

## CORPORATE GOVERNANCE REPORT

For Ströer Media AG, good and responsible corporate governance is vital to maintaining and increasing the capital markets' trust in the Company. Responsible management focused on long-term value creation is a high priority for the Company. The fundamental characteristics of good corporate governance are an efficient working relationship between the board of management and supervisory board that is based on mutual trust, respect for shareholder interests as well as the openness of internal and external corporate communication.

### Notes to the declaration of compliance in accordance with Sec. 161 AktG

Ströer bases its corporate governance on the generally accepted standards of good corporate governance, with particular regard to the recommendations and suggestions of the German Corporate Governance Code (GCGC). The joint declaration of compliance of the supervisory board and board of management in accordance with Sec. 161 AktG ["Aktiengesetz": German Stock Corporation Act] which was submitted in January 2014 deviates six times from the recommendations of the GCGC as amended on 13 May 2013. These deviations relate to recommendations whose implementation is not considered appropriate as they do not reflect Ströer's sector-specific requirements. The declaration is available on Ströer's website ([www.stroeer.de/investor-relations](http://www.stroeer.de/investor-relations) under the "Corporate Governance" menu item) as a component of the corporate governance declaration.

In addition to the recommendations of the GCGC, Ströer also implements most of the suggestions of the Code ("should" or "can" suggestions).

In line with the recommendation of the GCGC, the supervisory board regularly examines the efficiency of its work. To this end, the members of the supervisory board completed detailed evaluation forms. After deliberating on the results of the evaluation in detail, the supervisory board concluded that it performs its control activities efficiently, also with the support of its audit committee.

Resolutions were passed by a large majority at the shareholder meetings in 2013.

Ströer attaches particular importance to informing the shareholders promptly about the economic development of the Company. The group annual report and the interim financial reports were published in the reporting year within the legally prescribed period. Ströer also intends to fulfill the transparency requirements of the GCGC as soon as possible by optimizing the reporting process.

In fiscal year 2013, we published an ad hoc announcement concerning the international expansion of our online activities in our core foreign markets.

## Directors' dealings

In accordance with Sec. 15a WpHG [“Wertpapierhandelsgesetz“: German Securities Trading Act], members of the board of management, supervisory board and other executive employees are required to disclose their trades in Ströer Media AG stock or any related financial instruments if the value of the purchase or sale reaches or exceeds EUR 5,000 in any one calendar year. This obligation also applies to individuals closely related to the above group. The following announcements on directors' dealings were made in fiscal year 2013:

Name	Reason for announcement	Purchase/sale	Date	Location	Number	Price in EUR	Trade volume in EUR
Ströer, Dirk	Person in a managerial position	Transfer (disposal) based on trust agreement	29 May 2013	OTC	2.800.000	1,00	2.800.000,00
Media Ventures GmbH	Closely related legal person, body or institution	Acquisition from capital increase in return for non-cash contributions	3 June 2013	OTC	6.771.546	7,31	49.500.000,00
Media Ventures GmbH	Closely related legal person, body or institution	Sale	25 June 2013	OTC	3.385.773	7,35	24.885.431,55
Ströer Beteiligungsgesellschaft mbH	Closely related legal person, body or institution	Acquisition	25 June 2013	OTC	3.385.773	7,35	24.885.431,55

## Shareholdings of the board of management and supervisory board

We received the following notifications on the shareholdings of the board of management and supervisory board for fiscal year 2013: Dirk Ströer, member of the supervisory board, holds 24.22% of the total shares in Ströer Media AG. The other members of the supervisory board do not have any shares. As regards the members of the board of management, Udo Müller holds 29.95%, while Alfred Bührdel and Christian Schmalzl together hold around 0.15% of the shares.

## Independence of the auditor

Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Cologne, was appointed as auditor by the shareholder meeting, and audited the consolidated and separate financial statements for 2013. It was contractually agreed with Ernst & Young that the chairman of the audit committee would be informed of any possible material findings and events arising during the audit. There were no such findings or events. The supervisory board obtained a comprehensive independence declaration from the auditor before resolving to recommend to the shareholder meeting to reappoint Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Cologne, as the Company's auditor for fiscal year 2013. This declaration states that the auditor has no business, financial, personal or other relations that could cast doubt on its independence.