

Report of the General Partner to the General Meeting on item 12 of the agenda pursuant to §§ 71 para. 1 no. 8 sentence 5, 186 para. 4 sentence 2 AktG

The General Partner has reported in writing pursuant § 71 para. 1 no. 8 sentence 5 AktG in conjunction with § 186 para. 4 sentence 2 AktG on item 12 of the agenda. The report is provided for insight by the shareholders on the business premises of the Company from the day on which the General Meeting is convened onwards. Furthermore, the report will be published on the Company's website at <http://ir.stroeer.com/gm/> and sent to each shareholder free of charge on request.

The report has the following content:

To supplement agenda item 11, it is suggested to the General Meeting pursuant to agenda item 12 to authorise the Company to purchase own shares using derivatives as well and to enter into the corresponding derivative transactions. The authorisation is to be usable by the Company, companies of the group and through third parties who act for the account of the Company or a Company of the group. Agenda item 12 thus expands agenda item 11 only by the option of purchasing own shares using specific derivatives.

For the Company, it can be of advantage to sell put options for shares of the Company ("Put Options"), to purchase call options for shares of the Company ("Call Options") or to use a combination of this (Put Options, Call Options and combinations of Put and Call Options together hereinafter also: "Derivatives"; and the underlying option transactions also: "Derivative Transactions"), instead of purchasing shares of the Company directly. This additional alternative for action expands the Company's possibilities to structure purchase of own shares in an optimised manner. Specifically, the Company is thus given a greater flexibility in the design of repurchase strategies and programmes. For example, the Company may secure itself against rising share rates by purchasing Call Options. The Company avoids a direct outflow of liquidity by both the purchase of Call Options and the sale of Put Options. The use of derivatives therefore may be sensible in the interest of liquidity-protecting purchase of own shares.

When selling Put Options, the Company grants the purchaser the right to sell the Company's shares to the Company during the agreed term or at a specific time at a price specified in the Put Option ("Execution Price"). As consideration, the Company receives a premium ("Option Premium"), the value of which must be determined in a market-oriented way, i.e. under application of recognised financial-mathematics methods under consideration of the execution price, the term of the option and the volatility of the share. The option premium must not essentially undercut the determined market value of the sales right. If the Put Option is executed, the option premium that the option holder has paid to the Company shall reduce the total counter-value paid for the purchase of the share by the Company. The execution of the Put Option is usually economically sensible for the option holder when the

rate of the share at the time of execution of the Put Option is below the Execution Price. The option holder may then sell the share to the Company at the higher execution price. From the Company's point of view, the share repurchase using Put Options offers the advantage of the Execution Price being already specified when entering into the derivative transaction, while the liquidity will only flow out on the execution date. Apart from this, the purchasing price of the shares for the Company under consideration of the received option premium does not essentially deviate from the share rate at conclusion of the derivative transaction. If the option holder does not execute the Put Option because the share rate of the execution date is above the Execution Price, the Company may thus not purchase its own shares, but retains the already-received option premium.

When purchasing a Call Option, the Company receives the right to purchase a previously determined number of shares during the agreed term or at a specified time at the previously specified execution price from the seller of the option ("Option Writer"). The value of the option premium to be paid by the Company for purchase of the Call Option must be determined in a market-oriented way, i.e. under application of recognised financial-mathematics methods under consideration of the execution price, the term of the option and the volatility of the share. The option premium must not essentially exceed the determined value of the purchase right. When executing a call option, the total compensation paid for purchase of the share is increased by the value of the option premium for the Company. Therefore, it must be considered when calculating the Execution Price for the Call Option. The execution of the Call Option is usually economically sensible for the Company when the rate of the share at the time of execution of the Call Option is above the Execution Price. The Company may then purchase the share from the Option Writer at the lower execution price. From the Company's point of view, the share repurchase using Call Options also offers the advantage of the Execution Price already being specified when entering into the derivative transaction, while the liquidity will only flow out on the execution date. Apart from this, the purchasing price of the shares for the Company under consideration of the paid option premium does not essentially deviate from the share rate at conclusion of the derivative transaction. The Company may secure itself against the risk of having to purchase its own shares at a higher rate at a later time this way, e.g. in the scope of conversion rights from convertible bonds. At execution of the Call Options, it only needs to purchase the number of own shares that it actually needs at this time.

The Company may also combine use of different types of derivatives. It is not limited to using only the described types of derivatives.

The term of the derivatives is limited to a maximum of eighteen Month. It also must be chosen so that it ends on 3 November 2025 at the latest. Additionally, the derivative conditions must ensure that the purchase of own shares due to execution of a derivative does not take place after 3 November 2025. This prevents the Company from purchasing own shares based on this authorisation after the end of the authorisation to purchase own shares valid until 3 November 2025.

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Own shares may only be sold or purchased using derivatives up to a maximum of 5 per cent of the share capital. This restriction relates to the share capital existing at the time of adoption of the resolution by the General Meeting on this authorisation or - if lower - of the share capital existing at the time when the authorisation is exercised.

The basis for the Execution Price agreed on in the respective derivative that is to be paid by the Company at purchase of a share due to execution of the respective derivative shall correspond to the average of the rates of the share of the Company in the closing auction in XETRA trade (or a comparable successor system) at the Frankfurt stock exchange. In this respect, the average of the last three trading days before conclusion of the respective derivative transaction shall be relevant. The execution price must not exceed or undercut this average by more than 10 % (without purchasing secondary costs, but under consideration of the received or paid option premium. i.e. at Put Options minus the received option premium and at Call Options plus the paid option premium).

The specifications contained in the authorisation for design of the derivatives are to ensure that purchase of own shares using derivatives generally takes place under maintenance of the principle of equal treatment and at conditions that would apply to direct purchase of shares at conclusion of the derivative transaction. This excludes that the shareholders are economically disadvantaged by purchase of own shares using derivatives. This is achieved by only permitting derivatives to be sold or purchased at close-to-market conditions and by purchase of own shares using derivatives only taking place at conditions that would apply to direct purchase of shares pursuant to the authorisation in agenda item 11 at conclusion of the derivative transaction. The Company shall pay a price that essentially corresponds to the rate of the share at the time of conclusion of the derivative transaction at execution of the respective derivative (under consideration of the option premium received or paid). Those shareholders who are not involved with the derivative transactions shall not suffer any value disadvantage from this. Apart from this, their situation shall correspond to that at direct purchase of own shares through the Company through the stock exchange where the Company would also pay the share rate for the shares.

The Company shall also observe the principle of equal treatment (§ 53a AktG) when selling or purchasing the derivatives. This is the case, e.g. when purchasing or selling the derivatives through the stock exchange, since all shareholders have the same opportunity for purchasing or selling derivatives there. The principle of equal treatment permits, however, that the Company sells derivatives to individual third parties only or purchases them from individual third parties only if there is a factual reason for this. This may be required for planned use of derivatives in the scope of repurchase of own shares or for other reasons, and to best use the advantages resulting for the Company from the use of derivatives. The shareholders' right to enter into such derivative transactions with the Company may therefore be excluded if there is a factual reason under corresponding application of § 186 para. 3 sentence 4 AktG. Without this exclusion, it would hardly be possible to enter into all economically sensible derivative transactions in the short term or with counterparties suitable for such derivatives and thus react to market situations flexibly and in a timely manner. When

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purchasing own shares using derivatives, the shareholders therefore are to only be due a right to offering their shares where the Company is obliged to purchase the shares from them due to derivatives. The General Partner considers exclusion of the offer right to be justified after careful consideration of the interest of the shareholders and the interest of the Company based on the advantages that may result for the Company from use of derivatives.

For use of the own shares purchased using derivatives, the authorisation from agenda item 11 shall apply. In this respect, and specifically regarding the exclusion of the subscription right of the shareholders, we refer to the report on agenda item 11.

The General Partner shall report on the utilisation of the authorisation to purchase own shares through any use of derivatives as well in its reporting.

Cologne, September 2020

Ströer SE & Co. KGaA
General Partner
Ströer Management SE
Management Board

Udo Müller
(Co-CEO)

Christian Schmalzl
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Dr. Christian Baier
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