

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 (the “**Company**”) welcome and support the German Corporate Governance Code (GCGC) and its objectives.

In accordance with § 161 (1) German Stock Corporation Act (AktG), the Boards hereby declare that Deutsche Konsum REIT-AG has complied and will in future comply with the recommendations of the Government Commission on the German Corporate Governance Code in the version dated 28 April 2022, published in the official section of the Federal Gazette on 27 Juni 2022, with the following exceptions since issuing the last Declaration of Compliance on 22 September 2022, as well as the supplement to the Declaration of Compliance issued on 25 November 2022:

- **Recommendation A.1 GCGC – Opportunities and risks arising from social and environmental factors:** The Management Board is currently addressing the opportunities and risks for the Company associated with social and environmental factors, as well as the ecological and social impact of the Company’s activities, in order to systematically identify and assess these. In this context, a concept is being developed to ensure that environmental and social objectives are appropriately taken into account in the Company’s corporate strategy and corporate planning alongside long-term economic goals. It is planned to fully comply with recommendation A.1 in the future.
- **Recommendation A.2 (former 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 employees of the Company currently have no management functions. Apart from the Management Board, there are no management positions to be filled in the Company, which is why the Company cannot follow this recommendation currently.
- **Recommendation A.3 GCGC – Sustainability-related objectives in the internal control system and risk management system:** The Company is currently developing a concept to cover sustainability-related objectives in the internal control and risk management systems in the future and to include the recording and processing of sustainability-related data. It is planned to fully comply with recommendation A.3 in the future.
- **Recommendation A.4 GCGC - “Whistleblowing System“:** The Company currently has only 20 employees (including two members of the Management Board), so that in view of the size of the Company, the Management Board saw no need in the past to develop and disclose a so-called whistleblowing system. The Management Board still sees no need for the development and disclosure of a whistleblowing system. The effort required to set up, implement and maintain this formalised system of measures was and is out of proportion to the potential benefits in view of the size of the Company.
- **Recommendation B.1 GCGC – Consideration of diversity in the composition of the Management Board:** The Supervisory Board does currently not follow the recommendation to consider diversity when appointing members of the Management Board. The Company is of the opinion that professional aptitude and knowledge of the Company are decisive as prerequisites for the appointment, 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 (41 to 43 years), the

Company does currently not consider long-term succession planning to be required.

- **Recommendations C.1 GCGC – Specification of objectives for the composition of the Supervisory Board, in particular consideration of diversity, and development of a competence profile:** The Supervisory Board has not specified targets for its composition or developed a competence profile for that function and does not intend to specify such targets or develop a competence profile in the future. As no competence profile is (or will be) developed, this also does not include any expertise of supervisory board members on sustainability issues that are significant for the Company. 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 professional aptitude and knowledge of the Company are crucial as prerequisites for the appointment, so that the above-mentioned requirements are not expedient. By resolution of 15 September 2020, the Supervisory Board set 16.67% as the target for women's quota in the Supervisory Board for the period up to 30 September 2025. By resolution dated 21 July 2023, the Supervisory Board set a target of 20% for women's quota on the Supervisory Board. With the reduction of the Supervisory Board to five members and the election of Ms. Antje Lubitz at the Annual General Meeting on 13 July 2023, the proportion of women on the Supervisory Board is now 20%, thus reaching the target figure.
- **Recommendation C.10 GCGC - Independence of the Chairman of the Supervisory Board:** Mr Elgeti had been Chairman of the Management Board of Deutsche Konsum REIT-AG since December 2015, resigned from office at the end of the last Annual General Meeting and had been the Chairman of the Supervisory Board until 13 November 2023. The "cooling-off period" foreseen by section 100 (2) no. 4 of the German Stock Corporation Act (AktG) was not complied with, as the election as a member of the Supervisory Board was held upon the proposal of shareholders holding more than 25% of the voting rights in the Company. In the opinion of the Supervisory Board, these circumstances establish a lack of independence of Mr Elgeti. However, during the term of Mr Elgeti as Chairman of the Supervisory Board the Supervisory Board had been of the opinion that Mr Elgeti's experience and competence made it reasonable to make his skills available to the Company within the framework of his activities on the Supervisory Board (until 13 November 2023 as Chairman of the Supervisory Board).
- **Recommendations D.2 and D.4 (former D.5) GCGC – Supervisory Board committees:** In view of its small number of members, the Supervisory Board has so far refrained from forming committees not required by law and thus did not follow recommendations D.2 and D.4 (formerly D.5) GCGC in the past financial year. On 21 July 2023, a committee consisting of the members Achim Betz, Antje Lubitz and Sebastian Wasser was formed to avoid conflicts of interest in connection with the loan to Obotritia Capital KGaA. At this time the Supervisory Board does not consider it necessary to form further committees that are not mandatory and continues to address the topics at hand in its entirety.

Recommendations on section G.I GCGC – Compensation of the Management Board: The Management Board's compensation system complies with the GCGC with the exception of the points listed below.

- **Recommendation G.10 GCGC – Compensation of the Management Board:** The compensation system of the Management Board approved by the Annual General Meeting of the Company on 10 March 2022 and determined by the Supervisory Board does not provide for variable compensation components granted to a member of the Management Board to be predominantly invested in shares of the Company or to be granted according to a share-based

equivalent, in deviation from item G.10 of the GCGC. The Company is of the opinion that the creation of an incentive aimed at linking the value of the variable compensation to the long-term development of the share price of the Company is already sufficiently taken into account within the framework of the assessment of the variable compensation and the conditions for payment. Thus, the development of the share price (in addition to the financial performance and the net asset value of the Company) represents an essential basis for the assessment of the variable compensation. Furthermore, most of the variable compensation for a financial year is only paid out if a minimum target is also achieved in the three following financial years. The Company is therefore of the opinion that an additional variable compensation in shares is not necessary in order to set corresponding incentives.

- **Recommendation G.16 GCGC – Crediting of compensation when accepting non-group supervisory board roles:** The Supervisory Board does not follow the recommendation that, when members of the Management Board accept non-group supervisory board roles, it should decide whether and to what extent compensation from the respective supervisory board role should be taken into account. Based on previous experience with the members of the Management Board and their handling of non-group supervisory board roles, it is not expected that non-group supervisory board roles 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 taking into account compensation from non-group supervisory board roles is not necessary.

Potsdam, 12 December 2023

For the Supervisory Board



Sebastian Wasser

Chairman of the Supervisory Board

For the Management Board



Alexander Kroth

Member of the
Management Board



Christian Hellmuth

Member of the
Management Board