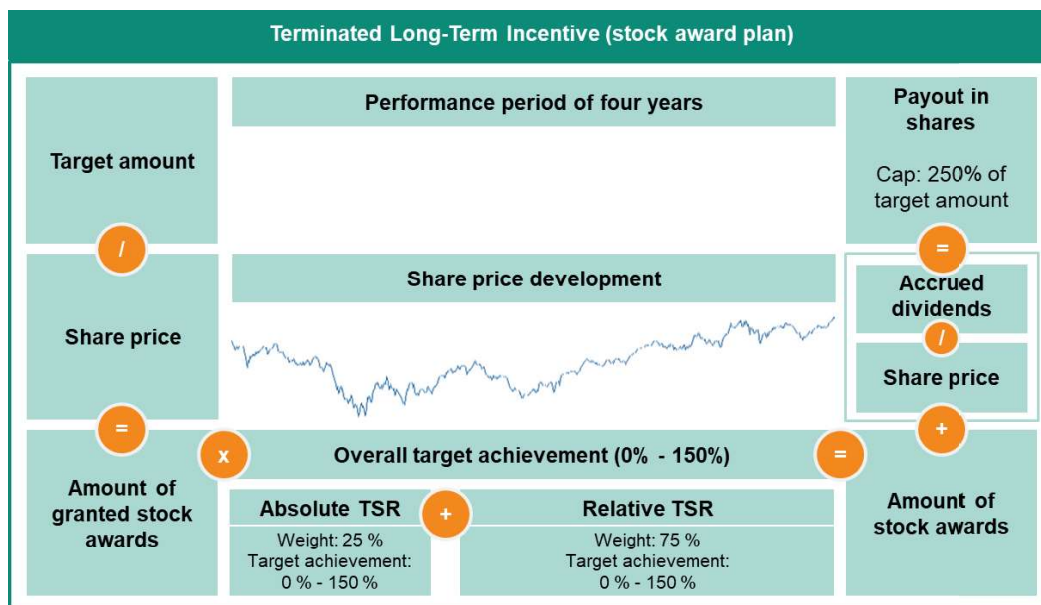
LTI 2018–2022 and terminated Long-Term Incentive Tranches

As the LTI 2018–2022 was paid out in the financial year 2022, its functioning and the determination of the target achievement are explained in the following. The performance period of the LTI 2018–2022 ended regularly on March 4, 2022.

Furthermore, given the Takeover by Brookfield, alstria’s share price performance was no longer conclusive, leaving the calculation of the remaining LTI plans, which were granted before the financial year 2022 and the regular performance periods of which had not yet come to an end (i.e. LTI 2019–2023, LTI 2020–2024, LTI 2021–2025, together the “**Terminated LTI Tranches**”), without functioning. Against this background the introduction of the new Management Board Remuneration System 2022 also provided that the performance periods of those Terminated LTI Tranches were ended early. The termination was made with effect as of February 3, 2022 (the last day of the acceptance period of the Takeover offer) and paid out in cash after the annual general meeting of shareholders 2022 had approved the new Management Board Remuneration System 2022.

The LTI 2018–2022 as well as the Terminated LTI Tranches consisted of so-called virtual stock awards, which were converted into alstria shares after a four-year performance period. In each financial year, the members of the Management Board were granted a long-term variable remuneration element with a target amount determined in the service contract. The number of stock awards granted was based on the target amount divided by the arithmetic mean of the alstria share price during the 60 trading days prior to the grant date. The number of stock awards granted was then adjusted depending on the performance of alstria’s share during the performance period both in absolute and relative terms compared to a peer group. As shown in the figure below, the performance targets implemented in the LTI were the absolute TSR with a weighting of 25% as well as the relative TSR with a weighting of 75%. The overall target achievement was capped at 150%, the payout of the Long-Term Incentive was capped at 250% of the target amount.

The following picture shows how the LTI for the Terminated LTI Tranches functioned:



The following table provides an overview of the target achievement resulting for the LTI 2018–2022, which ended regularly and was paid out in 2022:

LTI Tranche 2018 - 2022

	alstria office REIT-AG	FTSE EPRA/NAREIT developed Europe Index
Absolute TSR p.a.	14.13%	-
Target achievement absolute TSR		150%
Development 2018 - 2022	69.59%	26.07%
Outperformance		43.52%
Target achievement relative TSR		144%
Overall target achievement		145%
LTI Target value (in T€)		
Olivier Elamine		440
Alexander Dexne		360

In addition, the target achievement resulting from the Terminated LTI Tranches is presented in the table below. As the Terminated LTI Tranches were terminated early with effect of February 3, 2022, share price development up until that point was used for the calculation of the target achievement. These tranches were also paid out in 2022.

Terminated LTI Tranches	LTI Tranche 2019 - 2023		LTI Tranche 2020 - 2024		LTI Tranche 2021 - 2025	
	alstria office REIT-AG	FTSE EPRA/NAREIT developed Europe Index	alstria office REIT-AG	FTSE EPRA/NAREIT developed Europe Index	alstria office REIT-AG	FTSE EPRA/NAREIT developed Europe Index
Absolute TSR p.a.	19.86%	-	10.42%	-	46.04%	-
Target achievement absolute TSR	150%		150%		150%	
Development	69.75%	28.93%	21.00%	4.19%	42.01%	19.24%
Outperformance	40.82%		16.81%		22.77%	
Target achievement relative TSR	141%		117%		123%	
Overall target achievement	143%		125%		130%	
	LTI Target value (in T€)					
Olivier Elamine	440		440		500	
Alexander Dexne	360		360		400	

2.2.4. Malus & Clawback

As a rule, all variable remuneration components of the Management Board members are only paid out after the end of the regular performance period. In the event that a Management Board member deliberately commits a material breach of

- a material duty of care within the meaning of section 93 German Stock Corporation Act (AktG)
- or
- a material duty under the service contract,

the Supervisory Board may at its reasonable discretion (section 315 of the German Civil Code (*Bürgerliches Gesetzbuch*, “BGB”)) reduce the unpaid variable remuneration in the performance period of which the breach occurred in part or in full (“Malus”) or reclaim parts or all of the gross amount of any variable remuneration already paid out (“Clawback”).

Notwithstanding the above, Management Board members must repay any variable remuneration already paid out if and to the extent that

- it turns out after the payment that the audited and approved consolidated financial statement on which the calculation of the payment amount was based was incorrect and must therefore be publicly restated according to legal requirements and the relevant accounting standards, and
- based on the restated, audited consolidated financial statement and the relevant remuneration system, a lower or no payment amount would have been owed from the variable remuneration.

In the financial year 2022 no Malus or Clawback regulations were applied.

2.2.5. Remuneration Related Legal Provisions

Explanations of the post-contractual non-competition obligations agreed on with the members of the Management Board, the provisions in the event of premature contract termination, and the information required under section 162 (2) AktG on possible third-party benefits are provided below.

Third-Party Benefits

The Members of the Management Board were not awarded any third-party benefits in the financial year 2022 for their activities as a Management Board member of alstria.

Contract Termination Provisions

In the event of resignation from office by the member of the Management Board or a withdrawal of the appointment as member of the Management Board pursuant to section 84 paragraph 3 AktG, the service contract ends after the expiration of the notice period of section 622 BGB. The right of alstria and the Management Board member to terminate the service contract for good cause (“wichtiger Grund”) pursuant to section 626 paragraph 1 BGB remains unaffected.

In case of an early termination of the service contract by mutual agreement, the Management Board member will receive the remuneration for the rest of the term of the service contract, but no more than the value of two years’ full remuneration in any case calculated on the basis of the total remuneration for the foregoing full financial year (severance payment). The same shall apply in case of a withdrawal of the appointment according to section 84 paragraph 3 AktG, (but not in case of resignation by the Management Board member), if the withdrawal of appointment occurred for reasons the Management Board member is not responsible for.

Any withdrawal of the appointment occurring within a period of up to twelve months following a change of control, shall be considered as a withdrawal the Management Board member is not responsible for, unless the withdrawal is for good cause (“wichtiger Grund”) pursuant to section 626 paragraph 1 BGB).

In case within a period of up to twelve months after a change of control the position as member of the Management Board is materially negatively impacted (e.g., by a material reduction of his responsibilities), the Management Board member has the right to resign from office and to terminate the service contract with a notice period of three months to the end of a month. In this case, the Management Board member will receive the severance payment.

A change of control occurs if (i) a third party acquires at least 30% of the voting rights in alstria pursuant to sections 29, 30 German Takeover Law (*WpÜG*) or (ii) alstria as a dependent entity, concludes a corporate agreement within the meaning of section 291 et seq. AktG or (iii) alstria is merged with a non-affiliated entity pursuant to section 2 et seq. of the German Reorganization Act (*UmwG*), unless the enterprise value of the other entity is, at the time the merger decision is made by the transferring company, less than 20% of alstria's enterprise value.

In the event of a contract termination, the STI shall be forfeited in case the contract is terminated by alstria for good cause or the Management Board member has terminated the service relationship without notice and without good cause ("*wichtiger Grund*"). In any other cases, the STI shall remain unaffected.

If a Management Board member retires from service with alstria for reasons of reaching the retirement age, invalidity, occupational disability, early retirement, or death the payment for the LTI is made *pro rata temporis*, taking into account the number of active months of the respective Management Board member in the performance period. If the service contract with alstria is terminated by alstria for good cause ("*wichtiger Grund*") subject to section 626 BGB, the LTI forfeits. The same applies in the event that the Management Board member has resigned from office without good cause.

In the financial year 2022 no change-of-control provisions were applied with regards to the possibility of an early termination of the service agreements of the Management Board members. Due to the change of control, the LTI tranches 2019–2023, 2020–2024 and 2021–2025 were terminated early.

Post-Contractual Non-Compete Obligation

Post-contractual non-compete-obligations are agreed on with the Management Board members. For the duration of six months after the termination of the service contract (for whatever reason), the Management Board member may not exercise any professional activity for an enterprise which is in direct or indirect competition to alstria. The Management Board member also undertakes, for the duration of six months, not to set up or to acquire or to participate in such a company directly or indirectly. alstria may waive the post-contractual non-compete-obligation at any time, and with the expiration of a period of notice of six months.

For the duration of the post-contractual non-compete-obligation, alstria shall pay to the Management Board member a remuneration amounting to 100 % of his last base salary. Payment of this remuneration is due at the end of each month. Remuneration from any professional activity which is not in competition to alstria shall be set off against accordingly. Furthermore, any severance payment to a Management Board member will be offset against any payments according to the post-contractual non-compete-obligation as far as the severance payment is due for the duration of the post-contractual non-compete-obligation.

3. INDIVIDUALIZED DISCLOSURE OF THE REMUNERATION OF THE MANAGEMENT BOARD

The following table shows on an individual basis the remuneration awarded and due in accordance with section 162 AktG for the members of the Management Board. Furthermore, the compliance with the maximum remuneration according to section 87a AktG is reported.

The service contract of Alexander Dexne has regularly been terminated at the end of the financial year 2022. Since then, he is subject to the post-contractual non-compete obligation under the terms described in this remuneration report. He does not receive any severance payments. The STI 2022 and the LTI 2022–2023 will not be terminated early but will be settled after the regular end of the performance periods.

3.1. Remuneration Awarded and Due

As part of the individualized disclosure of the remuneration awarded and due to the members of the Management Board for the financial year 2022, the following specific remuneration elements are reported:

- The base salary as well as the fringe benefits and the pension allowance that were paid in the financial year 2022
- The STI 2022 assessing performance in 2022 that will be paid out in the financial year 2023
- The LTI tranche 2018–2022, as the performance period ended in 2022 and it was paid out in financial year 2022
- The LTI tranches 2019–2023, 2020–2024 and 2021–2025 that were terminated prematurely and paid out in the financial year 2022.

To allow for a transparent disclosure, the respective remuneration amounts for the financial year 2021 are included as additional information.

Remuneration awarded and due

	Olivier Elamine (CEO)			Alexander Dexe (CFO)		
	2022		2021	2022		2021
	in T€	in %	in T€	in T€	in %	in T€
Annual base salary	500	26	500	400	26	400
Fringe benefits	19	1	28	28	1	33
Company car	9	-	17	19	-	24
Insurances	10	-	11	9	-	9
Pension allowance	88	5	88	73	5	73
Short-Term variable remuneration	269	14	266	215	14	213
STI 2021	-	-	266	-	-	213
STI 2022 ¹⁾	269	-	-	215	-	-
Long-Term variable remuneration	1,040	54	936	851	54	765
LTI 2019-2021	-	-	936	-	-	765
LTI 2018-2022	1,040	-	-	851	-	-
Total remuneration	1,916	100	1,818	1,567	100	1,484
Terminated Long-Term variable remuneration	2,595	-	-	2,106	-	-
LTI 2019-2023	1,034	-	-	846	-	-
LTI 2020-2024	650	-	-	532	-	-
LTI 2021-2025	911	-	-	729	-	-
Total remuneration incl. terminated LTIs	4,511	-	1,818	3,673	-	1,484

1) Preliminary numbers at the time of the preparation of this report.

3.2. Maximum Remuneration according to section 87a AktG

Pursuant to section 87a paragraph 1 sentence 2 number 1 AktG, the Supervisory Board is required to set a maximum remuneration for all remuneration elements, comprising base salary, fringe benefits, pension allowance and short-term variable as well as long-term variable remuneration.

For the CEO, the maximum remuneration that can be paid in relation to any given year is EUR 2,600,000. For the CFO and potential future Ordinary Management Board members, maximum remuneration that can be paid in relation to any given year is set at EUR 2,100,000. Extraordinary performance is required to actually achieve these maximum amounts.

The total of all payments resulting from commitments for the 2022 financial year can only be determined after the expiry of the two-year performance period of the Long-Term Incentive. However, in compliance with the maximum remuneration pursuant to section 87a paragraph 1 sentence 2 number 1 AktG it can already be ensured today, that even in the event of a payout of the Long-Term Incentive amounting to 115% of the target amount (cap) the total of all remuneration components would be below the maximum remuneration. A detailed report on compliance with the maximum remuneration of the remuneration granted for the financial year 2022 will be provided in the remuneration report for the corresponding year after the end of the performance period of the LTI tranche 2022–2023.

Given the premature termination of the LTI tranche 2021–2025 and the respective payout in the financial year 2022, compliance with the maximum remuneration for the financial year 2021 can now be assessed. It can be confirmed that the maximum remuneration in accordance with §87a AktG for CEO and CFO for the financial year 2021 was not exceeded.

Regarding the financial year 2018 as well as the financial years 2019 and 2020 (LTI tranche 2018–2022 ended regularly and was paid out in 2022, LTI tranches 2019–2023 and 2020–2024 were terminated early and paid out in 2022), no compliance with maximum remuneration can be determined as no maximum remuneration had been set at the time of grant. However, it can be noted that the remuneration paid for those financial years does also lie within the currently defined maximum remuneration according to § 87a AktG.

4. REMUNERATION OF THE SUPERVISORY BOARD MEMBERS

The remuneration system of the Supervisory Board as well as the individual remuneration awarded and due to the members of the Supervisory Board in the financial year 2022 are shown below.

4.1. Remuneration system for the Supervisory Board Members

4.1.1. Remuneration governance

After the end of the fiscal year, the members of the Supervisory Board receive remuneration for that fiscal year, which is determined by resolution of the annual general meeting. The remuneration for the members of the Supervisory Board was last confirmed by the annual general meeting of shareholders in 2021 by 99.7% of votes cast (**Supervisory Board Remuneration System 2021**). The determination shall apply until the annual general meeting decides otherwise. At least every four years or in case of a change, the remuneration system of the members of the Supervisory Board is resubmitted to the annual general meeting of shareholders for resolution. In the event that the annual general meeting of shareholders does not approve a remuneration system put to the vote, a revised remuneration system shall be presented at the latest at the following annual general meeting of shareholders.

4.1.2. Remuneration system

The remuneration of the Supervisory Board members is not performance-related. It consists of a fixed remuneration and a likewise fixed remuneration for committee work. The company reimburses the expenses of the members of the Supervisory Board. The company has, at its own expense, taken out an appropriate liability insurance (D&O insurance) for the benefit of the members of the Supervisory Board to cover the risks arising from the performance of their duties (Art. 13 par. 2 of the Articles of Association).

Members of the Supervisory Board each receive an annual fixed remuneration of EUR 50,000. The chair of the Supervisory Board receives an additional annual amount of EUR 100,000 (factor 3); the deputy chair receives an additional amount of EUR 25,000 (factor 1.5).

Membership in the audit committee entitles a member to an additional remuneration of EUR 10,000, while the chair of the audit committee receives EUR 20,000 per year (factor 2). Membership in the nomination and remuneration committee entitles a member to an additional annual remuneration of EUR 7,500 while the chair of this committee is compensated with additional EUR 15,000 per year (factor 2). The same applies to the finance and investment committee, which was dissolved effective March 21, 2022. Membership in temporary committees does not entitle a member to additional remuneration.

Members who belong to the Supervisory Board respectively one of its committees for only part of a year receive a *pro rata temporis* remuneration. Variable remuneration elements do not exist and no attendance fees are paid.

The following table shows the remuneration structure for the supervisory board.

Remuneration element	Remuneration of the Supervisory Board
Annual fixed remuneration	Chair: EUR 150,000 Deputy Chair: EUR 75,000 Supervisory Board Member: EUR 50,000
Committee remuneration	Audit Committee: EUR 10,000 / EUR 20,000 (Chair) Nomination and Remuneration Committee: EUR 7,500 / EUR 15,000 (Chair) Finance and Investment Committee: EUR 7,500 / EUR 15,000 (Chair) ¹⁾

1) The Finance and Investment Committee was dissolved effective March 21, 2022.

4.2. Individualized Disclosure of the Remuneration of the Supervisory Board

Following the Takeover of Brookfield, the Supervisory Board members Dr. Johannes Conradi, Marianne Voigt, Benoît Hérault and Richard Mully terminated their Supervisory Board membership as per February 28, 2022. Brad Hyler, Jan Sucharda, Karl Wambach and Rebecca Worthington have been appointed as members of the Supervisory Board of the Company by court order in accordance with section 104 AktG with effect from March 1, 2022. They were subsequently elected and confirmed by the annual general meeting 2022.

The remuneration awarded and due to the current and former members of the Supervisory Board in the 2022 financial year is presented in the following. A distinction is made between fixed remuneration and committee remuneration.

Supervisory Board Remuneration	2022					2021				
	Fixed remuneration		Committee remuneration		Total remuneration	Fixed remuneration		Committee remuneration		Total remuneration
	in T€	in %	in T€	in %	in T€	in T€	in %	in T€	in %	in T€
Brad Hyler (Chair) ¹⁾	- ²⁾	-	- ²⁾	-	-	-	-	-	-	-
Jan Sucharda (Deputy Chair) ¹⁾	- ²⁾	-	- ²⁾	-	-	-	-	-	-	-
Karl Wambach ¹⁾	- ³⁾	-	- ³⁾	-	-	-	-	-	-	-
Rebecca Worthington ¹⁾	41.9	73	15.7	27	57.6	-	-	-	-	-
Dr. Frank Pörschke	50.0	81	11.6	19	61.6	32.9	74	11.5	26	44.4
Elisabeth Stheeman	50.0	85	9.1	15	59.1	32.9	77	9.9	23	42.8
Dr. Johannes Conradi ⁴⁾	24.2	91	2.4	9	26.7	150.0	91	15.0	9	165.0
Richard Mully ⁴⁾	12.1	83	2.4	17	14.5	75.0	83	15.0	17	90.0
Marianne Voigt ⁴⁾	8.1	71	3.2	29	11.3	50.0	71	20.0	29	70.0
Benoît Hérault ⁴⁾	8.1	74	2.8	26	10.9	50.0	74	17.5	26	67.5
Sum	194.5	-	47.4	-	241.8	390.8	-	88.9	-	479.7

1) Elected by court order with effect from March 1, 2022 and elected by the annual general meeting 2022.

2) The supervisory board member waived the payment of the fixed annual remuneration for the membership in the Company's supervisory board and its committees. alstria paid taxes.

3) The supervisory board member waived the payment of the fixed annual remuneration for the membership in the Company's supervisory board and its committees.

4) Resigned their membership early in course of the execution of the takeover offer with effect from February 28, 2022.

In order to allow for more comprehensibility of the committee compensation above, the following table gives an overview over the committee work of the current and former Supervisory Board members for the year 2022.

	2022					
	Committee work ³⁾					
	Audit Committee		Nomination and Remuneration Committee		Finance and Investment Committee ⁴⁾	
	Membership	Duration of membership	Membership	Duration of membership	Membership	Duration of membership
Brad Hyler (Chair) ¹⁾	M	21.03. - 31.12.2022	C	21.03. - 31.12.2022	-	-
Jan Sucharda (Deputy Chair) ¹⁾	-	-	M	21.03. - 31.12.2022	-	-
Karl Wambach ¹⁾	-	-	-	-	-	-
Rebecca Worthington ¹⁾	C	21.03. - 31.12.2022	-	-	-	-
Dr. Frank Pörschke	M	01.01. - 31.12.2022	-	-	M	01.01. - 21.03.2022
Elisabeth Stheeman	-	-	M	01.01. - 31.12.2022	M	01.01. - 21.03.2022
Dr. Johannes Conradi ²⁾	-	-	C	01.01. - 28.02.2022	-	-
Richard Mully ²⁾	-	-	-	-	C	01.01. - 28.02.2022
Marianne Voigt ²⁾	C	01.01. - 28.02.2022	-	-	-	-
Benoît Héroult ²⁾	M	01.01. - 28.02.2022	M	01.01. - 28.02.2022	-	-

1) Elected by court order with effect from March 1, 2022 and elected by the annual general meeting 2022.

2) Resigned their membership early in course of the execution of the takeover offer with effect from February 28, 2022.

3) M = Member, C = Chair.

4) Until March 21, 2022.

5. COMPARATIVE PRESENTATION OF REMUNERATION AND COMPANY PERFORMANCE

In addition to the individualized disclosure of the remuneration of the Management Board and Supervisory Board, section 162 (1) sentence 2 of the German Stock Corporation Act (AktG) also requires a comparative presentation thereof with the remuneration of the workforce as well as the Company's performance. The following table therefore compares the remuneration awarded and due to members of the Management and Supervisory Board with the average employee remuneration and the key financial figures revenues and FFO per share, which were selected on the basis of their central management function for the Company.

Comparative presentation

	2022	2021	Development 2022/2021	Development 2021/2020
	in T€	in T€	in %	in %
Management Board				
Olivier Elamine	4,511	1,818	148	-15
Alexander Dexne	3,673	1,484	148	-16
Supervisory Board				
Brad Hyler (Chair) ¹⁾	-	-	-	-
Jan Sucharda (Deputy Chair) ¹⁾	-	-	-	-
Karl Wambach ¹⁾	-	-	-	-
Rebecca Worthington ¹⁾	58	-	-	-
Dr. Frank Pörschke	62	44	39	-
Elisabeth Stheeman	59	43	38	-
Dr. Johannes Conradi ²⁾	27	165	-84	0
Richard Mully ²⁾	15	90	-84	0
Marianne Voigt ²⁾	11	70	-84	0
Benoît Héroult ²⁾	11	68	-84	0
Employees				
Average remuneration	95	96	-1	8
Company performance				
Revenues	182,819	183,670	0	4
FFO per share (in EUR) ³⁾	0.62	0.67	-7	8

1) Elected by court order with effect from March 1, 2022 and elected by the annual general meeting 2022.

2) Resigned their membership early in course of the execution of the takeover offer with effect from February 28, 2022.

3) Before minorities.

For the average employee remuneration, all employees of alstria are considered, with the exception of trainees, interns, working students and marginally employed employees. In addition, employees who were not employed for the entire year under review or who were absent for more than two months during the year under review are also not included. The remuneration stated comprises the base salary and the bonus (each extrapolated to full-time equivalents) for the year in question, the long-term variable remuneration amount paid out during the year in question as well as contributions to the pension scheme. Furthermore, fringe benefits such as payments for a job ticket or allowances for a company car are also taken into account. The remuneration stated does not include the profit the employees made from a disposal of the shares, which they received in the 2022 financial year as long-term incentive, to the Takeover bidder at a disposal price equal to the offer price paid in the course of the Takeover. In the investment agreement made in the context of the Takeover, the bidder had agreed with the Company to acquire the employees' shares which were to be granted in the 2022 and the 2023 financial years at the offer price. If this disposal profit was added to the average employee remuneration in 2022, the average employee remuneration would be EUR 115k and would have increased by 20% compared to the 2021 financial year.

Looking at the remuneration development from 2021 to 2022, it shall be pointed out that the increase in remuneration for the Supervisory Board members Dr Pörschke and Ms. Stheeman arises from their election in the annual general meeting 2021 and therefore the pro-rated remuneration for the financial year 2021. With regard to the Management Board members, it shall further be noted that the significant increase of 148% results from the implementation of the new Management Board Remuneration System 2022 as approved by the Annual General Meeting in 2022 and the corresponding early termination of the LTI tranches in financial year 2022 that are reported as part of the remuneration awarded and due. The adjusted development, not taking into account the early terminated LTI tranches, would be at 5% for Mr. Elamine and 6% for Mr. Dexne. This development, in turn, is due to the slightly higher payout of the LTI tranche 2018–2022 in comparison to the LTI tranche 2017–2021 as the relevant share price development of alstria was slightly better.

Looking at the corporate development in the reporting period, revenues were EUR 182.8 million (compared to EUR 183.7 million in 2021). The decline of 0.5% is primarily the result of the scheduled expiry of rental agreements and transaction-related changes in revenue, which were largely offset by an increase in revenue from new leases, indexations and proceeds from leases of the properties acquired in fiscal 2021. The FFO (before minorities) amounted to EUR 110.9 million (prior year: EUR 118.7 million). The decline in FFO was due to higher financing costs, which are a reflection of the higher indebtedness of the Company. In addition, alstria recorded an increase in personnel expenses mainly related to the transaction with Brookfield in 2022. The FFO per share (before minorities) declined from EUR 0.67 to EUR 0.62 per share.

Hamburg, February 2023

alstria office REIT-AG

The Supervisory Board

Brad Hyler
Chairman of the Supervisory Board

The Management Board

Olivier Elamine
CEO

REPORT OF THE INDEPENDENT AUDITOR ON THE AUDIT OF THE REMUNERATION REPORT IN ACCORDANCE WITH SECTION 162 (3) AKTG

To alstria office REIT-AG, Hamburg/Germany

Audit Opinion

We conducted a formal audit of the remuneration report of alstria office REIT-AG, Hamburg/Germany, for the financial year from January 1 to December 31, 2022 to assess whether the disclosures required under Section 162 (1) and (2) German Stock Corporation Act (AktG) have been made in the remuneration report. In accordance with Section 162 (3) AktG, we have not audited the content of the remuneration report.

In our opinion, the disclosures required under Section 162 (1) and (2) AktG have been made, in all material respects, in the accompanying remuneration report. Our audit opinion does not cover the content of the remuneration report.

Basis for the Audit Opinion

We conducted our audit of the remuneration report in accordance with Section 162 (3) AktG and in compliance with the *IDW Auditing Standard: Audit of the Remuneration Report pursuant to Section 162 (3) AktG (IDW AuS 870 (08.2021))*. Our responsibilities under those requirements and this standard are further described in the "Auditor's Responsibilities" section of our report. Our audit firm has applied the *IDW Quality Assurance Standard: Requirements for Quality Assurance in the Audit Firm (IDW QS 1)*. We have fulfilled our professional responsibilities in accordance with the German Public Auditor Act (WPO) and the Professional Charter for German Public Auditors and German Sworn Auditors (BS WP/vBP) including the requirements on independence.

Responsibilities of the Executive Directors and the Supervisory Board

The executive directors and the supervisory board are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of Section 162 AktG. In addition, they are responsible for such internal control as they consider necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our objective is to obtain reasonable assurance about whether the disclosures required under Section 162 (1) and (2) AktG have been made, in all material respects, in the remuneration report, and to express an opinion on this in a report.

We planned and conducted our audit so as to be able to determine whether the remuneration report is formally complete by comparing the disclosures made in the remuneration report with the disclosures required under Section 162 (1) and (2) AktG. In accordance with Section 162 (3) AktG, we have neither audited the correctness of the contents of the disclosures, nor the completeness of the contents of the individual disclosures, nor the adequate presentation of the remuneration report.

Handling of possible misrepresentations

In connection with our audit, our responsibility is to read the remuneration report taking into account our knowledge obtained in the financial statement audit while remaining attentive to any signs of misrepresentations in the remuneration report regarding the correctness of the disclosures' contents, the completeness of individual disclosures' contents or the reasonable presentation of the remuneration report.

If, based on the work we have performed, we conclude that there is such a misrepresentation, we are required to report that fact. We have nothing to report in this regard.

Hamburg/Germany, February 27, 2023

Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

Annika Deutsch

Wirtschaftsprüferin
(German Public Auditor)

Maximilian Freiherr v. Perger

Wirtschaftsprüfer
(German Public Auditor)