

REMUNERATION REPORT

The Remuneration Report explains the structure and amount of the remuneration of the Management Board and Supervisory Board. The Report is based on the recommendations of the German Corporate Governance Code (GCGC) as amended on 16 December 2019, and on the requirements of the German Commercial Code (HGB) and German accounting standards.

PRELIMINARY REMARK

Lars Schnidrig

Lars Schnidrig resigned from the Management Board of Corestate Capital Holding S.A. in his role as Chief Financial Officer (CFO) on 31 May 2021. Under the terms of his service agreement, Mr Schnidrig was appointed CFO until 31 December 2023. The Supervisory Board and Mr Schnidrig mutually agreed on the premature termination of his contract as a member of the Management Board with effect from 31 July 2021.

Nils Hübener

Nils Hübener resigned from the Management Board of Corestate Capital Holding S.A. in his role as Chief Investment Officer (CIO) on 31 July 2021. Under the terms of his service agreement, Mr Hübener was appointed CIO until 31 March 2023. The Supervisory Board and Mr Hübener mutually agreed on the premature termination of his contract as a member of the Management Board with effect from 31 August 2021.

Daniel Löhken

Daniel Löhken resigned from the Management Board of Corestate Capital Holding S.A. in his role as Chief Legal and HR Officer (CLHRO) on 31 July 2021. Under the terms of his service agreement, Mr Löhken was appointed CLHRO until 30 October 2023. The Supervisory Board and Mr Löhken mutually agreed on the premature termination of his contract as a member of the Management Board with effect from 31 August 2021.

Udo Giegerich

The Management Board position of Chief Financial Officer (CFO) held by Mr Schnidrig was taken over by Mr Udo Giegerich, who was appointed a new member of the Management Board by the Supervisory Board with effect from 01 August 2021.

Sebastian Ernst

Sebastian Ernst took over the responsibility for the newly created department Debt Investment as Chief Debt Investment Officer (CDIO) effective 14 January 2021. Before his appointment as a member of the Management Board, Mr Ernst was Managing Director of Aggregate Financial Services GmbH (now named Corestate Bank GmbH) which was acquired by the Corestate Group in 2021.

Johannes Märklin

Johannes Märklin took over the responsibility for the newly created department Debt Finance as Chief Debt Financing Officer (CDFO) effective 14 January 2021. Before his appointment as a member of the Management Board, Mr Märklin was Managing Director of Aggregate Financial Services GmbH (now named Corestate Bank GmbH) which was acquired by Corestate Group in 2021.

REMUNERATION SYSTEM OF THE MANAGEMENT BOARD

The remuneration system takes into account the financial performance and success of the Company as well as the personal performance of the Management Board member in order to ensure the sustainable success of the Company.

The remuneration system is performance and success-oriented, with the criteria of long-term orientation, appropriateness and sustainability being of decisive importance.

The remuneration of the Management Board for the entire financial year 2021 consists of a fixed remuneration component (basic remuneration), a variable remuneration component with a short-term incentive function (Short-Term Incentive, STI) and a variable remuneration component with a medium to long-term incentive function (Long-Term Incentive, LTI).

The respective contractually regulated annual target values of the individual remuneration components are as follows:

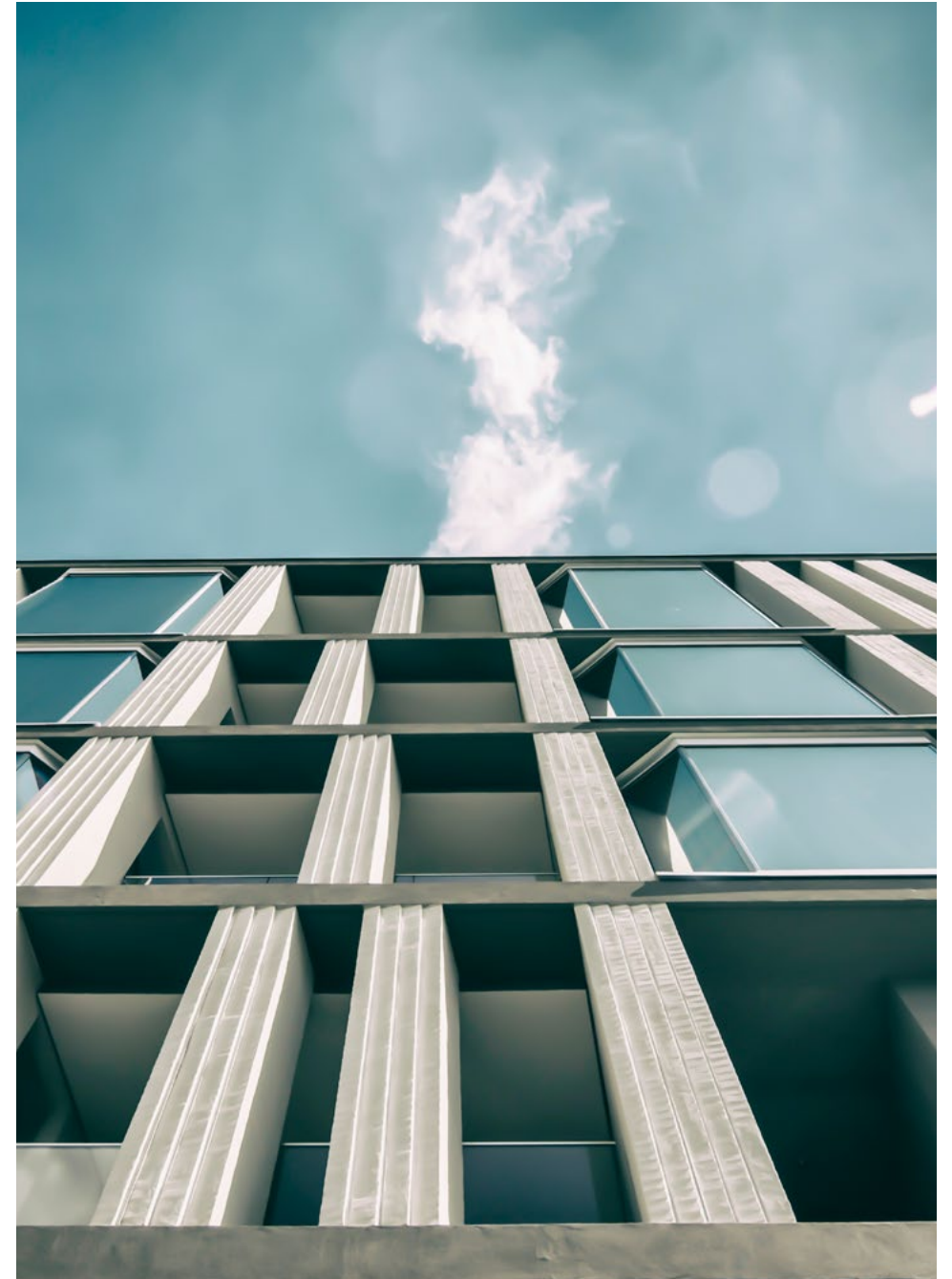
	René Parmantier	Udo Giegerich	Sebastian Ernst	Johannes Märklin	Nils Hübener ¹	Lars Schnidrig ²	Daniel Löhken
€	(CEO)	(CFO)	(CDIO)	(CDFO)	(CIO)	(CFO)	(CLHRO)
Basic Salary	900,000	600,000	850,000	850,000	400,000	700,000	400,000
STI	600,000	360,000	540,000	540,000	300,000	500,000	275,000
LTI	800,000	490,000	810,000	810,000	300,000	750,000	325,000
Entire Remuneration	2,300,000	1,450,000	2,200,000	2,200,000	1,000,000	1,950,000	1,000,000
Entire Remuneration Cap	2,450,000	1,595,000	2,440,000	2,440,000	no cap	1,950,000	1,150,000

¹ As STI criterion “personal goal” can be greater than 100%.
² Since STI criterion “personal target” can be max. 100%

The total remuneration granted for the activity of the respective Management Board member for a financial year – including basic remuneration, the STI, the LTI (plus full utilization of possible adjustments) amounts to a maximum of € 2.450m for René Parmantier, a maximum of € 1.595m for Udo Giegerich and a maximum of € 2.440m for each Sebastian Ernst and Johannes Märklin.

The Supervisory Board must ensure that the total remuneration corresponds with market conditions. The assessment of the appropriateness and conformity of the remuneration to the market is made on the basis of a vertical and horizontal comparison. The horizontal comparison is based on the market environment of the Company, taking into account such criteria as industry, size and country. The Supervisory Board used the remuneration data of comparable listed companies in the real estate sector (if available). Among other things, it took into account Corestate's market position, structure and size. To evaluate the appropriateness of Corestate's Management Board remuneration, the following companies were defined for the peer group: DIC Asset AG, Patrizia AG, Intermediate Capital Group plc and Partners Group Holding AG. In addition, the Supervisory Board also considered the development of the Management Board remuneration in relation to the compensation of Corestate's workforce by way of a vertical comparison. In this vertical comparison, it subjects the ratio of the remuneration of the Management Board relative to the remuneration of the senior management and the workforce of the Company.

The appropriateness review of Management Board compensation has shown that the remuneration resulting from target achievement in the financial year 2021 is appropriate.



FIXED REMUNERATION COMPONENT

The basic remuneration is paid to the Management Board members on a monthly basis in twelve equal instalments.

In the event of illness or incapacity to work during the service agreement through no fault of the Management Board member, the Management Board member is entitled to continued payment of the pro rata fixed salary and the pro rata average annual variable remuneration for twelve months, but no longer than until the end of the service agreement.

FRINGE BENEFITS

In addition to the basic remuneration, the members of the Management Board are contractually granted fringe benefits that are individually defined in some cases.

BENEFITS IN THE EVENT OF PREMATURE TERMINATION OF EMPLOYMENT

In the event of premature termination due to the death of the Management Board member, the Company will pay the fixed salary and the average annual variable remuneration pro rata temporis for six further months, provided that the Management Board member leaves a spouse, a registered partner or minor children or, in the absence of such heirs, other persons towards whom he has a support obligation.

ASSUMPTION OF CONTRIBUTIONS TO HEALTH AND LONG-TERM CARE INSURANCE

With exception of Udo Giegerich the members of the Management Board of the Company are fully reimbursed for the cost of their private health insurance and their private long-term care insurance. Udo Giegerich receives standard contributions of up to 50% for his private health and long-term care insurance, but no more than the amount that would result if the member of the Management Board had statutory health insurance.

In addition, the Company reimburses the Board Members, with exception of Udo Giegerich, for their contributions to private non-occupational accident insurance and disability insurance upon presentation of proof.

Udo Giegerich is included in existing group insurance policies. Any taxes payable thereon are borne by the Board Member.



ASSUMPTION OF TAX CONSULTING COSTS BY THE COMPANY

Members of the Management Board (with the exception of Udo Giegerich) are also reimbursed by the Company for tax consulting costs incurred in connection with their annual income tax return for Luxembourg up to a maximum amount of € 5,000.

BAHNCARD 100

The Company bears the annual costs for a Deutsche Bahn Bahncard Business 100 valid for 1st class.

COMPANY CAR

The Board Members Sebastian Ernst and Johannes Märklin are each entitled to receive a company car for company and private usage. The tax incurring on this remuneration in kind must be paid by the respective Board Member. The car usage is limited to the duration of the service agreement.

GROUP ACCIDENT INSURANCE

Furthermore, the members of the Management Board participate in a Group accident insurance policy of the Company that covers both professional and private accidents. The benefits granted by the insurance to the insured person or his or her legal heirs amount to a maximum of € 1,000,000 in the event of death or a maximum of € 3,750,000 in the event of full disability.

D&O INSURANCE

A D&O insurance policy without a deduction has also been set up for the members of the Management Board.

SHORT-TERM VARIABLE REMUNERATION COMPONENT (SHORT-TERM INCENTIVE, STI)

The Short-Term Incentive is an annual, pro rata temporis payment, of which the amount is determined by the degree of achievement of the following three STI targets:

- **Earning targets** in accordance with the business plan for the entire Corestate Group prepared annually by the Company's Management Board and approved by the Supervisory Board.
- **Share price:** Development of the Company's share price or a share price-related performance indicator in accordance with the individual arrangements agreed to between the member of the Management Board and the Supervisory Board. In the case of the Board Member Udo Giegerich this STI target component merely focuses on the company's share price.
- The **personal performance** of the individual member of the Management Board.

The business plan applies for the bonus criteria earning targets. The STI for this criteria does not apply if the target achievement is 50% or less. From 50% target achievement onwards, the bonus is calculated linearly and is limited to a maximum amount of 100%.

For the bonus criteria share price, the degree of target achievement is determined by comparing the key figures agreed to between the member of the Management Board and the Supervisory Board and the actual key figures achieved in the respective financial year. The STI for this criteria does not apply if target achievement is 50% or less. From 50% target achievement onwards, the bonus is calculated linearly and is capped at 100%.

The Supervisory Board decides on the degree of achievement of the Management Board member's personal performance, as a third STI target, at its reasonable discretion. If the degree of target achievement is exceeded due to exceptional performance by René Parmantier and Udo Giegerich, the maximum amount of 100% may also be exceeded. In the case of Management Board members Sebastian Ernst and Johannes Märklin, there is an on target limit of 100% target achievement.

Each of the targets is weighted one third. In case of the Board Member Udo Giegerich the bonus criteria "earning targets" and "development of the share price of the Company" are weighted each with 25% and the bonus criteria "individual performance" is weighted with 50%.



The STI 2021 does not apply to Udo Giegerich who has a guaranteed fixed STI sum for 2021 according to his service agreement.

If an STI is to be paid, it is to be determined individually for every Board Member and paid out, in the case of René Parmantier and Udo Giegerich, one week after approval of the audited consolidated financial statements in the respective benchmark financial year and in the case of Sebastian Ernst and Johannes Märklin with the regular payroll cycle that follows the month in which the audited consolidated financial statements have been approved for the relevant benchmark financial year.

The Board Members Sebastian Ernst and Johannes Märklin have an additional STI entitlement resulting from their role as Managing Directors at Corestate Bank. Each of them can receive an annual variable payment up to a maximum of € 324,000 if this is justified by the overall success of the Company (Corestate Bank GmbH) and the agreed targets. The decision about the concrete amount of bonus payment is made by the annual general meeting of the Company at its reasonable discretion and in accordance with the separate remuneration arrangements for employees of the Company.



LONG-TERM VARIABLE REMUNERATION COMPONENT (LONG-TERM INCENTIVE, LTI)

The Long-Term Incentive remuneration component is structured as an entitlement to shares in the Company to which the Management Board Member is entitled under certain conditions (so-called LTI criteria).

These LTI criteria are defined as follows:

- **Earning targets** (in accordance with the business plan for the entire Corestate Group prepared annually by the Company's Management Board and approved by the Supervisory Board of the Group)
- **Development of the Company's share price**, and in the case of René Parmantier, Sebastian Ernst and Johannes Märklin also compared to certain peers of the Company
- **Implementation of ESG measures** by the Management Board (in particular with regard to diversity and ensuring sustainable corporate development) in the case of René Parmantier and in the case of the Board Members Udo Giegerich, Sebastian Ernst and Johannes Märklin the achievement of qualitative and quantitative targets including safeguarding good corporate governance and sustainable development of the Corestate Group.

All LTI criteria are weighted at one third each. Shares are only allocated if the respective LTI criteria have a degree of achievement of 50% or more. In such cases, the pro rata equivalent value of the LTI shares is calculated linearly according to the degree of target achievement, with a maximum limit of 100% target achievement.

The tranche of LTI shares is to be transferred to the Management Board member's securities account immediately after the Supervisory Board has determined the equivalent value for the respective financial year. The calculation of the actual number of shares to be transferred varies depending on the individual contractual arrangement of the Management Board member.

Thus, the number of shares can be calculated by either dividing the calculated equivalent value of the shares

- by the volume-weighted 10-day average of the Company's share price on the Xetra trading platform before the last trading day of the financial year for which the LTI shares are going to be granted
- by the volume-weighted 10-day average of the share price of the Company on the Xetra trading platform before the relevant service agreement became effective
- by the closing price of the Company's share on the seventh stock exchange trading day before the transfer to the Board Member's securities account takes place.

From the date of transfer, each annual tranche of LTI shares is subject to a contractual holding period of four years.

The annual LTI value determined and, if necessary, adjusted after the end of the respective performance period is limited to € 800,000 for René Parmantier, € 490,000 for Udo Giegerich and € 324,000 for both Sebastian Ernst and Johannes Märklin. For 2021 there is no annual LTI value stipulated for Udo Giegerich according to his service agreement.

The Board Members Sebastian Ernst and Johannes Märklin have an additional LTI entitlement. Depending on specific targets, agreed for the respective financial year between the Board Member and the Supervisory Board, Sebastian Ernst and Johannes Märklin can each receive an annual LTI value up to a maximum of € 486,000 in addition.



TOTAL REMUNERATION OF THE MANAGEMENT BOARD

	René Parmantier (CEO)			Udo Giegerich as at 01.08.2021 (CFO)			Sebastian Ernst as at 14.01.2021 (CDIO)			Johannes Märklin as at 14.01.2021 (CDFO)		
€	2021	min.	max.	2021	min.	max.	2021	min.	max.	2021	min.	max.
Fixed Amount	900,000	900,000	900,000	250,000	250,000	250,000	819,721	819,721	819,721	819,721	819,721	819,721
Additions	22,292	-	-	8,639	-	-	26,497	-	-	35,589	-	-
Total Fixed Payments	922,292	900,000	900,000	258,639	250,000	250,000	846,218	819,721	819,721	855,310	819,721	819,721
STI	50,000	0	50,000	0	0	0	615,000	615,000	615,000	615,000	615,000	615,000
LTI	0	0	66,667	0	0	0	0	0	0	0	0	0
Total Variables Payments	50,000	0	116,667	0	0	0	615,000	615,000	615,000	615,000	615,000	615,000
Total Fix & Variable Payments	972,292	900,000	1,016,667	258,639	250,000	250,000	1,461,218	850,000	850,000	1,470,310	850,000	850,000
One-off Payments												
Compensation Payments (Salary/STI/ LTI)	0	0	0	0	0	0	0	0	0	0	0	0
Contractual one-off Payments	0	0	0	0	0	0	0	0	0	0	0	0
Total one-off Payments	0	0	0	0	0	0	0	0	0	0	0	0
Total Remuneration	972,292	900,000	1,016,667	258,639	250,000	250,000	1,461,218	1,434,721	1,434,721	1,470,310	1,434,721	1,434,721

TOTAL REMUNERATION OF THE MANAGEMENT BOARD

€	Nils Hübener (CIO)			Lars Schnidrig (CFO)			Daniel Löhken (CLHRO)		
	2021	min.	max.	2021	min.	max.	2021	min.	max.
Fixed Amount	266,670	266,670	266,670	408,333	408,333	408,333	266,667	266,667	266,667
Additions	7,667	-	-	26,026	-	-	16,370	-	-
Total Fixed Payments	274,337	266,670	266,670	434,359	408,333	408,333	283,036	266,667	266,667
STI	112,500	0	225,000	0	0	0	295,832	0	45,833
LTI	155,627	0	225,000	0	0	0	0	0	54,167
Total Variables Payments	268,127	0	450,000	0	0	0	295,832	0	100,000
Total Fix & Variable Payments	542,464	266,670	716,670	434,359	408,333	408,333	578,869	266,667	366,667
One-off Payments									
Compensation Payments (Salary/STI/ LTI)	150,000	0	0	528,100	0	0	1,450,000	0	0
Contractual one-off Payments	203,846	0	0	350,000	0	0	9,231	0	0
Total one-off Payments	353,846	0	0	878,100	0	0	1,459,231	0	0
Total Remuneration	896,310	266,670	716,670	1,312,459	408,333	408,333	2,038,100	266,667	366,667

BENEFITS ON THE OCCASION OF THE TERMINATION OF MANAGEMENT BOARD POSITIONS

Lars Schnidrig

The Management Board contract as Chief Financial Officer (CFO) of Lars Schnidrig was terminated with effect from 31 July 2021. All claims resulting from the termination of his service agreement were settled by a pro-rata STI payment for 2021 of € 145,833, by a pro-rata LTI payment for 2021 of € 382,266 and by the payment of non-compete compensation of € 350,000.

Nils Hübener

The Management Board contract as Chief Investment Officer (CIO) of Nils Hübener was terminated with effect from 31 August 2021. All claims resulting from the termination of his service agreement were settled by a pro-rata STI and LTI payment for 2021 of € 150,000 as well as by non-compete compensation of € 200,000.

Daniel Löhken

The Management Board contract as Chief Legal and HR Officer (CLHRO) of Daniel Löhken was terminated with effect from 31 August 2021. Mr. Löhken received a final payment to cover all remuneration claims, including possible STI and LTI claims for 2021, of € 1,450,000.

Furthermore, it was decided that the participation in a company share programme that was granted to Daniel Löhken in 2019 for a total term of five years is not affected by the termination agreement.



REMUNERATION SYSTEM FOR THE SUPERVISORY BOARD

From 01 January 2021 to 31 December 2021, the Supervisory Board of the Company had three members.

The chairmanship was held by Friedrich Munsberg.

The Articles of Association provide for the following remuneration for the members of the Supervisory Board. The Chairman of the Supervisory Board is entitled to annual remuneration of € 150,000 and the Deputy Chairman of the Supervisory Board to annual remuneration of € 100,000. The third member of the Supervisory Board is entitled to a remuneration of € 75,000. The remuneration is aligned with the recommendations of the German Corporate Governance Code (GCGC). This means that the remuneration of the Supervisory Board members is solely fixed and not performance-based.

In addition to the annual remuneration, each member of the Supervisory Board is entitled to a meeting allowance of € 750 for each meeting the member attends in person, by telephone or videoconference. The Supervisory Board Members are also reimbursed of all reasonable and properly documented costs incurred as part of their mandate and benefit from market-standard D&O insurance.

The Chairman of the Company's Audit Committee and the Chairman of the Company's Nomination and Remuneration Committee are entitled to an additional annual remuneration of € 10,000. The Chairman of any other company committee, should there be one, is entitled to additional annual remuneration of € 10,000. Each other member of the Company's Audit Committee, Nomination and Remuneration Committee and any other company committees, should there be one, are entitled to an additional annual remuneration of € 5,000.

According to the Articles of Association, the annual remuneration (after deduction of all taxes due) is payable in a single lump sum within ten days after the end of each financial year. Supervisory Board members who have been members of the Supervisory Board or a committee of the Supervisory Board for only part of the financial year receive corresponding pro rata remuneration for that financial year.

Total remuneration of the Supervisory Board

€	Membership		Supervisory Board		Audit Committee	Corporate Governance Committee	Nomination and Remuneration Committee	Remuneration paid	Attendance Fee paid	Total per Member
	from	to	Annual Remuneration	Attendance Fee	Annual Remuneration	Annual Remuneration	Annual Remuneration			
Munsberg, Friedrich (Chairman AR & NRA, Member AC & CGC)	29.11.20	31.12.21	150,000	750	5,000	5,000	15,000	175,000	27,750	202,750
Prof. Dr Wagner, Hermann (Deputy Chairman AR, Chairman AC, Member CGC & NRA)	29.11.20	31.12.21	100,000	750	15,000	5,000	5,000	125,000	27,750	152,750
Dr Oelrich, Friedrich (Member AR, AC & NRA, Chairman CGC)	29.11.20	31.12.21	75,000	750	5,000	10,000	5,000	95,000	27,000	122,000
Total								395,000	82,500	477,500