

## 3. Corporate Governance Statement

In the following, the Supervisory Board and Management Board of Deutsche Konsum REIT-AG (DKR or the “Company”) report on the Company’s corporate governance and corporate management in accordance with § 289f of the German Commercial Code (HGB).

First, the current Declaration of Compliance of the Management Board and the Supervisory Board of Deutsche Konsum REIT-AG dated 15 September 2020 is presented. This is followed by a description of the working methods of the Management Board and the Supervisory Board as well as their composition. In addition, the corporate governance of the Company is presented, and the concept of diversity is discussed.

### 3.1. Declaration of Compliance of Deutsche Konsum REIT-AG to the German Corporate Governance Code (GCGC)

The Management Board and the Supervisory Board of Deutsche Konsum REIT-AG welcome and support the German Corporate Governance Code (GCGC) and its objectives.

In accordance with § 161 (1) German Stock Corporation Act (AktG), they hereby declare that Deutsche Konsum REIT-AG complied with the recommendations of the Government Commission on the German Corporate Governance Code in the version of the Code of 7 February 2017, published in the Federal Gazette on 24 April 2017, with the following exceptions since the last Declaration of Compliance was issued on 12 September 2019:

#### Section 3.8 (3) GCGC – Deductible in D&O insurance for the Supervisory Board:

Section 3.8(3) GCGC previously provided that a deductible should be agreed in a D&O insurance policy for the Supervisory Board. The D&O

insurance policy of Deutsche Konsum REIT-AG did not provide for a deductible for the Supervisory Board. The Company was of the opinion that agreeing a deductible would not affect the sense of responsibility and conscientiousness of its Supervisory Board members. In addition, the Company was of the opinion that a mandatory, uniform deductible could possibly affect the members of the Supervisory Board differently due to different income and asset situations (also against the background of the rather low Supervisory Board remuneration for a listed stock corporation). As the GCGC in the version dated 16 December 2019 dispenses with this recommendation, the Company will not comment on this point in future.

#### Section 4.1.3 GCGC – Compliance Management System:

The Company has not employed more than twenty employees since the last Declaration of Compliance was issued. For this reason, the Management Board saw no need to formulate and disclose formalised measures for compliance management and a so-called “whistleblowing”. The effort involved in setting up, implementing and maintaining formalised action systems was, in view of the size of the Company, not in any meaningful relation to the potential benefit gained.

#### Section 4.1.5 GCGC – Consideration of women in the appointment for management functions:

The Management Board did not follow the recommendation to pay attention to diversity when filling management positions within the Company, and in particular to aim for an appropriate consideration of women. The Company had and currently has only employees without management functions. Apart from the Management Board, there were no management positions to be filled in the Company, which is why the Company could not follow this recommendation for formal reasons.

For this reason, the Company had set 0% as the target for women's participation in management positions for the period ending 30 September 2020. For the period until 30 September 2025, the Company nevertheless sets 30% as a target figure for the participation of women in the event that – contrary to the current opinion of the Company – management positions below the Management Board are to be filled. In the case of Deutsche Konsum REIT-AG, however, the decisive criterion when filling management positions is gender-independent the qualification and aptitude.

**Section 5.1.2 (1) sentences 2 and 3; (2) sentence 3 GCGC – Consideration of diversity, determination of targets for the proportion of women in the Management Board and determination of an age limit:**

The Supervisory Board did not follow the recommendation that diversity should be taken into account when appointing members of the Management Board, and in particular that women should be given appropriate consideration. The Company was of the opinion that the professional aptitude and the knowledge of the Company as prerequisites for the appointment are crucial, so that the above-mentioned specifications were not expedient. For this reason, the Company had set 0% as the target for women's participation in the Management Board for the period until 30 September 2020. For the same reasons, no age limit was set for members of the Management Board. By resolution of 15 September 2020, the Supervisory Board has now decided on an age limit for the Management Board of 80 years.

**Section 5.3 GCGC – Formation of committees:**

The Supervisory Board had refrained from forming committees in view of its small number of members. Due to the continuing low complexity as well as the transparent business model of Deutsche Konsum REIT-AG he considered the formation of committees

not necessary and dedicated himself furthermore in its entirety of the pending topics.

**Section 5.4.1 (2), (3), (4) GCGC – Appointment of objectives for the composition of the Supervisory Board, in particular consideration of diversity, and development of a competence profile as well as an age limit and a limit for membership of the Supervisory Board:**

The Supervisory Board has not set any specific targets for its composition or developed a competence profile for the entire body. Similarly, diversity rules have not been set in the objectives for the composition of the Supervisory Board. The Company was of the opinion that the professional aptitude and the knowledge of the Company as prerequisites for the appointment are crucial, so that the above-mentioned requirements were not effective. For this reason, the Company has set 0% as target for women's participation in the Supervisory Board for the period until 30 September 2020. For these reasons, the determination of an age limit and a standard limit for membership of the Supervisory Board was waived so far. By resolution of 15 September 2020, the Supervisory Board has now set a target of 16.67% for the period up to 30 September 2025 as the target figure for women's participation in the Supervisory Board and an age limit of 80 years. As the GCGC in the version dated 16 December 2019 does not recommend a standard limit for membership of the Supervisory Board, the Company will not comment on this point in future.

The Management Board and Supervisory Board of Deutsche Konsum REIT-AG further declare in accordance with § 161 (1) German Stock Corporation Act that Deutsche Konsum REIT-AG has complied with the recommendations of the Government Commission on the German Corporate Governance Code in the version dated 16 December 2019, published in the Federal Gazette on 20 March 2020,

since the announcement with the following exceptions and will comply with the recommendations in future with the following exceptions:

**Recommendation A.1 GCGC –  
Consideration of diversity in the filling of  
management positions:**

The Management Board does not currently follow the recommendation to take diversity into account when filling management positions in the Company. The Company currently only has employees without management functions. Apart from the Management Board, there are no management positions to be filled in the Company, which is why the Company cannot currently follow this recommendation for formal reasons.

**Recommendation A.2 GCGC –  
Compliance Management System:**

The Company currently employs only twenty employees. For this reason, the Management Board sees no need to formulate and disclose formalised measures for compliance management and a so-called “whistleblowing”. The effort involved in setting up, implementing and maintaining formalised action systems was, in view of the size of the Company, not in any meaningful relation to the potential benefit gained.

**Recommendation B.1 GCGC –  
Consideration of diversity in the composition  
of the Management Board:**

At present, the Supervisory Board does not follow the recommendation that diversity has been taken into account when appointing members of the Management Board. The Company is of the opinion that the professional aptitude and the knowledge of the Company as prerequisites for the appointment are crucial, so that the above-mentioned specifications are not expedient.

**Recommendation B.2 GCGC –  
Long-term succession planning by the Supervisory  
Board:**

In view of the current age of the members of the Management Board (38 to 43 years), the Company does not currently consider long-term succession planning to be necessary.

**Recommendations C.1 and C.2 GCGC –  
Appointment of objectives for the composition of the  
Supervisory Board, in particular consideration of  
diversity, and development of a competence profile as  
well as an age limit for Supervisory Board members:**

The Supervisory Board has not set any specific targets for its composition or developed a competence profile for the entire body and does not intend to set such targets or develop a competence profile in the future. Similarly, diversity rules have not been set in the objectives for the composition of the Supervisory Board or are to be set in the future. The Company is of the opinion that the professional aptitude and the knowledge of the Company as prerequisites for the appointment are crucial, so that the above-mentioned requirements were not effective. For this reason, the Company has set 0% as target for women’s participation in the Supervisory Board for the period until 30 September 2020, and has dispensed with setting an age limit for members of the Supervisory Board. By resolution of 15 September 2020, the Supervisory Board has now set a target of 16.67% for the period up to 30 September 2025 as the target figure for women’s participation in the Supervisory Board, as well as an age limit of 80 years.

**Recommendation C.5 GCGC –  
Supervisory Board mandates in non-group  
listed companies:**

While the Company believes that Recommendation C.5 of the GCGC provides guidance for the Company’s Supervisory Board members (and not for its Management Board), in view of the ambiguous wording, it is noted that Management Board member Rolf Elgeti holds more than two supervisory board mandates in non-group listed companies or in comparable supervisory bodies (including as Chairman of the Supervisory Board).

**Recommendation on section D.II.2 GCGC –  
Supervisory Board committees:**

The Supervisory Board had refrained from forming committees in view of its small number of members and therefore does not follow recommendations D.2, D.3, D.4 and D.5 GCGC. Due to the continuing low complexity as well as the transparent business model of Deutsche Konsum REIT-AG he considers the formation of committees will not be necessary in

the future either and dedicates himself furthermore in its entirety of the pending topics.

#### **Recommendation D.13 GCGC –**

##### **Self-assessment by the Supervisory Board:**

In view of the low level of complexity of the Company and its business model, the legally required interval between Supervisory Board meetings and the regular meetings held without the participation of the Management Board, the Supervisory Board assumed that this was adequate for effective performance of its duties. To this extent, a formalised self-assessment system was dispensed with. By resolution dated 15 September 2020, the Supervisory Board has now introduced a formalised self-assessment system and will follow the recommendation in future.

#### **Recommendation on section G.I GCGC –**

##### **Compensation of the Management Board:**

Section G.I. of the GCGC contains new recommendations on the compensation of the Management Board, to which the current compensation model of Deutsche Konsum REIT-AG does not fully comply, as it has grown historically and dates from before the announcement of the Government Commission on the German Corporate Governance Code in the version dated 16 December 2019. This applies to the recommendations on the determination of the remuneration system (G.1), on the determination of the amount of the variable remuneration components (G.6, G.7, G.8, G.10 and G.11) and on benefits upon termination of contract (G.12 and G.13). The Supervisory Board and Management Board intend to make the recommendations the subject of the revision of the 2020/2021 compensation system.

#### **Recommendation G.3 GCGC –**

##### **Usuality of the specific total remuneration:**

The Supervisory Board is currently not carrying out a peer group comparison to assess the usuality of the remuneration of the Management Board, as there is currently no sufficiently representative and therefore suitable selection of comparable companies/REITs in Germany. Nevertheless, the Supervisory Board monitors that the remuneration of the Management Board is appropriate and customary by comparing it with national and international listed real estate companies in the broader sense.

#### **Recommendation G.4 GCGC –**

##### **Assessment of the usuality of Management Board compensation within the Company:**

At present, the Supervisory Board does not determine the usuality of Management Board compensation by establishing a relationship with senior management and the workforce, since firstly, due to the small size and complexity of the Company, there is currently no senior management level and, secondly, the number of employees is too small to allow meaningful conclusions to be drawn.

#### **Recommendation G.16 GCGC –**

##### **Crediting of remuneration when accepting non-group Supervisory Board mandates:**

The Supervisory Board does not follow the recommendation that, when members of the Management Board accept non-group Supervisory Board mandates, it should decide whether and to what extent remuneration from the respective Supervisory Board mandate should be credited. Based on previous experience with the members of the Management Board and their handling of non-group Supervisory Board mandates, it is not to be expected that non-group Supervisory Board mandates will have a negative impact on the future activities of the members of the Management Board for the Company. Given the Supervisory Board's ability to exercise control, which also exists independently of the recommendation, a decision on the crediting of remuneration from non-group Supervisory Board mandates is not necessary.

Broderstorf, 15 September 2020

For the  
Supervisory Board



Hans-Ulrich Sutter  
Chairman of the  
Supervisory Board

For the  
Management Board



Rolf Elgeti  
Chairman of the  
Management Board

The current Declarations of Compliance are published on our website <https://www.deutsche-konsum.de/en/>, in the "Investor Relations" section under the menu items "Corporate Governance" and "Declaration of Compliance".

### 3.2. Functioning of the Management Board and Supervisory Board

#### Management structure with three bodies

The Management Board and the Supervisory Board work together closely for the benefit of the Company to ensure responsible management.

An essential element of corporate governance is the separation of corporate governance and corporate control. This is done through a clear division of tasks and responsibilities between the Management Board and the Supervisory Board. In addition, the Annual General Meeting is the third body. Through it, the shareholders are involved in fundamental decisions of the Company.

#### The Management Board

The Management Board manages the Company on its own responsibility and represents it in transactions with third parties. It is bound to the Company's interest with the goal of sustainable value creation. It develops the strategic direction of the Company, coordinates it with the Supervisory Board and ensures its implementation. The Management Board also ensures proper risk management and controlling in the Company.

The members of the Management Board, irrespective of their joint responsibility for the Company, are responsible for individual areas of responsibility. They cooperate collegially and keep each other informed about important processes and measures in their areas of responsibility. The board has adopted rules of procedure.

The Management Board of Deutsche Konsum REIT-AG is appointed by the Supervisory Board in accordance with §6 no. 2 of the Articles of Association. The Supervisory Board also determines the total number of members of the Management Board and whether there should be a chairman or spokesman. The members of the Management Board are appointed for a maximum of five years. Reappointments are allowed.

The Supervisory Board does not currently follow recommendation B.1 GCGC to take diversity into account when appointing members of the Management Board. The Company is of the opinion that the

professional qualifications and knowledge of the Company are decisive as prerequisites for the appointment, so that the aforementioned requirements are not conducive to achieving the objective. For this reason, the Company had set a target of 0% for the period up to 30 September 2020 and currently, by resolution of 15 September 2020, 0% for the period up to 30 September 2025 as a target figure for the participation of women on the Management Board. This target has been achieved in the past and is currently being achieved.

The Management Board of Deutsche Konsum REIT AG currently consists of three persons, Mr. Rolf Elgeti, Mr. Alexander Kroth and Mr. Christian Hellmuth. The Management Board contracts of Mr. Kroth and Mr. Hellmuth were extended in 2020 for another three years until 30 June 2023.

Mr. Rolf Elgeti (CEO) is responsible for Human Resources and Legal/Compliance and Strategy. The investment and finance divisions are headed by Messrs. Alexander Kroth (CIO) and Christian Hellmuth (CFO). The business segment of the CIO includes the areas of acquisition and sales as well as asset and property management. The CFO is responsible for Corporate Finance, Accounting/Controlling, Treasury, Investor Relations and Risk Management. The CEO, CIO and CFO also manage and control the external service providers for their areas.

The CVs of the members of the Management Board are published under <https://www.deutsche-konsum.de/en/> in the category "Company" under the menu item "Management Board".

The Supervisory Board, Management Board and executives agree on annual targets whose implementation is regularly reviewed.

Measures for further education or refresher training of abilities and knowledge lie in the self-responsibility of the Management Board and the executives.

In item B.2, the GCGC recommends that long-term succession planning should be carried out by the Supervisory Board. DKR does not comply with this recommendation, as the Company does not currently

consider long-term succession planning to be necessary in view of the current age of the members of the Management Board (at the time the Declaration of Compliance was issued on 15 September 2020: 38 to 43 years).

The Company had previously been of the opinion that professional qualifications and knowledge of the Company were decisive as prerequisites for filling the position, so that no age limit had been set for members of the Management Board. In a resolution dated 15 September 2020, the Supervisory Board has now decided on an age limit for members of the Management Board of 80 years.

D&O insurance was taken out for the members of the Management Board considering §93(2) German Stock Corporation Act (AktG).

The remuneration of the CEO, Rolf Elgeti, currently takes the form of a fixed payment via a pay-as-you-go agreement with Obotritia Capital KGaA. The remuneration system for Management Board members Alexander Kroth and Christian Hellmuth is based on short and long-term remuneration incentives. Detailed information on the remuneration of the Management Board is provided in the remuneration report in the 2019/2020 management report. Section G.I. of the GCGC contains new recommendations on the remuneration of the Management Board, to which the current remuneration model of Deutsche Konsum REIT-AG does not fully comply, as it has grown historically and dates from the period prior to the announcement of the Government Commission on the German Corporate Governance Code in the version dated 16 December 2019. This concerns the recommendations on the determination of the remuneration system (G.1), on the determination of the level of variable remuneration components (G.6, G.7, G.8, G.10 and G.11) and on benefits on termination of contract (G.12 and G.13). Before the next annual shareholders' meeting, the Supervisory Board will pass a resolution in accordance with §87a(1) of the German Stock Corporation Act (AktG) on the future remuneration system for the Management Board and submit it to the shareholders' meeting for approval in accordance with §120a(1) of the German Stock Corporation Act (AktG).

### **Consideration of diversity in the filling of management positions**

The Management Board does not currently follow the recommendation A.1 GCGC to take diversity into account when filling management positions in the Company. The Company currently only has employees without management functions. Apart from the Management Board, there are no management positions to be filled in the Company, which is why the Company cannot currently follow this recommendation for formal reasons. Even though the Company was and is of the opinion that §76(4) of the German Stock Corporation Act (AktG) has no practical scope in this particular case due to the lack of management positions to be filled, the Company had set 0% as the target figure for the participation of women in management positions for the period until 30 September 2020 purely as a precautionary measure. For the period up to 30 September 2025, the Company is setting 30% as a precautionary target for female participation in the event that – contrary to the Company's current view – management positions are to be filled below the Management Board. In the case of Deutsche Konsum REIT-AG, however, the decisive criterion when filling management positions is gender-independent the qualification and aptitude.

### **The Supervisory Board**

The central tasks of the Supervisory Board are to advise and supervise the Management Board. The six-member Supervisory Board of Deutsche Konsum REIT-AG works based on rules of procedure, which it has imposed on itself. Overall, the members of the Supervisory Board have the necessary knowledge, skills and professional experience to perform their duties properly.

Requests for resolutions as well as information on items of discussion are made available to the members of the Supervisory Board in good time before the respective meeting. At the request of the Chairman of the Supervisory Board, resolutions may be taken in individual cases outside of meetings. This option is occasionally used in urgent cases. If there is a tie in resolutions, the vote of the Chairman of the Supervisory Board decides.

All Supervisory Board members are elected by the shareholders at the Annual General Meeting. At present,

no representatives of employees are represented on the Supervisory Board of Deutsche Konsum REIT-AG. In the opinion of the shareholder representatives on the Supervisory Board, all shareholder representatives are to be considered independent.

The Supervisory Board does not intend to set concrete goals for its composition or to develop a competence profile for the entire Supervisory Board. Nor should diversity rules be set in the objectives for the composition of the Supervisory Board. The Company is of the opinion that the professional qualifications and knowledge of the Company are decisive as prerequisites for filling the position, so that the above-mentioned requirements are not conducive to achieving the objective. For this reason, the Company had set a target of 0% for the participation of women on the Supervisory Board for the period until 30 September 2020. This target was achieved during the relevant period, and since 5 March 2020 the actual level of female participation has been 16.67%. By resolution of 15 September 2020, the Supervisory Board has now set a target of 16.67% for the period until 30 September 2025 as the target figure for female participation in the Supervisory Board. This target figure is currently met.

The Supervisory Board of Deutsche Konsum REIT-AG currently consists of six persons, Mr. Hans-Ulrich Sutter, Mr. Achim Betz, Mr. Kristian Schmidt-Garve, Ms. Cathy Bell-Walker, Mr. Johannes C. G. (Hank) Boot and Mr. Nicholas Cournoyer.

Mr. Hans-Ulrich Sutter is Chairman of the Supervisory Board, Mr. Achim Betz First Deputy Chairman and Mr. Schmidt-Garve Second Deputy Chairman. The term of office of all members of the Supervisory Board ends at the end of the Annual General Meeting, which resolves on the discharge of the members of the Supervisory Board for the financial year ending on 30 September 2021.

The CVs of the members of the Supervisory Board are published under <https://www.deutsche-konsum.de/en/> in the category "Company" under the menu item "Supervisory Board".

In view of its small number of members, the Supervisory Board has so far refrained from

forming committees and therefore does not follow recommendations D.2, D.3, D.4 and D.5 GCGC. Due to the continued low level of complexity and the transparent business model of Deutsche Konsum REIT-AG, it does not consider it necessary to form committees in the future either, the Supervisory Board as a whole continues to address the issues at hand.

In the past, no age limit was set. The Company believed the determination of an age limit is not relevant since the Company should also have access to the knowledge and experience of older persons over a longer period within the scope of the Management and Supervisory Board activities. In addition, the professional qualifications and knowledge of the Company should be decisive as prerequisites for filling the position. By resolution of 15 September 2020, the Supervisory Board has now set an age limit of 80 years for the Supervisory Board.

Each year, the Chairman of the Supervisory Board explains the activities of the Supervisory Board in its Supervisory Board Report and verbally at the Annual General Meeting.

The Supervisory Board regularly assesses the efficiency of its own performance of its duties in the course of meetings held in person and by telephone. By resolution dated 15 September 2020, the Supervisory Board has now introduced a formalised self-assessment system, which will be applied in the current financial year. It will report on the manner and results in the next corporate governance statement.

In January 2018, a D & O insurance policy was concluded for the members of the Supervisory Board of DKR.

In accordance with the Articles of Association, the members of the Supervisory Board receive fixed compensation and reimbursements for out-of-pocket expenses. Detailed information on the remuneration of the Supervisory Board can be found in the Remuneration Report of the 2019/2020 Management Report.

The members of the Supervisory Board ensure that they have sufficient time to carry out their duties. They shall undertake the necessary education and

training on their own responsibility. The Company provides appropriate support to the members of the Supervisory Board during their inauguration and the training and further training measures. All members of the Supervisory Board are given access to specialist literature and are reimbursed for the costs of attending seminars and webinars whose topics are relevant to the work of the Supervisory Board.

Further details on the work of the Supervisory Board can be found in the Report of the Supervisory Board, which is part of the 2019/2020 Annual Report.

#### **Cooperation between the Management Board and the Supervisory Board**

The Supervisory Board appoints the members of the Management Board, determines their respective total compensation and oversees their management. It also advises the Management Board on the management of the Company. The Supervisory Board approves the annual financial statements. Significant decisions of the Management Board require the approval of the Supervisory Board.

The Management Board ensures regular, timely and comprehensive reporting to the Supervisory Board. In addition, the Chairman of the Supervisory Board is regularly and continuously informed about the business development. Intensive and continuous communication between the Management Board and the Supervisory Board is the basis for efficient corporate management.

The Management Board of Deutsche Konsum REIT-AG regularly participates in the meetings of the Supervisory Board. It reports in writing and orally on the individual agenda items and proposals for resolutions and answers the questions of the members of the Supervisory Board. If necessary, the Supervisory Board meets without the Management Board.

#### **Conflicts of interest**

Conflicts of interest of members of the Management and Supervisory Boards must be disclosed to the Supervisory Board without delay. In the 2019/2020 financial year, no conflicts of interest occurred.

### **3.3. Essential corporate governance practices**

#### **Main features of compliance**

Deutsche Konsum REIT-AG is committed to responsible and sustainable corporate management of the Company. This includes trusting cooperation between the Management Board and the Supervisory Board as well as the employees and a high level of transparency in reporting and corporate communications.

The essential basis of Deutsche Konsum REIT-AG's business is to create, maintain and strengthen the trust of tenants, business partners, shareholders and other capital market participants as well as employees. Thus, compliance at DKR not only means complying with the law and the statutes, but also adhering to internal instructions and self-commitments to implement the values, principles and rules of responsible corporate governance in daily actions.

#### **Compliance Management System**

Currently, DKR employs just twenty people. For this reason, the Management Board saw and sees no need to formulate and disclose formalised measures for compliance management and a so-called "whistleblowing". The effort involved in setting up, implementing and maintaining formalised action systems was and is, in view of the size of the Company, not in any meaningful relation to the potential benefit gained.

#### **Organisation and controlling**

Deutsche Konsum REIT-AG is headquartered in Germany and is, therefore, subject to the provisions of German stock corporation and capital markets law as well as the provisions of the Articles of Association.

Essentially, Deutsche Konsum REIT-AG manages the Company using the following key figures: EBIT, FFO, LTV, EPRA NAV and cash flow. Sustainable economic, social and environmental aspects are considered.

### Shareholders and Annual General Meeting

The shareholders of Deutsche Konsum REIT-AG exercise their rights before or during the Annual General Meetings within the scope of the legal and statutory provisions and hereby exercise their voting rights. Each share grants one vote.

The Chairman of the Supervisory Board chairs the Annual General Meetings. Each shareholder is entitled to attend the Annual General Meeting, to speak on the relevant agenda items and to request information on Company matters, insofar as this is necessary for the proper assessment of an item of the Annual General Meeting. The Annual General Meeting decides on all tasks assigned to it by law.

The agenda of the Annual General Meeting and the reports and documents required for the Annual General Meeting are published in easily accessible form by Deutsche Konsum REIT-AG on its website at <https://www.deutsche-konsum.de/en/> under "Investor Relations" under the menu item "Annual General Meeting".

To make it easier for its shareholders to exercise their rights and to vote proxy, DKR appoints a representative for the proxy voting. He can also be contacted during the Annual General Meeting.

The Annual General Meeting takes place within the first eight months of each financial year. The Annual General Meeting of Deutsche Konsum REIT-AG, which resolved on the financial year ending on 30 September 2019, took place on 21 March 2020 in Berlin. More than 40% of the share capital was represented (share capital of the Company at the time of convening the Annual General Meeting: 31,959,944 shares). All agenda items were resolved by a large majority.

### Stock option plans

There are currently no stock option programs or similar incentive systems at Deutsche Konsum REIT-AG.

### Transparent reporting

Through its website, Deutsche Konsum REIT-AG ensures consistent, comprehensive, timely and

simultaneous information to shareholders and the interested public about the economic situation and new facts. This information can be accessed via the Investor Relations section of the website at <https://www.deutsche-konsum.de/en/> in the "Investor Relations" section.

Reporting on the business and earnings situation is currently carried out in annual reports, quarterly reports as well as in the semi-annual reports, which are available for download on the Company's homepage. Important up-to-date information is published via corporate news and ad hoc announcements and made accessible on the Company's website. In addition, pursuant to Art. 19 of the Market Abuse Regulation (MAR), transactions of managers and related parties are publicly disclosed as "Directors' Dealings" and are also available on the Company's website.

In accordance with Art. 18 MAR, mandatory insider lists are maintained, and the persons listed on insider lists have been and will be informed of the legal obligations and sanctions that result for them.

Significant events and publication dates are maintained and published in the financial calendar, which can be viewed on the Company's website at any time.

### Accounting and auditing

The annual financial statements of Deutsche Konsum REIT-AG are prepared in accordance with IFRS, as adopted by the European Union. After preparation by the Management Board, the annual financial statements are audited and approved by the auditor and the Supervisory Board. In accordance with the German Corporate Governance Code, the Company aims to publish the annual financial statements within 90 days of the end of the financial year and the mandatory financial information during the year (quarterly reports and the half-yearly financial report) within 45 days.

The 2020 Annual General Meeting elected DOMUS AG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft as the auditor for the financial year 2019/2020. DOMUS AG's audits following German

auditing regulations laid down by the Institut der Wirtschaftsprüfer as well as the principles of proper auditing and the International Standards on Auditing. The Chairman of the Supervisory Board is immediately informed by the auditor of any grounds for exclusion or exemption as well as inaccuracies of the Declaration of Compliance that occurred during the audit. The auditor reports without delay all issues and events that arise during the audit and are relevant for the task of the Supervisory Board to the Chairman of the Supervisory Board and is required to inform the Supervisory Board promptly of any possible grounds for exclusion or bias.

### Opportunity and risk management

An essential element of corporate governance is risk management to adequately and systematically counter the risks that Deutsche Konsum REIT-AG is exposed to. A comprehensive process was introduced

that enables management to identify, assess and manage risks and opportunities in a timely manner. As a result, unfavourable developments and events become transparent at an early stage and can be analysed and managed in a targeted manner. Further information on risk management is contained in the opportunity and risk report of the management report 2019/2020.

Broderstorf, December 2020

For the  
Supervisory Board



Hans-Ulrich Sutter  
Chairman of the  
Supervisory Board

For the  
Management Board



Rolf Elgeti  
Chairman of the  
Management Board



Photo: Local retail centre Leipzig Portitz Treff  
Tauchaer Straße 260, 04349 Leipzig