



CORPORATE GOVERNANCE STATEMENT

The Management Board and Supervisory Board of alstria office REIT-AG (“alstria”) are aware of their responsibility concerning the corporate governance of the Company. It is undertaken with due regard to the Company’s shareholders, employees, tenants and business partners. This sense of responsibility is expressed, among other ways, in a transparent corporate governance with the aim of promoting the confidence of alstria’s shareholders’, employees’, tenants’, business partners’ and the public’s trust in the management and supervision of the Company. In this statement, the Management Board and Supervisory Board report on alstria’s corporate governance according to Section 3.10 of the German Corporate Governance Code (“Code”) and Section 289a, para. 1, of the German Commercial Code (“HGB”). This statement includes a description of the Company’s Management Board and Supervisory Board composition, as well as its corporate governance structures, information on the target quota for women’s participation in the Supervisory Board, Management Board and the first management level below the Management Board and information on corporate governance practices and the declaration of compliance according to Section 161 of the German Stock Corporation Act.

MANAGEMENT BOARD AND SUPERVISORY BOARD

The Management Board and the Supervisory Board cooperate closely and faithfully in the interest of the Company. The chairman of the Supervisory Board has regular contact with the Management Board.

Management Board

The Management Board has two members: Olivier Elamine as Chief Executive Officer and Alexander Dexne as Chief Financial Officer. The Management Board is responsible for running alstria in the interest of the Company with the aim of sustainably increasing the Company’s value. It sets the business goals and –in conjunction with the Supervisory Board– the strategic direction of the Company. The tasks of the Management Board and the allocation of responsibilities between the individual members of the Management Board are stipulated in the rules of procedure for the Management Board. The members of the Management Board are obligated to immediately disclose any conflicts of interest to the Supervisory Board. The members of the Management Board may only conduct secondary activities, particularly memberships in the supervisory boards of companies not affiliated with the Group, with the approval of the Supervisory Board. The members of alstria’s Management Board had no conflicts of interest in the reporting year. The members of the

Management Board serve on no supervisory boards of listed companies outside of the Group or in supervisory boards of companies with comparable requirements. Major business transactions between the Company and members of the Management Board, or with any persons or companies in close association with them, require the approval of the Supervisory Board. All such business transactions must be concluded at customary commercial conditions. There were no contracts with regard to such business transaction during the reporting period.

The members of the Management Board are appointed by the Supervisory Board, who monitors and advises the Management Board on management issues. The Management Board involves the Supervisory Board in all decisions of fundamental importance to the Company. The rules of procedure for the Supervisory Board stipulate that certain, significant business transactions by the Company are subject to the approval of the Supervisory Board. For example, the acquisition or disposal of real estate property for a consideration of more than EUR 30 m, entering into financing agreements with a volume of more than EUR 30 m, entering or prematurely terminating lease contracts with an annual consideration of more than EUR 2 m, or investing in Company assets (modernization measures) with an annual total sum of more than EUR 2 m, if such investments have not already been included in the budget as approved by the Supervisory Board.

Supervisory Board

In accordance with the Articles of Association, the Supervisory Board is composed of six members. The Supervisory Board is currently comprised of the following members:

Member	Profession	Appointed until
Dr. Johannes Conradi (Chairman)	Lawyer and partner, Freshfields Bruckhaus Deringer LLP	2020 ¹⁾
Richard Mully (Vice-Chairman)	Director, Starr Street Limited	2019 ¹⁾
Dr. Bernhard Düttmann	Independent business consultant	2017 ^{1), 2)}
Stefanie Frensch	Managing Director, HOWOGE Wohnungsbaugesellschaft mbH	2021 ¹⁾
Benoît Hérault	[Managing Director, Chambres de l'Artémise S.à r.l.]	2019 ¹⁾
Marianne Voigt	Managing Director, bettermarks GmbH	2020 ¹⁾

¹⁾ Until the end of the Annual General Meeting

²⁾ Judicial Appointment

The following changes took place in the composition of the Supervisory Board in 2016: Stefanie Frensch was elected as member of the Company's Supervisory Board by the Annual General Meeting held on May 12, 2016. With the close of this Annual General Meeting, the office term of the Chairman of the Supervisory Board, Alexander Stuhlmann, ended. On the same day, the Supervisory Board elected Dr. Johannes Conradi as Chairman of the Supervisory. Vice-Chairman Hermann Dambach resigned from the Supervisory Board, effective October 31, 2016. In the meeting on November 30, 2016, the Supervisory Board elected Richard Mully as new Vice-Chairman of the Supervisory Board.

Dr. Bernhard Düttmann was appointed successor of Mr. Dambach by resolution of the Hamburg Local Court (Registration Court) to the Supervisory Board in January 2017.

A list on all memberships of the Supervisory Board members in supervisory or similar controlling bodies in companies external to the Company group pursuant to Section 285, No. 10, of the HGB is presented on pages 121 to 122 of the annual report.

No former Management Board members sit on the Supervisory Board. The Supervisory Board is composed of members who have the necessary knowledge, competence and professional experience to properly carry out their duties.

With due consideration of the specific alstria situation, the Supervisory Board specified the following goals for its composition as recently as November 2016, which are to be considered in its proposals to the shareholders in the General Meeting regarding new elections to the Supervisory Board:

1. Diversity

The members of the Supervisory Board should be reliable and, as a group, possess the knowledge, competence and professional experience necessary to properly carry out their duties as Supervisory Board members.

2. Women

For the female representation in the Supervisory Board, a quota of at least 30% is determined.

3. Experience abroad

At least two members of the Supervisory Board shall have acquired reasonable international experience.

4. Independence

At least three members of the Supervisory Board shall have no business or personal relationships—which could cause a substantial and not temporary conflict of interest—with the Company, its executive bodies, a controlling shareholder or an enterprise associated with the latter.

5. Independent financial expert

At least one independent member of the Supervisory Board should have expertise in accounting or the audit of annual statements.

6. Other conflicts of interest

At least three members of the Supervisory Board shall not have any consulting or representation duties with main tenants, lenders or other business partners of the Company.

7. Age limit

Members of the Supervisory Board should not be older than 70 years of age as a general rule.

8. Length of membership

The membership in the Supervisory Board shall not exceed 20 years as a general rule.

In November 2016, the Supervisory Board assessed the implementation of these targets and came to the conclusion that all targets named above are met as of the reporting date.

Aside from the objectives for its composition, the Supervisory Board also regularly reviews its efficiency. Therefore, the work of the Supervisory Board is analyzed in a structured and transparent manner to sustainably improve the processes and structure.

In its report to the Annual General Meeting, the Supervisory Board reports on its activities undertaken in financial year 2016. The report is presented on pages 126 to 132 of the annual report.

Supervisory Board committees

The Supervisory Board has formed three standing committees. Each committee has its own rules of procedure to specify its concerns and tasks.

The audit committee monitors the Company's financial reporting process, engages the independent auditors to prepare audit reports, determines the key audit areas and the independent auditors' compensation and is responsible for issues concerning risk management, internal control, internal audit and compliance. In the complete 2016 financial year, the audit committee was comprised of Marianne Voigt as Chair and Benoît Héroult as a member. Dr. Johannes Conradi was a member of the audit committee until May 12, 2016. On the same date, Richard Mully was elected as his successor to become a member of the audit committee.

The finance and investment committee discusses the Company's financing strategy and approves the acquisition or disposal of real estate property or other assets worth between EUR 30 m and EUR 100 m, as well as financing agreements with a financing volume between EUR 30 m and EUR 100 m. Transactions of a value greater than this amount are to be presented to the entire Supervisory Board for approval. The finance and investment committee, furthermore, approves the conclusion, renewal or early termination of lease agreements with third parties with a total annual consideration of more than EUR 2 m, as well as contracts with Supervisory Board members, according to Section 114 of the German Stock Corporation Act (*Aktiengesetz*, AktG). In the complete 2016 financial year, the finance and investment committee comprised Richard Mully as Chair and Benoît Héroult as a member. Hermann Dambach was a member of the finance and investment committee until he resigned as a member of the Supervisory Board effective October 31, 2016. Effective September 8, 2016, Stefanie Frensch was elected to become a further member of the finance and investment committee.

The nomination and remuneration committee prepares resolutions for the entire Supervisory Board for the appointment and dismissal of members of the Management Board, for the Management Board's compensation system and for the total remuneration of individual members of the Management Board. Furthermore, it deals with the resolution of, or amendments to, the rules of

procedure for the Management Board, as well as the approval of certain other activities and primary contracts of members of the Management Board. Apart from the amount of compensation, the nomination and remuneration committee decides on the conclusion, amendment, extension and termination of contracts with Management Board members and on the content of such contracts. Finally, the committee prepares the resolutions for the Supervisory Board regarding the proposal of the appointment of suitable Supervisory Board members at Annual General Meetings. In the financial year 2016, the nomination and remuneration committee was comprised as follows: Alexander Stuhlmann was Chairman of the committee until his term of office ended with the close of the Annual General Meeting on May 12, 2016. Effective the same date, Dr. Johannes Conradi was elected to be the Chairman of the committee. Richard Mully was a member of the nomination and remuneration committee during the entire 2016 financial year. Furthermore, Hermann Dambach was a member of the committee until he resigned from the Supervisory Board, effective October 31, 2016. Effective September 8, 2016, Stefanie Frensch was elected to become a further member of the nomination and remuneration committee.

Additionally, two special committees established by the Supervisory Board in 2015 acted in the 2016 financial year:

In May 2015, the Supervisory Board established a special committee authorized to grant all necessary approvals and make all other declarations required in connection with the takeover of DO Deutsche Office AG. The committee comprised Dr. Johannes Conradi as Chair and Benoît Hérault and Richard Mully as members.

In September 2015, the Supervisory Board established a further special committee authorized to grant all necessary approvals and make all other declarations required in connection with the issuance of bonds. The committee comprised Dr. Johannes Conradi as Chair and Hermann Dambach, Benoît Hérault and Richard Mully as members.

The Supervisory Board reports on the activities of the committees of the Supervisory Board during 2016 financial year in its report to the Annual General Meeting on pages 126 to 132 of the annual report.

TARGET QUOTAS FOR WOMEN'S PARTICIPATION

The Management Board pays attention to diversity in filling its management positions and aims to adequately consider women for these positions. In September 2015, the Management Board determined the women quota for the first management level below the Management Board shall not fall below 27.3%. This target quota has been achieved as of December 31, 2016, and applies, for the time being, until June 30, 2017. In lack of a further management level with decision-making competence and budget responsibility, a target quota of women's participation for the second management level was not to be determined.

Also, in September 2015, the Supervisory Board determined—and in November 2016, confirmed—a target quota of at least 30% for the Supervisory Board. This quota is currently achieved: On December 31, 2016, the women quota in the Supervisory Board amounted to 33.34%. For the participation of women in the Management Board, the Supervisory Board determined a quota of 0% in September 2015. This quota has been achieved and applies until June 30, 2017.

COMMUNICATION AND TRANSPARENCY

A transparent corporate governance and good communication with the shareholders and the public contribute to strengthening investor and public trust in alstria's work.

Communication with the public

When sharing information with people outside the Company, the Management Board follows the principles of transparency, promptness, openness, clarity and a policy of equal treatment of its shareholders. In particular, alstria informs its shareholders and the interested public about the Company's situation and significant business events through financial reports, analyst and press conferences, press and ad-hoc announcements and the Annual General Meeting. The alstria website includes information on the Company and its shares, especially concerning its financial reports, share price tracking and Managers' Transactions Disclosure pursuant to Article 19 of the Market Abuse Regulation (Directors' Dealings). Moreover, alstria's financial reports and website include a financial calendar that indicates all dates of importance to shareholders. The announcements and pieces of information are additionally published in English.

Relationship to the shareholders

alstria respects the rights of its shareholders and makes the best efforts to guarantee the exercise of those rights to the extent stipulated by law or its bylaws. In particular, these include the right to freely purchase and sell shares, to have an appropriate level of access to information, to an adequate number of voting rights per share (one share, one vote) and to participate in our Annual General Meeting. Shareholders have the option of exercising their voting rights personally, via an authorized representative present at the Annual General Meeting or by sending voting instructions to their proxies. The invitation to the Annual General Meeting includes an explanation of how voting instructions can be issued. The Articles of Association do not stipulate an option to vote by written mail. By means of authorizing a proxy, shareholders now have the possibility to vote prior to the date of the Annual General Meeting. This is why an additional option of voting by written mail would not facilitate the exercise of the shareholders' rights.

It is possible to send invitations and documents for General Meetings to the shareholders electronically upon request. The invitation and the documents are to be made available for viewing prior to the upcoming Annual General Meetings pursuant to the legal provisions that will be published on the Company's website with additional documents pursuant to Section 124a of the

German Stock Corporation Act (*Aktiengesetz, AktG*) and the agenda. The results of the votes will likewise be published on the Company's website following the Annual General Meeting.

Financial reporting

alstria regularly informs shareholders and third parties by publishing its consolidated and half-year financial statements, as well as quarterly interim statements, in the course of each financial year. The consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS). For legal reasons (calculating dividends, creditor protection), financial statements for alstria office REIT-AG are also prepared in accordance with the HGB.

The consolidated financial statements and the financial statements of alstria office REIT-AG are audited by the independent auditor as appointed by the shareholders in the Annual General Meeting and by the Supervisory Board. After examining its independence and following the election of the Annual General Meeting, the audit committee of the Supervisory Board appoints an external auditing firm to audit the financial statements and negotiate the respective auditing fees. Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg branch, was appointed to audit the annual and half-year financial statements of alstria office REIT-AG and of the Group for the 2016 financial year and for further interim financial reports until the next ordinary general meeting in 2017. The auditors participate in the plenary sessions of the audit committee and the Supervisory Board to advise on the consolidated financial statements and the financial statements of alstria office REIT-AG and to present the key findings of the audit.

SUSTAINABILITY

alstria's sustainability approach is based on a three-pillar model, taking the impact of business on the following pillars into account: the economy, the environment and social issues.

As a commercial organization, alstria's main objective is to optimize its long-term sustainable value. It strives to generate the best yield possible on its equity over time. alstria's approach to sustainability does not solely focus on environmental matters, but it considers the economic and social impacts of its actions as well. alstria weighs the risk-benefit ratio of the three areas before making any decisions and adapts its actions to what it feels is the most viable course of action in each case. The result of this approach is that alstria might not always make decisions that maximize its short-term benefits, striving to always take the path that will yield the best long-term prospects for the Company.

alstria's sustainability approach, its achievements in its three defined areas of sustainability and the Company's related future targets are described in detail in the Company's yearly sustainability report. The report is available on the Company's website.

COMPLIANCE

Complying with the legal provisions and treating business partners and competitors fairly is one of alstria's most important principles. In doing so, alstria regards itself as not only being bound to the law. In accordance with Section 4.1.3 of the German Corporate Governance Code, the Management Board ensures compliance with the legal provisions and Company guidelines throughout all of the Group's companies. The entire Company shares the understanding that the trust of alstria's shareholders, tenants, employees and business partners crucially depend on the behavior of each individual employee.

For this reason, alstria has developed a code of conduct, listing guidelines for behavior and providing orientation to resolve conflicts (e.g., conflicts of interest), thereby serving as a model for correct behavior for all employees of the Company. The code of conduct is published on the Company's website.

alstria has set up a compliance organization to communicate the values laid out in the code of conduct and Company guidelines and to monitor compliance with these values. The compliance officer is responsible for communicating these values by answering questions on the implementation of the code and by offering in-house training for all employees. Compliance is monitored by colleagues, supervisors and the compliance officer, as well as via regular investigation by auditors. alstria has also set up a hotline through which employees can anonymously report any violations of the code of conduct or the Company's internal guidelines. Furthermore, the Management Board regularly discusses Company compliance with the Supervisory Board's audit committee.

Violations of the code of conduct will not be tolerated; they will be fully investigated and the violators punished. This can include anything from disciplinary measures to dismissal, a claim for damages or even prosecution.

GERMAN CORPORATE GOVERNANCE CODE

alstria's value-oriented corporate management has already implemented many of the principles of the most recent version of the German Corporate Governance Code (dated May 5, 2015) to an extent beyond what is legally required. The principles and recommendations of the Government Commission, as appointed by the German Federal Ministry of Justice, contain internationally and nationally recognized standards for effective and responsible corporate management.

The Company's declaration of compliance with the recommendations of the German Corporate Governance Code is published on the Company's website (www.alstria.com). After careful consideration, alstria has chosen not to comply with some of the Code's recommendations. These items and the reasons for the Company's nonconformity are set out in the declaration of compliance as issued by the Management Board and the Supervisory Board on February 15, 2017:

DECLARATION OF COMPLIANCE, DATED FEBRUARY 15, 2017

“Since the prior declaration of compliance, dated February 25, 2016, the company has—apart from the exceptions stated below—complied with the recommendations of the ‘Government Commission German Corporate Governance Code’ as amended on May 5, 2015. The Company intends to continue to comply with the recommendations of the Code as amended on May 5, 2015, to the same extent:

Deductible for D&O insurance for the Supervisory Board, Section 3.8

The D&O insurance for the alstria office REIT-AG Supervisory Board does not comprise a deductible. The Supervisory Board believes its members will carry out their duties responsibly irrespective of any such deductible.

Change of performance targets for elements of variable remuneration, Section 4.2.3

The short-term incentive remuneration element of the Management Board is mainly based on the achievement of a funds from operations (FFO) target. In the event that the FFO achieved in a financial year is positively and materially impacted by new acquisitions, the Supervisory Board adjusts the FFO target accordingly. In doing so, the Supervisory Board ensures the Management Board is not incentivized to enter into acquisitions by means of achieving personal short-term benefits. The impact of any acquisition on the management remuneration is solely linked to multi-year remuneration elements, therefore aligning the interest of the Management Board with those of the Company and its shareholders. Vice versa, the Supervisory Board adapts the FFO target to disposals.

Determination of a level of benefits for the private pension plan, Section 4.2.3

As the Company has opted for a defined contribution model for the private pension plan of the Management Board members for reasons of transparency and risk management, the Supervisory Board has not fixed a level of benefits for the private pension plan of the Management Board members. The Supervisory Board believes it is in the best interest of the Company to have a defined contribution model rather than a defined benefit model, as the defined contribution does not create any unforeseen future liability for the Company.

Discussion of the financial reports by the Supervisory Board or its audit committee and the Management Board prior to their publication, Section 7.1.2

The quarterly interim statements are made available to the Supervisory Board prior to their publication and are discussed with the Supervisory Board in detail soon after publication. In the event of considerable differences to the budget or business plan as approved by the Supervisory Board, the Supervisory Board is given the opportunity to discuss the figures with the Management Board before they are published. Half-year financial reports will be discussed with the audit committee of the Supervisory Board prior to publication beginning financial year 2017. The Management Board and Supervisory Board consider this approach appropriate and adequate.”

All other recommendations of the German Corporate Governance Code dated May 5, 2015, have been fully implemented. alstria has appointed a corporate governance officer within the Company who will report any changes of the Code to the Management Board and the Supervisory Board at least once per year and whenever necessary. In this way, alstria ensures consistent compliance with these principles. Analysis, supervision and transparency are the measures undertaken to lay the foundation for fair and efficient corporate management. They will remain the key criteria in the future.

Hamburg, March 2017

The Management Board

The Supervisory Board