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Deutsche Konsum REIT-AG

Annual General Meeting of Deutsche Konsum REIT-AG, Broderstorf
on Thursday, 11 March 2021, at 11:00 a.m. (CET)

Explanation of the Management Board on agenda item 12

Presentation of the compensation system for members of the Company's Supervisory Board:

The compensation of the Supervisory Board is governed by § 17 of the Company's Articles of Association.

The Supervisory Board contributes to the sustainable and long-term development of the Company and the promotion of the business strategy as part of its statutory duty to monitor the management of the Company by the Management Board. The compensation structure takes account of the responsibilities and scope of activities of the members of the Supervisory Board. As proposed by the German Corporate Governance Code, the compensation structure consists exclusively of fixed compensation; no variable compensation component is granted. In addition, the members of the Supervisory Board are reimbursed by the Company for their out-of-pocket expenses and mandate-specific expenses. The Company also takes out liability insurance (D&O pecuniary loss liability insurance) for the benefit of the Supervisory Board members, the cost of which is borne by the Company. As the activities of the Supervisory Board are not comparable to the tasks and activities of the Company's employees, no vertical comparison is made.

The compensation of the Supervisory Board is regularly reviewed by the administration. In particular, the time required and the scope of the duties to be performed are taken into account, as well as a comparison with the compensation system of other companies comparable to the Company, if necessary. Should the Management Board and Supervisory Board see reasons for a change in this regard, they will submit an adjusted compensation system to the Annual General Meeting, together with a proposed amendment to § 17 of the Company's Articles of Association. The compensation system shall be presented to the Annual General Meeting at least every four years.

The fixed annual compensation for the Chairman of the Supervisory Board is EUR 10,000.00 per year, for the Deputy Chairmen of the Supervisory Board EUR 7,500.00 per year and for the other members of the Supervisory Board EUR 5,000.00 per year, in each case plus the value added tax payable on the compensation. In the event that a Supervisory Board member does not belong to the Supervisory Board for the entire financial year, the remuneration shall be granted pro rata temporis.

No conflicts of interest in connection with the compensation system of the Supervisory Board have occurred in the past. Should conflicts of interest arise in connection with the review of the Supervisory Board's compensation system in the future, the Management Board or Supervisory Board member in question shall disclose such conflict as early as possible and shall not participate in the adoption of resolutions or, in the case of serious conflicts of interest, also in the deliberations.

Potsdam, January 2021

Deutsche Konsum REIT-AG

The Management Board